Kentucky Transitional Assistance Program (KTAP)
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MS 2001 KTAP 60 MONTH LIFETIME LIMIT (1)

[KTAP benefits have a 60 month (5 year) lifetime limit for some individuals. The 60 month time limit began on 11/1/1996; therefore, any KTAP benefits received prior to 11/1/1996 are not considered in the 60 month lifetime limit.

A. The 60 month lifetime limit applies to:

1. An adult who is included in the benefit group, even when sanctioned;

2. An excluded adult who is a fugitive felon, probation/parole violator, or convicted drug felon;

3. A teen parent who is head of household;

4. Teen parents under age 18 who live together, have a common child, and are receiving KTAP based on incapacity or unemployment;

5. An adult member of the benefit group who received TANF cash benefits from another state. The months of receipt in all other states count toward the 60 month limit, except for months received when the state had a waiver. Contact the state to determine if the benefits were TANF funded and if the state had a waiver at that time. If the state had a waiver, contact the Family Self-Sufficiency Branch through your regional office to determine how the months are considered.

6. Prorated payments made for the month of application but received the following month.

7. Any month with an established claim even after the claim is repaid.

B. The 60 month limit does NOT apply to:

1. Child only cases. This includes cases with a technically ineligible parent due to alien status or receipt of SSI. Sanctioned and felon cases are not considered child only;

2. A minor parent (under age 18) who is not head of household, but included in his/her parent's benefit group;

3. Any months prior to Electronic Benefit Transfer (EBT) and the KTAP eligible amount was under $10 and:

a. The KTAP benefit group did not contain a sanctioned or penalized adult;

b. The KTAP benefits were not benefit reduced to repay a claim; and

c. The KTAP benefit group was not receiving supportive services; or

d. The KTAP benefit group had earnings and received supportive services.

Inquire Benefit Inquiry in the Benefit Management Section of Worker Portal to determine if benefits were issued through EBT for a particular month.

4. A month in which a KTAP check is returned and:

a. The KTAP benefit group does not contain a sanctioned or penalized adult;

b. The KTAP benefits are not benefit reduced to repay a claim; and

c. The KTAP benefit group is not receiving supportive services; or

d. The KTAP benefit group has earnings and receives supportive services.

5. A retroactive payment month. Retroactive months include:

a. A hearing decision that requires retroactive payments be made; or

b. Retroactive benefits issued to correct an agency error;

6. Family Alternatives Diversion (FAD) program payments.

7. Work Incentive (WIN) reimbursements.

C. All KTAP cases must be reviewed in the 57th month of receipt to determine if the individual is eligible for an extension beyond 60 months.

D. Households discontinued for the 60 month lifetime limit:

1. Are NOT eligible for FAD;

2. May be eligible for Work Incentive (WIN) reimbursements if eligibility criteria for WIN are met when the case is discontinued.]

MS 2003 EXTENSION OF 60 MONTH LIFETIME LIMIT (1)

[After cash benefits have been received for 60 months, an otherwise eligible KTAP benefit group meeting criteria for an extension may be allowed to continue to receive benefits.

Cases approaching the 60 month limit are reviewed in the 57th month for a potential extension. If the extension reason cannot be verified before cut-off of the 60th month, the KTAP case automatically discontinues. If verification of the need for an extension is received after the discontinuance, reinstate the case.

An individual whose KTAP case was discontinued due to the 60 month limit may receive an extension any time after the discontinuance if the individual meets the criteria for an extension.

When an extension is entered or changed, the case pends for supervisory approval which creates a task in the supervisor queue. When the extension ends, the case is automatically discontinued for receipt of the 60 month limit effective the next administratively feasible month.

The reasons KTAP benefits can be extended beyond the 60 month lifetime limit are:

A. An adult included in the benefit group is currently in a domestic violence situation. During the extension period, the individual must:

1. Complete and follow the recommendations of a domestic violence service plan with Protection and Permanency (P&P). A copy of the plan must be obtained and scanned into the Electronic Case File (ECF).

2. Comply with KWP activities, unless participation will endanger the individual or the family.

3. Cooperate with child support requirements, unless good cause is granted.

Good cause for domestic violence is reviewed every 6 months or less. The domestic violence service plan should be reviewed when the extension is reviewed.

B. The individual was in a domestic violence situation in the past for which KWP good cause was granted because it prevented participation. KTAP can be extended for only the number of months the individual was granted good cause due to domestic violence.

<u>EXAMPLE:</u> In the past, an individual was granted good cause due to domestic violence for four months. When the individual is approaching 60 months of KTAP receipt, if requested, the KTAP benefits can be extended for four months.

During the extension period, the individual must:

1. Comply with KWP activities, unless participation will endanger the individual or the family; and

2. Cooperate with child support requirements, unless good cause is granted.

C. An adult, included in the benefit group, who has a physical or mental condition prohibiting work, as determined by the Cabinet.

The determination can be made by the Targeted Assessment Program (TAP), Comprehensive Care, Office of Vocational Rehabilitation (OVR), or the Medical Review Team (MRT). If the determination is not made by TAP, Comp Care or OVR, a referral for a determination must be sent to MRT.

In order to receive an extension, the individual must:

1. Comply with the treatment or other activities recommended by a referral source approved by the Cabinet such as MRT, TAP, Comp Care, or OVR.

2. Cooperate with child support requirements unless good cause is granted. If the individual fails to cooperate with child support without good cause, the case should be discontinued.

The extension is reviewed as specified by the referral source, or if the referral source does not specify a review date, every 3 months.

D. The parent, included in the benefit group, is required to provide care for a household member who is a parent, spouse, or child with a disability and no alternative care arrangement is available.

1. The need for care is documented by a health care professional on form PA-4, Statement of Required Caretaker Services. Form PA-4 documents the individual who needs care, how many days per week the care is required, and how long care will be needed. Form PA-4 must be scanned into ECF.

2. The extension is reviewed and a new form PA-4 completed at least every 6 months.

The individual must continue to comply with child support requirements. If child support requirements are not met and there is no verified good cause, the case is discontinued.

E. A grandparent or other caretaker relative, included in the benefit group, is caring for an eligible child who would otherwise be placed in Foster Care.

The caretaker relative must comply with KWP and child support requirements in order to receive the extension. This extension is reviewed at recertification.

F. An adult, included in the benefit group, has insufficient employment opportunities, as determined by the Cabinet.

Insufficient employment opportunities are determined on a case by case basis depending on the conditions of the local area. The extension is limited to 6 months and reviewed after 3 months. To remain eligible for the extension, the individual must:

1. Take advantage of offered employment opportunities;

2. Cooperate with KWP activities;

3. Cooperate with child support requirements, unless good cause is granted;

If the individual fails to comply with the requirements of either KWP or child support without good cause, the case is discontinued.

G. If otherwise eligible, a benefit group containing an adult who has lost a job due to no fault of his/her own, within 30 days of reaching the 60 month limit can receive a 3 month extension. The last day worked and reason for the job ending must be verified. This extension is allowed once and is a maximum of 3 consecutive months.]

MS 2005 [KTAP TRACKING (1)

Adult individuals can only receive benefits from the Kentucky Transitional Assistance Program (KTAP) for 60 months, unless criteria for an extension beyond the 60 month limit are met. Extension criteria can be found in MS 2003. Worker Portal tracks each month of KTAP receipt on the KTAP Time Clock, which is located on the Individual Summary Screen.

A. Months that do not count in the 60 month limit are:

1. Returned check - This reason is used for any month an individual voluntarily returns his/her benefits by either return of the KTAP check or by an adjustment of the EBT account. It is also used to identify any month for which a check was issued, but was returned and cancelled. This could include reasons such as "Unable to Locate" or "child no longer in home".

2. Retroactive payment month - This reason is used for any month when a special circumstance payment is issued for benefits owed for a previous month due to a reversed hearing decision. It is also used to identify special circumstances owed to a recipient for retroactive months due to an agency error.

3. Felon - This reason is used to exempt months of receipt prior to 8/1/05 for cases that included a drug felon, fleeing felon, or probation/parole violator.

B. Months that count in the 60 month limit, but are tracked for other reasons are:

1. Domestic violence with KWP Good Cause – These months are tracked to identify months in which an individual is or was identified as being in a domestic violence situation and unable to participate in KWP activities. An individual can receive an extension beyond the 60 month time limit for the number of months the domestic violence situation existed. This information is tracked by the system when the questions regarding domestic violence are completed.

2. Domestic violence and Participating with KWP – These months are tracked primarily for federal reporting purposes of the number of cases in a domestic violence situation, but could also be used to indicate an individual was or is in a domestic violence situation, when reviewing for discontinuance due to 60 month policy.

   Domestic Violence is indicated by answering “Yes” to the question, “Is anyone in the household currently in a domestic violence situation?” on the Non-Financial Questions screen. This will access the “Domestic Violence” screen where the details of the domestic violence situation are entered.

3. Felon or Probation/Parole Violator – Drug felon, fleeing felon and probation/parole violator. This reason is used to track months of receipt for a case that contains a drug felon, fleeing felon and probation/parole violator. This reason was effective 8/1/05.

   Fleeing felon and probation/parole violator information is indicated by answering “Yes” to the question, “Is anyone in the household a fleeing felon or a probation/parole violator?” on the Non-Financial Questions screen. Drug felon information is indicated by answering “Yes” to the question, “Has anyone in the household committed and been convicted of a drug felony since 8/22/1996?” on the Non-Financial Questions screen. This will access the “Conviction Information” Screen where type and date of the conviction are entered.

C. When an individual applies, reapplies, recertifies, or adds a new household member to a KTAP case and states he/she has received cash assistance in another state, answer "Yes" to the question, “Has anyone received TANF, SNAP, or Medicaid benefits in another state?” on the Non-Financial Questions screen. This will access the “Out of State Benefits” screen to indicate the type of benefit, the state, the dates, the TANF amount, and the type of verification received for any benefits received in another state for the application month or following month. If the individual received TANF or SNAP benefits for months prior to the application month, this is also indicated on this screen and will generate form PAFS-28, Out-of-State Inquiry. The worker sends form PAFS-28 to the appropriate state to verify months of receipt. Once the completed form is returned, scan the form into the Electronic Case File (ECF) and update the “KTAP Time Clock” to reflect the correct number of months of TANF receipt.]

MS 2010 KWP FULL FAMILY SANCTION

[When a work eligible individual fails or refuses to participate in Kentucky Works Program (KWP) activities, it can result in a full family sanction and discontinuance of KTAP benefits.

A. A full family sanction and discontinuance of a KTAP case is applied when a work eligible individual has:

   1. Received 6 or more cumulative months of KTAP or TANF cash benefits in Kentucky or any other state; and

   2. Been penalized by a pro-rata reduction of benefits in a KTAP case for 3 cumulative months since 8/1/05 in Kentucky.

B. Full family sanction policy does not apply for Unemployed Parent (UP) KTAP cases as the Qualifying Parent is required to participate in KWP activities in order to meet technical eligibility requirements. Failure to participate the required hours in KWP activities results in discontinuance of the KTAP case. A KWP sanction cannot be entered in OTIS for a UP case.

C. When criteria for a full family sanction are met, the KTAP case is automatically discontinued. Discontinuance of KTAP benefits due to a full family sanction takes precedence over all other discontinuance reasons, except for discontinuance due to reaching the 60 month lifetime limit.

   When a KTAP case discontinues for full family sanction the system takes the following actions:

   1. A report of all cases discontinued due to full family sanction for each month is created. This report is accessible to and reviewed by Protection and Permanency (P&P) staff to evaluate the family for Safety Net services. Refer to MS 2025 for more information on Safety Net.

   2. The SNAP disqualification for failure to cooperate with other programs is automatically ended when the KTAP case discontinues, which will adjust the SNAP benefit amount appropriately. For more information on SNAP disqualifications, refer to Volume II, MS 2370 and Volume IIA, MS 4350.

   3. The KWP approved child care assistance is terminated and the family is evaluated for income-based child care assistance.

D. If the individual reapplies for KTAP following a KWP full family sanction, refer to MS 2015.

E. See Volume IIIA, MS 4750 for details concerning cases where the child receives SSI and the only member of the KTAP case is an adult who is sanctioned.]

MS 2015 FULL FAMILY SANCTION AT REAPPLICATION (1)

Once an individual receives a full family sanction, he/she must cure the full family sanction before KTAP can be approved, regardless of the reason for the last discontinuance.

A. A full family sanction can be cured if the individual:

1. Has a verified good cause reason for not participating with KWP;

2. Is eligible for KWP exemption; or

3. Has been participating in an approved activity for 15 calendar days and agrees to continue participating.

B. The following actions are taken each time an individual with a full family sanction reapplies for KTAP:

1. All full family sanction applications MUST be taken during an in-person interview. If the applicant contacts DCBS Call Services and asks to make an application for KTAP, the Call Services worker must explain to the individual that because he/she has a full family sanction, an in-person interview with a case manager is required.

2. [During the application interview, explain the participation requirements needed to cure the sanction and provide form KW-207, Sanction Cure Information.]

3. Determine if the individual is eligible for a KWP exemption or meets good cause criteria as outlined in Volume IIIA, MS 4720. Verification of the individual's eligibility for an exemption or good cause cures the full family sanction.

4. If the individual has been participating in an activity for the required number of hours per week lasting at least 15 days prior to the application date, continues to participate as required, and participation is verified, the full family sanction is cured. Once verification is received, the worker must enter a cure end date on OTIS which will end the disqualification on Worker Portal, allowing the KTAP to approve.

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5. If the applicant has not participated in an activity prior to the KTAP application, but wishes to begin curing the sanction, the 15 calendar days begin the day the individual starts participating in a KWP activity. Provide form KW-33, Verification of Kentucky Works Participation, to verify participation. On the KWP Sanction screen in Worker Portal, the worker should add the Agree to Comply YES record to pend the case for up to 30 days. Use the application date as the date for agreeing to comply. After the required hours of participation have been completed, the worker should click on the blue edit pencil for that same Agree to Comply record that the worker created. This should open up the Date Compliance Met field on the KWP Sanction screen. There the worker should enter the Cure

End Date (cannot be any earlier than the 16th day) and Verification Date to cure the sanction. This should clear the RFI for noncompliance.

6. To determine the hours needed to cure the full family sanction, calculate the monthly participation requirements and divide by 2.

   a. An individual with a 20-hour requirement must participate 87 hours (20 x 4.33) during the month to meet participation. To cure the sanction, the individual must verify participation in an approved KWP activity for 44 hours (87/2) for at least 15 calendar days and intends to continue participation.

   b. An individual with a 30-hour requirement must participate 130 hours in the month to meet participation. In order to cure the sanction, the individual must verify he/she participated 65 hours (130/2) for at least 15 calendar days and intends to continue participation.

7. Pend the KTAP application for up to 30 days to allow the individual adequate time to complete and verify participation. If the application pends for verification other than cure of the full family sanction, the case will initially pend for 10 days. Once all other verification is provided and entered in Worker Portal, the Request for Information (RFI) will indicate the case is pending for “Verification of Sanction Cure” which will pend for 30 days from the application date.

8. The sanction must be cured on OTIS before the KTAP case can be approved on Worker Portal.

9. After approval of the KTAP case, use the FLSA calculator on OTIS to determine the WEP/COM hours allowed for the individual.

10. If the required hours of participation are not completed and verified within 30 days of the application date, the case will deny for “Full Family Sanction”.

C. If at any point following approval, the individual stops participating without good cause, the full family sanction is applied by entering a sanction on OTIS. Form KW-204, Conciliation Notice, is not necessary.

MS 2025

SAFETY NET

[KTAP cases discontinued due to a full family sanction or receipt of the 60 month lifetime limit are referred to Protection and Permanency (P&P) for an evaluation of Safety Net services. The purpose the referral is to ensure the children in the home are not threatened due to discontinuance of the KTAP case. P&P contacts the family to assess the current living situation. On a case by case basis, P&P may:

A. Provide assistance to the family to identify resources to address any issues the parent may have in providing care for his/her child(ren).

B. Refer the family to other appropriate resources.

C. Intervene in a crisis situation such as a fuel shortage, utility shut-off, insufficient food, clothing, housing, or employment.

D. Authorize up to $635 to be paid to an appropriate vendor over a period of 4 months in a 12 month period of time to address safety issues.

To be eligible for Safety Net services, the family must have a child in the household and have income at or less than 200% of the federal poverty level.

Family Support is not involved in the determination or issuance of Safety Net services.]

MS 2040 DISCLOSURE OF INFORMATION FOR TANF PROGRAMS (1)

[Information concerning TANF programs; Kentucky Transitional Assistance Program (KTAP), Family Alternatives Diversion (FAD), and Kinship Care (KC), may be released to the entities or individuals listed below, provided they comply with the Health Insurance Portability and Accountability Act (HIPAA). Any material released via fax must be monitored per HIPAA requirements. The receipt of faxes must be arranged so that the person receiving the fax is available to immediately retrieve the faxed information. For details of HIPAA requirements, refer to Volume I, MS 0160.]

A. Public employees including any identified representative of the Department of Health and Human Services in the performance of his/her duties in connection with the administration of the public assistance or child support enforcement programs pursuant to part D of Title IV of the Social Security Act including:

1. Officials administering any federal or federally assisted program which provides assistance in cash or in kind, or services directly to individuals on the basis of need;

2. Any audit or similar activity. For example, a review of expenditure reports or a financial review, conducted in connection with the administration of any federal or federally assisted program. This is limited to governmental entities authorized by law to conduct such an audit or activity;

3. Any individual or agency agreeing to departmental standards of confidentiality for the purpose of the provision of social services, employment or training to recipients of KTAP, FAD, or Kinship Care;

4. [Any service providers attempting to provide assistance to Kentucky Works Program (KWP) participants. The release of information under this provision is limited to purposes directly connected with providing services or issuing supportive services payments; and]

5. Officials administering any title IV-E foster care and adoption assistance programs.

B. Law enforcement agencies and their representatives, including county and Commonwealth attorneys, district and circuit court judges, and grand juries in discovering and prosecuting cases involving fraud.

1. [A potential fraud situation in the KTAP, KC, FAD, or other benefit programs may be identified by the Kentucky State Police during the course of other investigations. Form KSP-58, Request for Confidential Information, is utilized by the Kentucky State Police when requesting information concerning fraud or potential fraud investigations, whether identified by DCBS or another source.

a. Ensure form KSP-58 is completed in its entirety;

b. If form KSP-58 is not completed in its entirety, DO NOT release any information or sign the form;

c. If the requesting officer indicates he/she wishes to take case record material out of the office, offer to print the necessary documents from ECF.]

2. Federal, state, and local law enforcement officials who, in the proper exercise of their duties, provide the name of a KTAP recipient, and satisfactorily demonstrate that the recipient is:

a. A fugitive felon. A fugitive felon is a person who is charged or convicted of committing a felony and has escaped from custody within the jurisdiction where the felony occurred. A fugitive felon for the purpose of this definition may either reside in or outside of Kentucky in an attempt to avoid prosecution;

b. An individual violating a condition of probation or parole;

c. An individual who has information necessary for the officer to conduct his/her official duties; or

d. An individual involved in a criminal investigation.

The location or apprehension of the recipient must be within the official duties of the law enforcement officer.

Release of information in such cases is limited to information that is specific to the investigation.

3. A local law enforcement agency, Kentucky State Police, the Commonwealth or County Attorney report known or suspected instances of child abuse or neglect of a child receiving assistance. The local office cooperates in providing information necessary to verify a suspected or known senior or child abuse situation which has been reported to the proper authorities.

C. Members of Congress and the General Assembly, limited to cases of individual constituents who have requested information regarding their application or payment status.

D. Any representative requesting a hearing before an agency hearing officer, to the extent necessary for the proper presentation of the case. The release of information under this provision is limited to only that information applicable to the hearing request. In addition, any information or names obtained shall not be used for commercial or political purposes.

E. Attorneys, absent parents, etc., who appear in the local office with a COURT ORDER containing the signature of a judge or another individual with the authority of a judge, such as a Domestic Relations Commissioner. If the court ordered information is due within 10 calendar days, the information can be released. If the local office has any questions on

whether the court order meets the specified criteria or the local office has in excess of 10 calendar days to provide the information, contact the Family Self-Sufficiency Branch through the Regional office. Unless otherwise notified by regional office staff or the court, court orders must be followed. For procedures regarding subpoena requests, refer to Volume I, MS 0170.

F. [Any bank, savings and loan association, credit union, or other financial institution to the extent necessary to ascertain or verify information submitted by the applicant/recipient and used to make a determination of eligibility for benefits.]

G. Any employer to certify receipt of KTAP for purposes of claiming a tax credit under Public Law 94-12 of the Tax Reduction Act of 1975.

H. Only Board of Elections officials may view forms and/or information utilized directly in the voter registration process. Otherwise, voter registration information remains confidential.

MS 2100 MAKING AN APPLICATION (1)

[No individual is refused the opportunity to apply for benefits. Conditions of eligibility or agency procedures cannot prohibit the opportunity for an individual to apply and obtain a determination of eligibility or ineligibility for the benefits requested. The applicant may be assisted by any individual in the application process, and may be accompanied by this individual in all contacts with the agency. If the applicant needs assistance with applying, the worker should provide assistance.

Individuals may begin an application for KTAP in person at any DCBS office, via telephone by calling DCBS Call Services, or online at benefind.ky.gov; however, an interview with a DCBS worker is required before the application can be completed and approved. If the KTAP case requires a KWP assessment and/or MRT determination of incapacity, an in person interview is required.

A. If the applicant has a physical or mental impairment that prohibits visiting an office in person to make an application and the application cannot be completed by telephone, a worker must:

   1. Make a home visit or meet at an alternate site that accommodates the individual to complete the application process;

   2. Allow the household the option of designating an authorized representative to complete the application process. The representative must be designated in writing by the applicant, unless the individual is physically or mentally impaired; or

   3. If the physically or mentally impaired individual does not have someone who can help with the application process and interview, refer that individual to county and community resources for assistance.

B. If the individual has a physical or mental impairment that affects his/her ability to access services, make accommodations for any special needs the individual may have. Special needs may include, but are not limited to:

   1. Interpreter services for the hearing impaired. Refer to Volume I, MS 0220;

   2. Limited English Proficiency (LEP) services. Refer to Volume I, MS 0230;

   3. Accommodations for use of necessary medical equipment such as a wheelchair;

   4. Appointments at a time which corresponds to the use of special transportation services; or

   5. Appointments that accommodate the individual's work schedule or health care appointments.

C. If the individual wishes to submit an application, but is unable to meet with a worker to complete the application interview, he/she can complete form PA-77, Intent to Apply for Medicaid and/or KTAP (Cash Assistance). When form PA-77 is received, the worker must enter the Application Registration portion of the application in Worker Portal and schedule an appointment to complete an application interview with a worker either by telephone or in person. Schedule an appointment to complete the application interview. Accommodations must be made for individuals with physical or mental impairments with regard to time and location of the interview.

D. The application date is:

1. The date the individual requests benefits and completes an application interview by telephone;

2. The date the individual comes to the office and applies for benefits by completing an application interview with a worker;

3. The date a completed and signed form PA-77 is received in a DCBS office; or

4. The date an individual with a physical impairment contacts a DCBS office requesting special assistance.]

MS 2110 STANDARD OF PROMPTNESS (1)

[The standard of promptness is the time frame allowed for a worker to process a case action. The timeframes vary depending on the type of case action being completed.

A. An application must be processed by the close of business on the 30th day following the date of application. The first day of the 30 day period begins the day after the application date and ends at close of business on the 30th day. If the 30th day falls on a weekend or holiday, the timely date is the first work day following the weekend or holiday.

B. A recertification must be completed on or before cut-off of the renewal month.

C. A reported change in circumstance must be entered in the system within 10 calendar days from the day it is reported.]

MS 2120 KTAP APPLICATION/RECERTIFICATION INTERVIEWS (1)

Applications, reapplications and recertifications that do not involve potential Kentucky Works Program (KWP) participation may be completed by telephone.

KTAP/KWP applications can be initiated by telephone; however, the individual must come into the office to complete the assessment and TAA segment of the application with a case manager. If the individual is unable to come to the office due to a physical or mental condition, the interview may be conducted at an alternate site that accommodates the individual. The interview can also be completed during a home visit or at the local office with a designated representative chosen by the individual.

Full Family Sanction applications MUST be taken during an in-person interview. Refer to MS 2015 for information regarding full family sanctions.

For KTAP/KWP recertifications, the interview can be completed by telephone. However, if the KWP assessment has not been completed, the individual must come into the office to complete the assessment and TAA segment of the application with a case manager.

The recertification is completed every 12 months for KTAP cases. The interviews can be completed prior to the beginning of the recertification due month.

During the application/recertification interview, ask the individual each question from the application and discuss any answers which need clarification or seem inconsistent. Do not ask for information concerning a noncitizen who is not applying for benefits if the information is not needed to determine eligibility for the KTAP benefit group.

Ensure that the following information is discussed with the individual:

A. Explain the 60-month time limit for receipt of KTAP benefits.

B. Obtain social security numbers for all members applying for benefits. Assist any member who does not have or who cannot provide a social security number to initiate an enumeration application. Refer to MS 2332.

C. Explain the Kentucky Works Program, and provide form PA-219, Kentucky Works Assessment Process. For work eligible individuals, complete the KWP assessment and the TAA at each application and recertification. Refer to MS 2322 for the definition of a work eligible individual.

   Explain supportive services including the Child Care Assistance Program (CCAP), transportation payments, Relocation Assistance, Work Incentive (WIN) reimbursements, and other supportive services provided under KWP.

   Explain when an individual receives a payment but does not pay outstanding bills, it is NOT the responsibility of the worker to issue payment to the vendor. The settlement of the debt is between the individual and vendor.

D. Explain the requirements of the child support program in cases of voluntary absence. Complete a referral for child activities if applicable.

E. Explain all changes must be reported within 10 calendar days of the date of change, as well as any changes which occur prior to processing the application. Explain if the child is expected to be out of the home for more than 30 days, the individual must report this change within 5 days. Provide form PA-17, Responsibilities for Reporting Changes.

F. Explain the effects of lump sum income.

G. Explain the individual's right to fair hearing to appeal any adverse decision.

H. Explain the individual's rights under the Civil Rights Act and the Americans with Disabilities Act (ADA). Review form PAFS-600, Do You Know?, the ADA fact sheet, with the individual and give the form to the individual. Annotate the case record with any accommodation that is needed for the individual to access benefits and comply with program requirements.

I. Explain claim policy.

1. Determine if there is an outstanding claim.

2. Discuss with the applicant/recipient repayment of any claim.

J. Explain proration of benefits for the month of application.

K. If a member of the assistance unit appears to have a disabling health condition, e.g., quadriplegia, head injury, etc., refer the individual to the Social Security Administration utilizing form PAFS-5.1, Report or Referral to the District Social Security Office, to apply for SSI/RSDI benefits. The individual's KTAP application is NOT delayed pending a determination of the individual's RSDI or SSI entitlement.

L. Explain the voter registration process and complete form PAFS-706, Voter Registration Rights and Declination, for the applicant/head of household. See Volume I, MS 0640 and MS 0650.

M. Explain the use of Electronic Benefit Transfer (EBT) to access benefits. See Volume I, MS 0270. The KTAP and Kinship Care monthly benefit is accessible from the EBT account on the first day of the month whether issued at first or second issuance.

N. Obtain a nearby telephone number, if available, for an applicant/recipient who does not have a telephone.

O. [Verification that is 60 days or less old can be used for the KTAP application or recertification.

Example: A KTAP application was taken on 5/15/18 and a SNAP recertification was completed on 4/5/18. Form PAFS-76 was used as verification for household composition and residency for the SNAP recertification. This form can also be used as verification for the KTAP application.]

P. Provide the individual with a request for information (RFI) or verification needed to process the application/recertification that indicates the date the information/verification must be returned. Explain that the individual may request additional time to obtain the verification if needed.

MS 2130 ASSESSMENT PROCEDURES (1)

Work eligible individuals are required to complete a Kentucky Works assessment to be eligible for KTAP benefits. The assessment is completed to determine a work eligible individual's current level of employability and develop a plan to reach self-sufficiency. The KWP assessment is designed to facilitate an open discussion between the individual and case manager in order to discover his/her strengths and identify challenges to ensure participation in KWP activities. If an individual fails to complete the assessment, the KTAP application is denied or the existing KTAP case is discontinued.

Some individuals are not required to complete the KWP assessment at application:

A. Individuals identified as exempt from KWP participation are not required to complete the assessment prior to approval of KTAP. For more information, see MS 2324. Completing the assessment is a requirement when the exemption is no longer appropriate.

   1. SSI recipients;

   2. Ineligible aliens; and

   3. Teen parents age 18 or younger who are not head of household.

B. Worker Portal will send out form KW-219, Kentucky Works Program Fact Sheet, with a Request for Information (RFI), informing the individual that an assessment is required. Before beginning the assessment, review form KW-219 with the applicant to ensure better understanding of the process.

C. Employment related questions are used to capture work experience, skills, job preferences, and potential challenges to employment.

   1. Review the individual's employment history.

      a. If currently working, ensure the employer information, earnings and hours are entered on the Earned Income Details screen;

      b. Review prior employment and any volunteer experience to determine the individual's interests and aptitude;

      c. Identify the individual's marketable skills and explore if these skills are transferable to jobs available in the area;

      d. Discuss if additional training or experience is needed in order to get a job;

      e. Determine if past behaviors negatively affect the individual's ability to find and keep a job. Develop a strategy to lessen the impact of the behavior on current activities; and

f. Identify issues that the individual feels may prevent employment. A plan of action is needed to address the identified issues.

2. Indicate observable behavior from the interview in the worker's observation questions, if needed. Entries may consist of pertinent information relating to:

   a. The individual's interviewing and interpersonal skills observed during the assessment and application process;

   b. The individual's written communication skills as evidenced by completion of forms;

   c. Discussions regarding past work experience; and

   d. Training needs.

D. Education related questions are used to determine the existing level of formal education, need for English as a Second Language (ESL) instruction, and if the individual wishes to participate in an education component.

The education assessment gathers information on the individual's basic and advanced educational level and includes screening questions to assess the individual's need or desire to pursue a high school credential or attend classes to improve English language skills.

The worker observations/additional comments screen is used to record information provided by the individual that is not addressed in other responses.

E. [Information is collected from the individual during the assessment process to identify challenges to participation, such as:

1. The need for child care arrangements and back up plans for children who require supervision;]

2. The need for a reliable transportation source to travel to and from a job or other activities. Determine if the individual has access to a vehicle and if he/she is able to drive legally. Other options can include public transit, carpools, or being transported by family members or friends;

3. An unstable housing situation. Frequent moves may be an indicator of domestic violence, lack of a personal support system, the need for life skills instruction, or linkage to sources of housing assistance available in the community;

4. Lack of personal care items, clothing, glasses, or the need for dental care;

5. How employers, service providers, or the case manager can contact the individual. If there is no phone in the home, identify alternate sources of communication;

6. The presence of possible domestic violence. If the worker suspects an abusive or neglectful situation that endangers the children or adults, contact with Protection and Permanency (P&P) is legally required. Reports can be made by calling the Adult and Child Abuse Reporting Hotline at 1-800-752-6200 or by following procedures set up by the Region. Follow-up the telephone contact in writing, with an e-mail or on form PAFS-628, Exchange of Information. Indicate a domestic violence situation; or

7. Issues with a child's behavior.

F. The following categories are optional and explored only if the individual agrees to answer questions related to general health, mental health, or learning needs. The KTAP application is not denied if an individual chooses not to complete these sections.

1. Physical Disability Assessment. General health questions to determine if the individual has physical health issues that need an accommodation to the types of activities or hours of participation and/or a referral to community resources for further assessment. Refer to Vol. IIIA, MS 4500.

2. Mental Health Assessment. Questions to help determine if the individual has issues relating to depression, substance abuse, attention or anxiety that need accommodation to types of activities or hours of participation and/or a referral to community resources for further assessment. Refer to Vol. IIIA, MS 4505.

3. Learning Needs Assessment. Questions to determine if a referral is needed for a professional screening for the presence of a learning disability. Refer to Vol. IIIA, MS 4510.

G. When a KWP exemption ends and an assessment has not been completed on Worker Portal, an RFI and form KW-219 are system-generated to the individual to inform the individual that an assessment must be completed. If the assessment is not completed by the RFI due date, the KTAP case will discontinue.

Once entered on Worker Portal, the assessment information uploads for each subsequent reapplication. At each reapplication, a review of the assessment screens is required and any changes or new information is updated in Worker Portal.

H. A SNAP disqualification is not appropriate for KTAP denials or discontinuances due to failure to complete an assessment. Completion of the assessment is a technical eligibility factor for KTAP and not a work requirement.

I. An application will pend for up to 10 days for completion of the assessment. If more than 10 days is needed, the application can be held pending for up to 30 days. Document in Worker Portal notes the reason for extending the time frame. Do not pend a case over 30 days for completion of the assessment.

J. [If an assessment has not been completed, a recertification will pend for up to 10 days for completion of the assessment. The worker has the option to pend the recertification over 10 days. If the assessment is not completed within the time frame indicated on the RFI, the KTAP case is discontinued. Do not pend a case over 30 days for completion of the assessment.]

K. At case change, the case will pend for 10 days for completion of the assessment. If the assessment is not completed within the time frame indicated on the RFI, an adverse action notice is system-generated, and the KTAP case is discontinued.

L. If Worker Portal is not available, complete a hardcopy assessment utilizing form KW-200, Kentucky Works Assessment Form.

MS 2155 [SIGNING APPLICATION FORMS

The KTAP, FAD, and Kinship Care application summary must be signed and dated by the parent or caretaker relative who is completing the interview with the worker. If both parents are present for the interview, the application can be signed by either parent.

A. When a phone interview is completed, the application can be signed by Voice Signature or by mailing the application summary to the individual to sign and return. To have a hard copy application summary system generated to the individual, select “No Signature Provided” as the “Signature Type” on the “Sign and Submit” screen.

B. When an in person interview is completed, the application can be signed electronically by the individual signing with an electronic signature pad or by choosing “Hard Copy” and printing the application summary locally.

C. For cases that require an absent parent referral and signed KTAP-125/KC-125, NCP Fact/Information Sheet and Assignment of Rights:

1. If the parent of the child is in the household, form KTAP-125 must be signed and dated by the parent of the child who is required to cooperate with Child Support Enforcement (CSE).

2. Form KC-125 must be signed by the caretaker relative responsible for cooperating with for the child.

3. An authorized representative should NEVER sign forms KTAP-125 or KC-125.

4. If the KTAP application and CSE referral are being completed through a phone interview, the worker must choose “No Signature Provided” from the dropdown menu on the Sign and Submit Screen, which will pend the case for return of the signed form KTAP-125/KC-125. The system will mail form KTAP-125/KC-125 to the individual to be signed and returned. If the individual is mentally or physically unable to sign form KTAP-125/KC-125, contact the Family Self-Sufficiency Branch through the established chain of command.]

MS 2158 ELECTRONIC CASE FILE (1)

[The Electronic Case File (ECF) contains applicable information about each applicant/recipient and supporting documentation for decisions made regarding eligibility. Although it is no longer necessary to update a hardcopy case record, it must be retained following the purging procedures in Volume I, MS 0040.

A. At a minimum, ECF should contain the following documents for KTAP, Family Alternatives Diversion (FAD), and Kinship Care (KC):

1. A signed application for each eligibility period when an electronic or voice signature is not used;

2. Verification used to determine initial and continuing technical eligibility; such as driver's license, birth certificates, divorce decree, form PAFS-76, etc.;

3. Verification used to determine initial and continuing financial eligibility such as wage stubs, award letters, form PAFS-700, employment contracts, bank statements, etc.

4. Any notices created outside the system and given or sent to the individual; and

5. Form KTAP-125/KC-125, NCP Fact/Information Sheet and Assignment of Rights, signed by the appropriate individual.

B. Documents specific to FAD that should be in ECF are:

1. Verification of the individual's short term needs;

2. Verification of current or future employment; and

3. Verification to support issuance of each FAD payment.

C. Documents specific to KC that should be in ECF are:

1. Form KIM-78KC;

2. Form KC-01;

3. Central Office approval, if required;

4. Verification that the caretaker relative is pursuing permanent custody; and

5. Custody or other court orders.

D. Documents specific to the Kentucky Works Program (KWP) that should be in ECF are:

1. Verification of eligibility for an exemption from participation with KWP, such as form PA-4, Statement of Required Caretaker Services, or a Social Security award letter verifying 100% disability.

2. Verification of KWP good cause, such as form KW-6, Kentucky Works Determination, or a doctor's statement to verify high risk pregnancy.

3. Documents that verify KWP participation, such as form KWET-241, WEP Training Site Agreement, form KW-33, Verification of Kentucky Works Program Participation, or other participation verification;

4. The signed Transitional Assistance Agreement (TAA) for the most recent application;

5. Verification for issuance or payment of supportive services such as form KW-32, Authorization of Supportive Services Payment, KW-34, Car Repair Estimate Verification, written estimates, invoices, receipts, etc.

6. Forms WIN-1, Work Incentive (WIN) Report and/or WIN-2, Second Notice for Work Incentive (WIN) Report and verification of employment; and

7. Any notices created and given or sent to the individual outside of the system.]

MS 2159 CASE NOTES

The purpose of case notes is to capture pertinent case information and ensure that the case notes contain sufficient documentation to substantiate the validity of all authorized assistance. Volume I, MS 0130, provides information for entering general comments that pertain to all DCBS programs. This section provides information specific to KTAP, FAD, and Kinship Care.

Some actions in Worker Portal require the worker to enter comments to explain the action taken.

Workers should comment in the case notes for the following situations:

A. The reason an individual who lives in the household is not included in the case;

B. If the individual received TANF from another state and the verification method used to verify months added to the KTAP Time Clock;

C. The circumstances when an individual quit or failed to accept a job;

D. Whether the individual chose or declined the two month disregard;

E. [Whether the individual chose or declined to use a KWP exemption;

F. Explain the circumstances and the short-term need that lead to the individual choosing FAD over KTAP;

G. Explain the reason for a FAD payment and to whom the payment is issued;]

H. Kinship Care, an explanation of any discrepancies on form KIM-78KC, such as placement date missing or revised by P&P

I. An explanation for reinstatement or reapplication of Kinship Care;

J. Reason for a special circumstance, calculation of the amount, and the time period it covers; and

K. A request for a fair hearing and continuation of benefits during the hearing process.

Approve the application if all technical and financial eligibility factors are met and verified as of the day of processing.

A. If a KTAP application is made for a child who is receiving Foster Care in the same month, the application cannot be approved until the Foster Care benefits stop. Verify through Protection and Permanency staff the date the benefits stopped. The KTAP case may be approved effective the day following the date Foster Care benefits stop.

Example: A child is in a Foster Care home until November 18. A KTAP application is made for the child on November 17 based on the child being returned to the parent's home. Protection and Permanency staff verified that Foster Care benefits were paid from November 1 through November 18 when they were discontinued. The approval date for the KTAP case would be November 19.

B. If an individual, who is required to be included in the KTAP case, joins a KTAP case which is serving an ineligibility period, the ineligibility period is recalculated, including the new individual in the benefit group. See MS 2895. A separate KTAP case is NOT established for an individual who is added to the KTAP household AFTER the month of receipt of the nonrecurring lump sum income, but during the ineligibility period.

C. For reapplications during the period of ineligibility, determine if the criterion for determining the ineligible months is still in policy. When policy has changed to exclude the criteria used previously, the ineligibility period is recomputed using new policy. If the ineligibility period is inappropriate, determine eligibility based on current case circumstances.

D. For reapplications involving Kentucky Works Program (KWP) sanctions, refer to Volume IIIA, MS 4780.

E. For a reapplication due to an erroneous denial:

1. Process the reapplication for ongoing months;

2. Determine eligibility for the erroneously denied months; and

3. Issue benefits for the erroneously denied months through special circumstance.

F. For a reinstatement due to an erroneous discontinuance, refer to MS 2165.

G. KTAP benefits are prorated from the date of application except in cases of reinstatement, erroneous discontinuances, or when the 31st day of unemployment is beyond the date of application.

H. [Processing the case within the appropriate time standards, the time standards are not affected even if the case must be pended. Cases should

only pend when it is necessary for a worker to enter more detailed comments, double check system entries, or complete supervisory reviews. The reason for the delay should be entered in comments on Worker Portal.]

I. Deny the application if:

1. All technical and financial eligibility factors are not met;

2. Eligibility cannot be established due to the applicant's failure to present requested information within the timeframe of the Request for Information (RFI) or to clarify inconsistencies; or

[3. The applicant refuses to complete the application process and the application has already been started on Worker Portal.

J. If form PAFS-28, Out-of-State Inquiry, indicates the individual received a payment for the same month as the Kentucky application and the TANF case is still active in the other state, the KTAP application is denied. However, if action has been taken by the other state to discontinue the TANF payment, deduct the out-of-state payment on a dollar for dollar basis from the ongoing payment. Do not apply ratable reduction policy to the out of state TANF payment. Remove the TANF payment effective the month the other state's effective month of discontinuance.]

MS 2165 REINSTATEMENT OF KTAP BENEFITS

[Use the following guidelines to reinstate a case that was discontinued in error.

An incorrect KTAP discontinuance is reinstated by completing the following actions:

A. Determine the cause of discontinuance and decide what action is needed to correct the error;

B. Select the Reinstatement option from the Case Summary screen on Worker Portal;

C. Select the Program, Reinstate Reason, and enter comments on the "Reinstate Program" screen;

D. Ensure all information in the system is answered correctly and correct any errors that caused the erroneous discontinuance; and

E. Explain in the case notes the reason for the reinstatement and what actions were taken to correct the case.]

MS 2175 [PROCESSING RECERTIFICATIONS AND CHANGES (1)

A. For a recertification or change, if the individual is eligible on the day of processing, assistance continues.

B. If the individual is KTAP ineligible on the day of processing, Worker Portal discontinues the KTAP case. Establish a claim, if appropriate.

C. If a change in circumstances is reported by the individual, enter the information on Worker Portal immediately to determine eligibility.

D. Action must be taken on reported changes to affect benefits in the first administratively feasible month. Once monthly issuance takes place, the next month's benefits have been processed and cannot be changed. Negative action and cut-off dates are posted monthly on Worker Portal Dashboard.

1. If a change will increase benefits and action is not taken by cut-off, review the case for a possible supplement.

2. If a change will decrease benefits or result in discontinuance of a case, the change must be entered by negative action or cut-off, whichever comes first, in order to affect the next month's benefits. Review the case for a possible claim.

Example 1: An individual reports a member of the benefit group left the home on 9/5/15. Cut-off falls on 9/21/15. Negative action 9/20/15. As this change will decrease benefits, the change must be entered by 9/20/15 in order to be effective 10/1/15.

Example 2: An individual reports a member of the benefit group has left the home on 11/5/15. Due to the holidays, cut-off falls on 11/17/15. Negative action is 11/19/15. The change must be entered by 11/17/15 in order to be effective 12/1/15.

Example 3: An individual reports a member of the benefit group left the home on 11/16/15. Cut-off falls on 11/17/15. The change is entered on 11/23/15. This change will be effective 1/1/16 and the case will pend for adverse action.]

E. If the individual reports a change, but does not provide necessary information at the time of report:

1. Send a request for information and/or schedule an appointment to obtain the required verification.

2. Allow the individual 10 calendar days from the date of the request for information to respond. If the 10th calendar day falls on a weekend or holiday, the information is due the next workday.

3. If the individual responds WITHIN 10 calendar days, process the change. Authorize supplemental payments beginning with the month in which the individual reports the change. Use the date of the report when adding an individual to the case.

4. [If the individual DOES NOT respond within 10 calendar days, Worker Portal takes the appropriate action and sends a notification of the action taken.]

F. Changes reported by a third party are handled in the following manner:

1. Notify the client of the need to discuss the reported change. The client can either call or come into the office for this discussion. Accommodations must be made for individuals with physical or mental impairments with regard to time and location.

2. [Send form PAFS-700, Verification of Income, if the change involves income or a form PAFS-76, Information Request, if the change involves an address change.]

3. If the individual fails to show for the appointment or provide verification timely, discontinue benefits.

4. [If the individual provides verification of the new information, the change is entered on Worker Portal.

G. When a KTAP individual reports a change, the change is considered reported for SNAP or MA purposes. The individual is not required to report the change for the SNAP or MA case separately or provide separate verification.]

MS 2180 [SUPPLEMENTAL AND SPECIAL CIRCUMSTANCE PAYMENTS] (1)

[Supplemental payments are authorized when the KTAP or Kinship Care (KC) benefits received are less than the entitled amount due to a reported change in circumstances or an agency error. Special circumstance payments are authorized when benefits need to be issued for a month in which there was no active KTAP or KC case.]

A. If an individual reports a change in circumstances which affects the benefit amount, the worker should enter the reported change per the verification provided. Worker Portal will automatically issue any supplemental payments that are owed to the family due to the change.

B. Prior to issuing a supplemental payment, Worker Portal will determine if the individual has any established outstanding claims.

1. If a claim exists, Worker Portal will prevent issuance of a KTAP or KC supplemental benefit to the household and will apply the amount of the supplement to the existing claim.

   Example: On January 25, the individual reports an ongoing decrease in work hours effective January 2. The KTAP payment is increased effective March. It is determined that the individual received an underpayment for January and February based on the actual income entered for those months. The individual has an existing claim, so the supplement for January and February is applied to the claim instead of issued to the individual's EBT card or checking account.

2. If no claim exists, a supplemental payment is issued for the month the change is reported and any subsequent month before the effective month. DO NOT authorize a supplemental payment for a month prior to the month of the report.

   Example 1: On January 12, the individual reports an ongoing reduction of work hours effective January 5. The payment is increased effective February. There is no existing claim. A supplemental payment is issued to the household for January based on the actual income received in January.

   Example 2: On February 4, the individual reports an ongoing reduction of SSA benefits effective January 1. The KTAP payment is increased effective March. There is no existing claim. A supplemental payment is issued to the household for February only. The household is not eligible for a supplement for January as the change was not reported until February 4th.

3. Review the EDG and Financial Summary screens before disposing the case to determine if a supplement is owed and will be issued for the appropriate months.

4. Correspondence is issued to the head of household to inform the household about the amount, reason, and month of the supplemental payment.

C. [Issuance of a special circumstance payment to correct an administrative error on a denied or discontinued case for a month in which no KTAP or KC benefits were received is issued via the “Request Special Circumstance” option on the Case Summary screen in Worker Portal.]

MS 2185 KTAP AND KINSHIP CARE UNDERPAYMENTS

[An underpayment exists when an individual is issued an amount less than the entitlement, through no fault of the individual.

A. The following are potential causes of a KTAP or Kinship Care underpayment.

1. The need for a supplemental payment due to an administrative deadline (e.g., adding a child, etc.);

2. Misapplication of policy;

3. Computation errors in determining supplemental benefits;

4. Failure to act on timely reported changes in the household's living situation;

5. Failure to confirm or clarify information pertaining to eligibility; or

6. Income considered in a payment month is more than actually received, due to a change in circumstances.

B. If an underpayment is identified, determine if there is an established overpayment for which the hearing and appeal rights have been exhausted and collection is being pursued.

1. If there is an established claim, the amount of the underpayment is applied to the existing claim.

2. If the claim is pending, do not delay issuing the supplement in order to offset the claim.]

MS 2190 NOTIFICATION REQUIREMENTS

[Applicants and recipients must be notified of all approvals, denials, discontinuances, recertifications, and changes.

A. A notice of the action taken is required, but a timely notice of a reduction or discontinuance of benefits is not required in the following circumstances:

   1. The Department receives a clear written statement, signed by the individual, that he/she no longer wishes to receive assistance;

   2. The individual is considered unable to locate as the correspondence sent by the agency is returned as undeliverable;

   3. The individual is receiving assistance in another state;

   4. The head of household enters a correctional institution.

B. Worker Portal generates correspondence to the individual's current mailing address for actions entered on the system.

   1. Changes entered with a timely notice period expiring on or before the last calendar day of the month, are effective with the following month's issuance of benefits.

   2. If the timely notice period does not expire within the same month, the system takes action on the case and sends the appropriate correspondence the day following the expiration of the timely notice period.

C. All notices sent to the individual can be viewed or printed from the Correspondence section of Worker Portal.]

MS 2195 RETURN OF TANF BENEFITS

[An individual may voluntarily return KTAP, Kinship Care (KC), or FAD benefits for any reason. In order to return benefits for a specific month, the full amount of benefits originally issued must be available on the EBT card or the check must be uncashed. Benefits cannot be returned for a month where the benefit is reduced to pay a previous claim. Returning benefits is always the individual's choice. Workers should NEVER request that benefits be returned. If a worker discovers an individual received benefits incorrectly, a claim must be referred via form PAFS-431, Claim Referral.

A. If an individual voluntarily returns KTAP or KC benefits to avoid a claim and the benefits were issued directly to the individual via EBT or check:

1. Complete form PAFS-61, Disposition of Returned Check, to request the check be cancelled; or form EBT-61, EBT Benefits Account Adjustment Request, to remove the KTAP or KC benefits from the EBT account;

2. Scan the completed & signed form EBT-61 or form PAFS-61 along with the check being returned into ECF;

3. Send form EBT-61 or form PAFS-61 and check to Central Office at the following address:

Division of Family Support
Family Self-Sufficiency Branch
KTAP Section
275 E. Main St., 3E-I
Frankfort, KY 40621

4. Once form PAFS-61 or EBT-61 is received by Central Office:

a. The Benefit Issuance screen is adjusted to indicate the benefit was cancelled;

b. The KTAP Time Clock is adjusted to remove the month as a month of KTAP receipt; and

c. If there is a pending claim for the month benefits were returned, this can be indicated as "No Claim".

B. When a KTAP/KC check is returned, the information is sent to Child Support Enforcement (CSE) through an interface for CSE to determine if any child support collected from the absent parent should be sent to the custodial parent.

C. Benefits issued via direct deposit cannot be returned to avoid a claim. If a potential claim exists, worker should refer to a claims worker via form PAFS-431.]

MS 2198 DIRECT DEPOSIT (1)

[Individuals who have been approved for KTAP or Kinship Care may choose to have their benefits direct deposited into a checking account instead of through Electronic Benefit Transfer (EBT). Direct Deposit of benefits is optional and is the choice of the individual. Direct deposit is ONLY available if the individual has an active checking account. KTAP and Kinship Care benefits CANNOT be direct deposited into a savings account.

The total amount of the monthly benefits must be deposited into one checking account. The benefits cannot be divided among multiple checking accounts.

If the individual chooses not to have the benefits direct deposited into a checking account, the benefits are issued to the individual's EBT card.

KTAP and Kinship Care supplements are issued by direct deposit if the individual's monthly benefits are issued through direct deposit. If benefits are issued by a special circumstance payment, the benefits are issued by check that is mailed to the individual's current mailing address.

Direct deposit is NOT an option for KWP supportive services, Relocation Assistance, WIN, or any other non-monthly KTAP payments. These payments are issued via EBT or mailed in the form of a check to the individual's mailing address.

A. At application and recertification, ask all individuals if they would like their benefits to be issued to an EBT card or direct deposited into a checking account and indicate their preference on the "Preferred Payment Details" screen. Inform the individual that it takes a minimum of two months before their benefits will start being direct deposited into their checking account.

1. Select the individual's preferred method of payment as EBT or Direct Deposit.

2. If the individual chooses direct deposit, provide form PA-63, Direct Deposit Authorization, for completion. Advise the individual that the form must be completed and signed in order to request that benefits be direct deposited.

3. If the individual provides a blank check, write "VOID" across the front of the check and scan the check with the completed and signed form PA-63.

4. If the individual does not have a blank check available, advise him/her to take form PA-63 to the bank for completion.

5. The case will pend for the bank routing number and account number to be entered on the Preferred Payment screen for 10 calendar days. At the end of the 10-day period, if the individual has not returned form PA-63, the case will be processed and benefits will be issued to the EBT card.

6. If form PA-63 is received after the 10-day period, change the "Issuance Method" on the Preferred Payment Screen to "Direct Deposit", and enter the bank routing number, checking account number, and verification.

B. It takes a minimum of two months to affect a change for direct deposit.

Example: An individual requests the benefits be direct deposited and the change is made in the system before cut-off in September. The benefits for October will be issued to the EBT card. The issuance of benefits through direct deposit will not be effective until November. If the change is made after cut-off in September, October and November benefits will be issued to the EBT card. The direct deposit of benefits will begin in December.

C. If an individual who is receiving his/her benefits by direct deposit reports that he/she has changed banks or to the checking account information, have him/her complete form PA-63 to change or stop the direct deposit for the prior checking account number and/or previous bank and to add the new checking account number and/or new bank routing number.

D. To stop direct deposit and revert back to issuance by EBT card, have the individual complete form PA-63 to cancel direct deposit of benefits.

E. Advise the individual to report a change in direct deposit information as soon as the change occurs. Explain to the individual that the change will be effective the second monthly issuance following the change if the change is completed prior to cut-off.

F. If the individual wants to return the monthly direct deposit payment for any reason, he/she must provide the local office with a certified check or money order for the entire benefit amount. The certified check or money order is made payable to the Kentucky State Treasurer. Forward the certified check or money order along with a completed Form PAFS-61, Notice of Returned Check and Authorization for Disposition, to:

Division of Family Support
Cabinet for Health and Family Services
275 E. Main Street, 3E-I
Frankfort, KY 40621

Annotate on form PAFS-61 that the certified check or money order is for the return of a direct deposit.

G. KTAP/Kinship Care benefits are issued to the EBT card for the first and possibly second month after the bank information is entered on Worker Portal.

1. For the first month, a test deposit is made using the routing number. If the number is rejected, the Family Self-Sufficiency Branch (FSSB) notifies the local office of the rejection.

2. The worker must correct the information entered on Worker Portal before cut-off in order for the direct deposit to be successful for the next month. The worker may need to contact the individual to ensure the account has not been closed or changed. If the bank information is not entered by cut-off, benefits for the next month will be issued via EBT.

Example: If the checking account information is entered on Worker Portal prior to cut-off in August, the September benefits will be issued via EBT. If the test deposit made in September is successful, the October benefits will be direct deposited. If the checking account information is entered on Worker Portal after cut-off in August, the September and October benefits will be issued to the EBT card. The test deposit is run in October and if successful, the November benefits will be direct deposited.

3. Central Office issues a paper check for any month when a direct deposit of benefits is rejected by the bank. The paper check is sent to the local office for the individual to pick up. A correspondence is sent to the individual to inform him/her when the check is available for pick-up.]

MS 2200 FAMILY ALTERNATIVES DIVERSION (1)

[Family Alternatives Diversion (FAD) is a program for KTAP eligible applicants who do not need or want ongoing KTAP benefits, but have a short-term need caused by a change in circumstances. If FAD eligibility criteria is met, FAD benefits can be used to resolve short-term needs allowing continued self-sufficiency. FAD has a 3-month eligibility period with a total benefit amount of $1300 which is issued directly to vendors to pay for eligible expenses.

Individuals cannot apply for FAD. Eligibility for FAD is determined during an application for KTAP benefits. If the applicant meets the technical and financial eligibility criteria for ongoing KTAP, then the applicant is assessed for FAD eligibility. If FAD criteria is met, the applicant is given the choice of receiving ongoing KTAP benefits or short-term FAD payments. Worker Portal will display the KTAP/FAD Eligibility screen if the applicant is potentially eligible for FAD. Workers must explain FAD to the applicant by reading the information on the screen, explaining the programs, selecting the program the individual chooses, and capturing his/her signature.

A FAD EDG can only be disposed by individuals with the Supervisor role. If an individual without the Supervisor role attempts to dispose the FAD EDG, a “FAD Review” task will be created for a Supervisor to review the case and dispose the FAD EDG. This task has a due date of 3 days and will auto-close once the FAD EDG is disposed or withdrawn.]

A. The household must meet the following criteria to be eligible for FAD:

1. Not currently receiving KTAP benefits. KTAP benefits cannot be returned or repaid in order to be eligible for FAD.

2. [The applicant is determined technically and financially eligibility for ongoing KTAP. The 30-day waiting period for desertion and unemployment do not apply.

3. The applicant must verify anticipated and/or ongoing self-sufficiency by providing verification that he/she will be beginning or returning to employment within 3 months from the date of application.

4. The household must have a verified short-term need that resulted from a change in circumstance. A change of circumstances includes but is not limited to maternity leave, temporary lay-off, off from work due to injury or illness, loss of job and starting a new job, etc. The applicant must be expected to return to work or start work within 3 months from the application date. If this cannot be expected, then FAD is not an option.]

5. Be determined to be self-supporting if the short-term need is met. Self-supporting is defined as an individual who can verify he or she is employed or will be employed and paid wages sufficient to meet the family’s needs by the end of the 3-month eligibility period.

B. Households not eligible for FAD are individuals who:

1. Are currently serving a KTAP ineligibility period.

2. [Have received FAD twice since January 1, 2003. Effective January 1, 2003, receipt of FAD was restricted to twice in a lifetime. FAD approvals prior to January 1, 2003 are not considered in the twice in a lifetime limit. Receipt of benefits from a diversion program in another state is not counted toward the FAD lifetime limit.]

3. Have received FAD within 24 months prior to the application date.

4. Were previously discontinued due to reaching the KTAP 60-month lifetime limit.

5. Is an adult who voluntarily quit a job without good cause.

6. Have only unearned income, such as child support, Unemployment Insurance (UI), Social Security, or SSI.

7. Require a determination of disability from the Medical Review Team in order to establish a deprivation. If incapacity can be established by a field determination, the family may be considered for FAD. Refer to MS 2381 for more information on field determinations.

8. Have been previously discontinued for full family sanction. For an individual who meets the eligibility requirements for FAD but has a full family sanction, his/her employment (cannot be anticipated or future employment) may cure the sanction, if the hours of employment would have met the required KWP hours.

   Example: A mother with one child applies for KTAP due to a temporary lack of income. She is employed, but on unpaid medical leave for 2 months. She has worked at her current job for over 1 year and usually works 40 hours per week. She has a full family sanction from 2014. Since her employment hours were more than her KWP requirement, this would cure the full family sanction.

C. [The following additional services and/or referrals should be offered to all individuals who apply and are ongoing eligible for KTAP, are determined potentially eligible for FAD, and choose to receive FAD.]

1. Ask the individual if he/she wishes to apply for:

   a. Supplemental Nutrition Assistance Program (SNAP);

   b. Medicaid; and/or

   c. Child Care Assistance.

2. Referrals to the following agencies or organizations should be made, as appropriate;

a. Child Support Enforcement. Provide the applicant form CS-33, Application for Child Support Services;

b. The Department for Public Health; and

c. Other charitable organizations.

D. Receipt of FAD excludes the benefit group from receiving KTAP for 12 months unless non-receipt of KTAP would result in:

1. Abuse or neglect of a child, as determined by the Cabinet (Protection and Permanency); or

2. The parent's inability to provide adequate care or supervision for the children due to the loss of employment and the loss of employment was through no fault of the parent, as determined by the Cabinet. Workers may make this determination with verification from the employer.

MS 2206 FAD SHORT-TERM NEEDS

Identifying any short-term needs of a KTAP applicant is one of the criteria used to determine eligibility for FAD.

A. Some allowable short-term needs include:

1. Rent or Mortgage payments;

[2. Household Utilities – electric, gas, water, sewer, garbage, basic phone service, etc.;]

3. Employment related expenses;

4. Child Care Expenses;

5. Transportation Expenses – monthly car payment, car insurance, car repairs, etc. For repairs, the vehicle must belong to a member of the household.

B. The following items cannot be paid with FAD funds:

1. Medical expenses or services;

2. Cable TV or satellite bills;

[3. Phone expenses in excess of basic service, including data packages for multiple phone lines/cellphones, or tablets;]

4. Reimbursement to an individual who has made payments on the FAD family's behalf.

C. Total payments will be the amounts necessary to resolve the short-term needs of the household during 3 consecutive months, not to exceed $1,300 regardless of family size. The 3 consecutive months begin with approval of the case.

D. Issue FAD payments:

1. FAD can only be issued by a payment to the vendor or a two-party check to the individual and vendor. FAD payments should be issued directly to the vendor whenever possible. If a situation arises in which a direct vendor payment creates a problem with crediting the client's account, issue a two-party payment.

2. Under no circumstances are payments made directly to the individual.

3. Utilize form FA-4, Information Request for FAD Payment, to verify the expense, amount, vendor contact information, and SSN or TIN.

4. Do NOT enter data in the Federal Tax ID or SSN field unless it is required.

[The individual must provide documentation of the expense and the information necessary to issue the payment (vendor's name and address, amount, etc.). FAD payments are issued directly to the vendor. In some instances, it may be necessary to issue a two-party check to the vendor and the client so funds can be properly credited. FAD payments are NEVER issued directly to the individual.

Some FAD payments require the Social Security Number (SSN) or Tax Identification Number (TIN) for the vendor receiving payment. It is very important the correct SSN or TIN is obtained and entered as this information is used to generate form 1099 to the vendor for income tax purposes. If the SSN or TIN is not provided, payment cannot be made. The individual's SSN should NEVER be entered when issuing a FAD payment.

A. Need types that require the vendor's SSN or TIN are:

1. Rent

2. Car Repairs

   a. Payments for car repairs may be made only to reputable vendors or vocational schools.

   b. FAD funds cannot be used to pay a private individual for car repair services.

   c. New or used automotive parts may be purchased with FAD funds if a private individual is doing the repair, but in this instance, labor costs cannot be paid with FAD.

3. Child Care

   a. Child care payments can be made for unsubsidized child care only.

   b. CCAP child care copayments cannot be paid with FAD.

   c. Child care payments are made to the vendor or individual providing the service.

4. Other Services

   This payment need type is to be used for payment of a service related need that may be identified for a particular individual and should be rarely used. Examples of an appropriate use of this payment might include repair costs to a home (furnace repair or replacement, plumbing, roof, etc.) incurred unexpectedly. Document case notes thoroughly to explain the need for payments issued utilizing this code.

B. The need types that do NOT require the vendor's SSN or TIN are:

1. Utilities

   a. Allowable expenses are utilities that cover basic needs. Some examples are electric, gas, water, sewer, etc.

   b. Cable, satellite, and other television providers are not considered basic needs.

   c. Only the base rate is paid for a phone. If the individual does not have a home phone, the base rate for a cell phone service may be paid. Data packages for multiple phone lines /cellphones, tablets, etc. are NOT considered basic services.

2. Mortgage payments

   Mortgage payments are only made for the individual's primary residence.

3. Insurance

   a. Insurance premiums for a primary residence or automobile owned by a member of the benefit group.

   b. Premiums for liability insurance to maintain a profession or business.

4. Car Payments

   a. Monthly car payments can be made for an automobile owned by a member of the benefit group.

   b. When possible, car payments are to be made directly to the vendor. In some instances, it may be necessary to issue a two-party check to the vendor and individual.

5. Relocation Expenses

   a. Deposits for utilities are paid to the vendor.

   b. Deposits for rent are paid directly to the vendor.

   c. Moving expenses may be paid for renting a truck or other expenses expected to be incurred. Payments are made directly to the vendor or company. A two-party payment may be issued if necessary.

   d. If the individual is using a moving company who is charging for labor, the payment should be issued under "Services".

6. Taxes/Licenses

a. Property taxes for homes and automobiles can be paid if the individual owns or is purchasing a property or vehicle for which taxes are owed. When paying property taxes for a home, the home must be the individual's primary residence.

b. License fees may be paid for a FAD eligible individual needing a business license to obtain or maintain employment.

c. Driver's license fees may be paid if obtaining a driver's license will increase the individual's likelihood of maintaining employment.

d. Issue payments directly to the vendor. In some instances, it may be necessary to issue a two-party check to the individual and the vendor so funds can be properly credited.

7. Child Care

a. Child care payments can be made for unsubsidized child care only.

b. CCAP child care co-payments cannot be paid with FAD.

c. Child care payments are made to the vendor or individual who is providing the service.

d. The SSN or TIN of the provider is required to issue the payment.

8. Other Goods

a. Only used for items not covered by another FAD need type.

b. Examples of an appropriate use of this need type might include:

1) Purchase of new or used auto parts (do not include cost of labor);

2) Materials and supplies purchased for home repair by an individual;

3) Household furnishings in the event of a catastrophe;

4) Uniforms, including shoes;

5) Criminal records checks; or

6) Drug testing fees.]

MS 2210 [TECHNICAL ELIGIBILITY REQUIREMENTS (1)

All individuals applying for KTAP must meet certain technical eligibility requirements in order to be eligible for benefits.

A. In order for a CHILD to be technically eligible for KTAP, the child must be:

1. Age 15 or younger;

2. Age 16, 17, or 18 complying with school attendance requirements;

3. A minor parent (under age 18) complying with school attendance requirements;

4. Under age 18 and a high school graduate;

5. A Kentucky resident;

6. A U.S. citizen or eligible alien;

7. Living with a parent or caretaker relative, unless there is a verified temporary absence. Refer to MS 2338 for more information on temporary absence;

8. Deprived of parental support due to death, continued absence, incapacity of a parent or unemployment/underemployment of a parent; and

9. Complying with enumeration requirements.

B. In order for an ADULT to be technically eligible for KTAP, the adult must:

1. Have an eligible child in the home or a child in receipt of SSI, State Supplementation, or Federal, State, or local Foster Care benefits who would otherwise be eligible for KTAP, unless there is a valid, verified temporary absence. A child is not eligible if he/she received KTAP benefits in another individual's KTAP case for the month of application.

2. Have a valid relationship to the child as a parent or caretaker relative. Refer to MS 2328 for more information on relationship.

a. If both parents are in the home and one parent is incapacitated or unemployed/underemployed, both parents MUST be included in the case if they were married at the time of the child's birth or relationship has been confirmed by establishing paternity for the child. Refer to MS 2215.

b. A caretaker relative may be included in the case if all eligibility requirements are met and neither of the child's parents is living in the household.

c. If a parent, other than a minor, is in the home and technically eligible, the caretaker relative cannot be included in the benefit group, but must be included as a member of the household.

3. Be a U.S. citizen or qualified alien; and

4. Comply with enumeration requirements.

C. To be determined eligible for KTAP, the benefit group must be determined to be ongoing eligible. If the family is ineligible for the month following the application month, eligibility for the application month does not exist.]

MS 2215 TECHNICALLY EXCLUDED INDIVIDUALS (1)

The following individuals are considered technically ineligible for KTAP benefits and should not be a member of the KTAP benefit group:

A. An individual receiving SSI;

B. An individual receiving State Supplementation;

C. A child 18 years of age unless in full-time attendance in high school or an equivalent;

D. A child who does not meet the technical requirement of deprivation;

E. The spouse of a technically eligible parent when there is no common child in the household;

F. A caretaker relative who is not requesting aid;

G. The spouse of a caretaker relative aid/included in the benefit group;

H. A married minor child and his/her spouse who are not parents and are living together in the household of the married minor's parent or caretaker relative;

I. Aliens ineligible due to:

1. Not meeting qualified alien requirements; or

2. The five-year ban from receipt of KTAP.

J. Any individuals who do not meet the relationship requirements;

K. A child receiving Kinship Care payments including ;

L. A child receiving Foster Care payments. A child can continue to receive Foster Care past age 18 and up to age 22 if participating in an educational program;

M. A child of a minor parent receiving Foster Care or Kinship Care payments when the child and the minor parent live in the same household;

N. A child receiving subsidized adoption payments, if it is to the benefit of the household. See MS 2275;

O. A fugitive felon for as long as the felon is fleeing or considered a fugitive;

P. A probation or parole violator for as long as the person is considered a violator;

Q. An individual with a drug felony conviction, including out of state convictions, and that felony was committed after August 22, 1996, unless the drug felon:

1. [Is assessed as chemically dependent and is participating in or has successfully completed a recognized chemical dependency treatment program. If the individual has multiple drug felony convictions, the treatment program must be completed after the most recent conviction. If the individual is participating in a program and has not completed it, it must be verified at each recertification that they are still participating until they have completed the program. Verification of the assessment as chemically dependent and participation or completion of treatment must be provided. Sources of verification include, but are not limited to, a written statement or collateral contact with the program to verify that an assessment is required and was completed. There is no restrictions on what type of assessment is required. Participants in programs such as Alcoholics Anonymous (AA) and Narcotics Anonymous (NA) make a self-declared assessment. This self-declared assessment is acceptable as this is the only type of assessment that these programs require. There is no criteria for who can verify the assessment. Whatever type of assessment the treatment provider chooses to use is acceptable;]

2. Is pregnant. The individual is eligible for benefits during the pregnancy only; and

3. Is otherwise eligible for benefits;

R. An individual convicted in a Federal or State court for having made a fraudulent statement or representation regarding residency in order to receive assistance from two or more states during the same time period is excluded from a KTAP case for 10 years. This applies to convicted individuals who made the fraudulent statement or representation regarding residency after 8/22/96 in order to receive assistance funded under Title IV-A (AFDC and TANF), Title XIX (Medicaid), the Food Stamp Act of 1997, or the Supplemental Security Income (SSI) program under Title XVI.

MS 2217 STRIKERS (1)

[A strike is any work stoppage by employees, including a stoppage due to the expiration of a collective bargaining agreement and any deliberate slow down or interruption of operations by employees.

A. Individuals participating in a strike are not eligible to receive KTAP benefits. This includes individuals not working as a result of honoring or refusing to cross picket lines set up by those on strike.

B. Individuals who are not considered to be participating in a strike are:

1. An employee who is not part of the bargaining unit on strike who is afraid to cross a picket line due to fear of personal injury or death;

2. An employee whose work place is closed by an employer in order to resist demands of employees, e.g., a lockout; or

3. An employee who is not working due to lack of work resulting from a strike situation; such as truck drivers who are not working because striking factory employees which prevents the product from being produced effecting the jobs of delivery drivers.

C. At application, if one or both parents are participating in a strike, the application is denied on the last day of the month.

D. If a parent in an active KTAP case reports he/she is participating in a strike, the strike information must be entered in Worker Portal. This will ensure the case is correctly discontinued due to the strike.

E. If a caretaker relative who is included in the KTAP benefit group is participating in a strike, he/she is not eligible to be included in the benefit group. When it is reported by a caretaker relative that he/she is participating in a strike, enter the strike information in Worker Portal which will exclude him/her from the benefit group.

F. Eligibility for KTAP is not affected when a caretaker relative who is not included in the benefit group is participating in a strike.]

MS 2220 [ELIGIBILITY RELATED DISQUALIFICATIONS

An individual who refuses to meet enumeration or school attendance eligibility criteria is not eligible to receive KTAP benefits. The disqualified individual is considered an excluded member and is not included in the benefit group. Any income and/or resources the individual has are countable in the KTAP case. Earned income deductions are allowed.

Individuals are disqualified from receiving KTAP for the following reasons:

A. Refusal to be enumerated.

1. If an individual refuses to obtain a social security number, he/she is not included in the KTAP benefit group.

2. If a parent or caretaker relative refuses to enumerate a child:

a. Only the child is excluded from the case; or

b. If the excluded child is the only eligible child, the entire household is ineligible.

B. A child 16, 17, or 18 years of age or a minor parent (under age 18) who is NOT meeting school attendance requirements.

1. If the child or minor parent begins meeting school requirements, the disqualification is cured.

2. For minor parents, the disqualification is cured when the minor parent reaches age 18.]

MS 2225 PENALIZED INDIVIDUALS

[Penalized individuals receive a reduction in KTAP benefits due to noncompliance with one or more requirements. Worker Portal applies disqualifications automatically based on how the questions are answered for the members in the household or on information received from another agency through an interface.

A. A pro rata reduction of benefits means the benefit amount is reduced to remove the penalized individual from the benefit group. For information on applying the pro rata reduction, refer to Volume IIIA, MS 4750.

   Pro rata reductions are applied when:

   1. An individual refuses or fails to meet the participation requirement in a Kentucky Works Program (KWP) activity without good cause;

   2. An 18 or 19 year old teen parent refusing to attend school or participate in a KWP activity.

B. A 25% reduction is applied to the benefit amount for the household when an individual refuses to cooperate with Child Support Enforcement (CSE), without good cause. For information on applying the 25% reduction, refer to MS 3080.]

A. Include a parent and all children of that parent in the same KTAP case, if technically eligible and living together. Additionally, if a parent is not in the home, include ALL siblings of a KTAP child in the same KTAP case. Do NOT exclude a sibling or the parent of a KTAP child from the KTAP case if technical requirements are met, regardless of financial eligibility, and the individual is living in the same household as the KTAP child.

B. Children living together may have separate applications when there is no common parent.

C. If separate applications are signed by the same caretaker relative, he/she may be payee for each assistance group, but included as the caretaker relative in only one case.

[D. Verify relationship and household composition to determine if all the individuals required to be on the KTAP case are included. For sources of verification of relationship, refer to MS 2329. Some sources of verification for household composition may be form PAFS-76, Information Request, a landlord letter, collateral contacts who are familiar with the family situation, etc. Verification of household composition is required for all KTAP applications, recertifications and changes in household members or address.]

E. If the parent refuses to add an eligible child to the KTAP case, the entire case is ineligible to receive benefits; deny or discontinue the case, as appropriate. A case remains eligible during the month a child is born if the new child's income does not cause ineligibility. If, due to the refusal of the parent, a supplemental request is not made for the new child by the last day of the month following the birth month, the case is technically ineligible beginning with the 1st day of the month following the child's birth. Regardless of the supplemental request date, income of the child is considered beginning with the month of birth.

MS 2240 KTAP FAMILY WITH TWO PARENTS (1)

The following are situations involving a two parent family which qualifies for KTAP based on incapacity or unemployment.

A. If both parents are in the home, and one parent meets the Federal definition of unemployment or is incapacitated, both parents MUST be included in the case if paternity has been established. Verification of paternity or marriage at the time of the child's birth must be obtained prior to including both parents in the case.

1. One or both parents may not be included in the assistance plan if technical eligibility requirements are not met.

2. If the parent refuses or fails to provide required information other than enumeration to determine eligibility, the entire case is ineligible.

3. If the case consists of a mother, her child, a father and a child in common, all the members must be included on the case until technical eligibility no longer exists.

Example: [A KTAP case with a deprivation of unemployment consists of a father who is the QP, a mother, her two children and their child. The QP refuses a job offer without good cause. Since he no longer meets the definition of unemployment, he and their child are removed from the case. Jane and her two children may continue to receive KTAP based on her children's deprivation factor.]

B. If the parent and stepparent have a child in common and deprivation of incapacity or unemployment exists, establish one case which includes the parent, stepparent, and all children.

C. If the mother and father have a child in common and one parent is an SSI recipient, establish one case which includes the non-SSI parent, the child in common and all siblings.

D. [If the only technically eligible dependent child living with the family begins to receive SSI or State Supplementation, the parent and second parent are eligible if all other technical and financial factors are met. The KTAP case may have the parent and second parent as the only members.

If the only eligible dependent child is disqualified for not attending school, the entire KTAP case is ineligible. The same is true when the only eligible child is not enumerated.

E. If the only common child, who is included in the KTAP case with all the siblings and parents, begins to receive SSI or State Supplementation, the KTAP case would be separated.

Example: A KTAP case consists of mother, her child, father, his child and their child. Their child is the common child who requires all the members be on one case. Their child begins to receive SSI; therefore, the child is no longer technically eligible. The KTAP case is separated into one case for the mother and her child and one case for the father and his child.

F. Families that consist of a parent and a stepparent with no child in common are not eligible for KTAP based on a deprivation of incapacity or unemployment. When a husband and wife, each with a child, apply for KTAP, and there is no common child, each parent must apply separately as head of household in their own case.

When both applications are pending, the first case processed counts the stepparent surplus, since the other parent is not yet receiving KTAP. The second approved case does not count stepparent surplus.]

MS 2250 FAMILY WITH MINOR PARENT (1)

The following situations involve a family which includes a minor parent.

[A. If an unmarried minor parent lives with a parent/caretaker relative who is applying for or receiving KTAP for siblings of this minor parent, establish one case which includes:

1. The parent/caretaker relative, if appropriate, and the case is in the parent/caretaker relative's name;

2. All siblings, including the minor parent who is technically eligible; and

3. The child of the minor parent, if the minor parent chooses to apply for the child.

For information concerning a minor parent who is married, refer to MS 2260.

B. If the parent of a minor parent in the same household has not applied for KTAP assistance or is not receiving KTAP assistance, the minor parent can receive KTAP for him/herself and his/her child.

C. If after approval, the minor parent leaves the household, the parent/caretaker relative may receive for him/herself, siblings of the minor parent and the minor parent's child in one case or the minor parent's child may receive in a separate case with the caretaker relative as payee.]

MS 2260 MARRIED MINORS

[When a minor (under age 18) is married, it affects the minor's eligibility for KTAP as a child in his/her parent's case. How the minor is considered in relation to his/her parent is not determined solely on the minor's marital status, but also if the minor and his/her spouse are living in the same household.

A. For households with a married minor who is not a parent, and is living with a parent or caretaker relative without the spouse:

   1. The married minor is considered a child and will be included in the KTAP benefit group, if all other eligibility factors are met;

   2. A referral to CSE is inappropriate for married minors unless he/she is divorced prior to age 18.

B. If a married minor and his/her spouse live with a parent or caretaker relative, the married minor is considered an adult and will not be included in the KTAP benefit group.

C. A married minor parent, spouse, and their child can receive KTAP in a separate case, if all other eligibility factors are met. If the married minor parent is living with his/her parent, the parent's income is excluded because the married minor parent is considered an adult.]

MS 2275 [SUBSIDIZED ADOPTION

A child who receives subsidized adoption payments can be excluded from the KTAP benefit group, if excluding the child results in a higher KTAP benefit amount for the family. If the child is included, any income and/or resources belonging to the child are also considered when determining financial eligibility for the family.

If it does not benefit the KTAP benefit group to include the child, the child should be included in the case as a household member, but the “Requesting Aid” checkbox on the Benefit Request screen should be left blank for the child receiving subsidized adoption payments.]

MS 2280 FOSTER CARE CHILD

[When advised by Protection and Permanency (P&P) that a foster care child is moving into the home of the child's parent or a caretaker relative, the P&P worker sometimes advises the individual to apply for KTAP for the child. Accept an application or supplemental request by the relative, but do not approve the KTAP case prior to the actual date the child begins living in the home.

Example: A child is in foster care until November 18. A KTAP application is made for the child on November 17 based on the child being returned to the parent's home. P&P staff verified foster care benefits were paid from November 1 through November 18 when they were discontinued. The approval date for the KTAP case is November 19.

If the only dependent child, who is living with a relative, receives Federal, State, or local foster care benefits, the relative may be eligible to receive KTAP if he or she meets the definition of a caretaker relative.]

MS 2285 CITIZENSHIP REQUIREMENTS

To be eligible for KTAP, an individual must be a citizen of the United States or a qualified alien as specified in MS 2300. Individuals from Puerto Rico, U.S. Virgin Islands, American Samoa, or Swain's Island are equivalent to U.S. citizens. All individuals applying for KTAP are required to present proof of citizenship or alien status. The client's statement is accepted for proof of U.S. citizenship unless questionable.

A. [If questionable, ask the household to provide verification of citizenship. Acceptable forms of verification include:

1. Birth certificate;

2. School record;

3. Voter registration card;

4. U.S. passport;

5. Certificates of citizenship or naturalization provided by the U.S. Citizenship and Immigration Services (USCIS), such as USCIS form I-179 or USCIS form I-197; and

6. If the above forms of verification cannot be obtained and the household provides a reasonable explanation as to why it is not available, accept a signed and dated statement from someone who is a U.S. citizen which declares, under penalty of perjury, that the person in question is a U.S. citizen. For example: I, _____, swear under penalty of perjury that I do know that ____ is a U.S. citizen.

B. The documentation used as proof of alien status is outlined in Volume I, MS 0560.]

MS 2290 VERIFICATION OF IDENTITY

[Adults and minor parents, who are head of household, must provide proof of identification. Acceptable documentation to verify identity consists of the following:

A. United States passport;

B. A state issued Driver's License or Identification Card with the individual's photograph;

C. A military Identification Card with the individual's photograph;

D. Immigration documents containing the individual's photograph;

E. Certificate of Indian Blood, or other U.S. American Indian/Alaska Native tribal document;

F. Employer Identification card with the individual's photograph;

G. School Identification card or record with individual's photograph;

H. The facility director or administrator may attest to the identity for disabled individuals in a residential care facility; or

I. Documentation from other agencies can be used to meet the identification requirement. These include:

1. Documentation that was used to determine eligibility for the Supplemental Nutrition Assistance Program (SNAP);

2. Law enforcement;

3. Correction agencies, including juvenile detention;

Expired documents can be used to verify identity as long as the document clearly establishes the individual's identity.]

MS 2300 CRITERIA FOR QUALIFIED ALIENS (1)

[Individuals must be U.S. citizens or qualified legal aliens to receive KTAP benefits. Nationals of Puerto Rico, U.S. Virgin Islands, American Samoa, Northern Mariana Islands, or Swain's Island are equivalent to U.S. citizens.]

A. Qualified aliens are:

1. Aliens lawfully admitted for permanent residence;

2. Permanent resident aliens who are veterans honorably discharged for reasons other than alienage, their spouses or unmarried dependent children;

3. Permanent resident aliens who are active duty, other than training, in the U.S. military, their spouses or unmarried dependent children;

4. Refugees who were admitted under Section 207 of the Immigration and Nationality Act (INA);

5. Asylees who were granted asylum under Section 208 of the INA;

6. Aliens whose deportation is being withheld (political asylees) under Section 243(h) of the INA or after April 1, 1997, the renumbered Section 241(b) of the INA;

7. Aliens admitted as an Amerasian immigrant under Section 584 of the Foreign Operations Export Financing and Related Programs Appropriation Act of 1988;

8. Aliens paroled in the U.S. under Section 212(d)(5) of the INA for a period of at least one year: If the United States Citizenship and Immigration Naturalization Service (USCIS, formerly INS) document I-94 indicates the individual will be in U.S. for at least 1 year, eligibility may potentially start after parolee status is granted;

9. Aliens who are granted conditional entry pursuant to Section 203(a)(7) of the INA as in effect prior to 4/1/80;

10. Aliens granted status as a Cuban and Haitian entrant (as defined by Section 501(e) of the Refugee Assistance Act of 1980).

    Section 501(e) defines Cuban and Haitian entrants as any individual:

    a. Granted parole status as a Cuban/Haitian entrant (status pending);
    b. Granted any other special status established under INA laws for these nationals;
    c. Being a national of Cuba or Haiti, paroled into the U.S. and has not acquired another status under INA;
    d. Subject to exclusion or deportation proceedings under INA; or
    e. Having an application for asylum pending with USCIS.

If any of the individuals listed in item 10 have a final, nonappealable, legally enforceable order of deportation or exclusion entered against them, they are NOT eligible under this provision; or

11. Aliens who are battered or subjected to extreme cruelty in the U.S. either as:

    a. An adult by:
        (1) A spouse or parent; or
        (2) A member of the spouse or parent's family residing in the same household as the alien and the spouse or parent consented to the battery or cruelty; or
    b. A child by:
        (1) A spouse or a parent of the alien without the active participation of the alien in the battery or cruelty; or
        (2) A member of the spouse or parent's family residing in the same household as the alien and the spouse or parent consented to the battery or cruelty; and
    c. The alien no longer resides in the household with the individual responsible for the battery or cruelty;
    d. There is a substantial connection between the battery or cruelty and the need for the benefit; and
    e. The alien has been approved or has a petition pending for:
        (1) Status as a spouse or child of the U.S. citizen;
        (2) Status as a permanent resident alien;
        (3) Suspension of deportation status pursuant to Section 244(a)(3) of the INA.

    "Battered or subjected to extreme cruelty" means an individual who has been subjected to:

    - Physical acts that resulted in, or threatened to result in, physical injury to the individual;
    - Sexual abuse;
    - Sexual activity involving a dependent child;
    - Being forced as the caretaker relative of a dependent child to engage in nonconsensual sexual acts or activities;
    - Threat of, or attempts at, physical or sexual abuse;
    - Mental abuse; or
    - Neglect or deprivation of medical care;

12. Aliens who are victims of human trafficking, and eligible relatives. Refer to Volume I, MS 0562 for detailed policy and procedures.

13. Under Section 8120 of the Department of Defense Appropriations Act (DDAA) of 2010, Afghan and Iraqi aliens who are granted special immigration status are treated in the same manner as refugees admitted under Section 207 of the Immigrations and Nationality Act. These Iraqi and Afghan aliens served as translators for the U.S. military. This special immigration status also applies to their spouses and unmarried dependent children. The law applies to Afghan and Iraqi aliens who were already in the U.S. with special immigration

status on the effective date of the law, December 19, 2009, and those who enter on or after that date.

14. Native Americans born in Canada who enter the U.S. under Section 289 of the Immigration and Nationality Act for lawful permanent residence.

B. The following qualified aliens cannot receive KTAP for 5 years from their date of entry:

1. Aliens lawfully admitted for permanent residence ON or AFTER August 22, 1996;

2. Aliens paroled in the U.S. under Section 212(d)(5) of the INA for a period of one year. EXCEPTION: Cuban/Haitians entering under Section 212 are considered in the same manner as those entering under Section 501.

3. Aliens who (or whose child or parent) have been battered or subjected to extreme cruelty in the U.S.

C. Obtaining permanent residency does not negate the qualified alien's original entry status for KTAP eligibility. For example, a refugee admitted under Section 207 of the INA becomes a permanent resident after one year. He/she would remain eligible for KTAP. The 5-year ban is not applied.

D. Aliens designated as PRUCOL, permanently residing under color of law, are NOT eligible for KTAP.

E. The unqualified aliens may receive for their children if the children are US citizens or qualified aliens.

MS 2306 CATEGORICAL LIMITATIONS

[An individual may not concurrently receive more than one category of assistance.

A. Categories of assistance are:

1. Kentucky Transitional Assistance Program (KTAP); and

2. Supplemental Security Income (SSI).

B. An individual receiving SSI may receive KTAP for his/her children, but is not considered a member of the benefit group, nor is any of his/her income countable in a KTAP case.

C. As it is usually to the advantage of a disabled individual to receive SSI instead of KTAP, adults and children with physical or mental disabilities should be referred to the Social Security Administration (SSA) to apply for SSI by form PAFS-5.1, unless the individual does not wish to apply for SSI.

D. When an individual receiving KTAP is approved for SSI, SSA contacts DCBS to determine:

1. The date the client will no longer receive KTAP benefits; and

2. The amount of KTAP benefits received for the individual.]

MS 2310 [AGE REQUIREMENTS

Individuals must have an age eligible child in the household in order to be determined eligible for KTAP benefits.

A. Eligible children are:

1. Age 15 or younger;

2. Age 16, 17, or 18 and complying with school attendance requirements;

3. A minor parent (under age 18) complying with school attendance requirements. Refer to MS 2316; or

4. Under age 18 and a high school or GED graduate.

B. Verify the date of birth of each child for whom aid is requested. Acceptable primary sources of verification are:

1. State authorized, numbered, birth certificate;

2. KVETS for birth certificate inquiries for persons born in Kentucky;

3. Court/legal documents that include the child's name and date of birth;

4. Statement from attending physician/midwife;

5. Hospital record;

6. Adoption record;

7. USCIS records (e.g., passport, immigration papers that include the child's name and date of birth).

C. If primary verification is unavailable, use a combination of any 2 or more secondary verification sources. The following secondary sources, if at least 5 years old, may be used for children 6 through 18 years of age:

1. School record;

2. Insurance policy;

3. Medical records, including immunization record;

4. Driver's license; or

5. Family Bible.

D. If birth verification for a child cannot be obtained within the normal processing timeframes, approve KTAP for all other members for which all other eligibility verification is provided. The child without birth verification is considered technically ineligible and is excluded from the KTAP benefit group. When birth verification is provided for the child, the child is added to the KTAP benefit group from the date the verification is provided.

E. If the individual REFUSES to cooperate or provide verification, DENY the KTAP application for the entire household.]

MS 2316 SCHOOL ATTENDANCE REQUIREMENT (1)

[All children age 16, 17 and 18, including SSI children, and minor parents (under age 18) must be in regular school attendance. If it is verified that a child under 18 has completed high school, the child is included in the KTAP case until age 18. Teen parents under age 18 who are the head of household and have graduated from high school or obtained an equivalency diploma are required to comply with KWP activity. See Vol. IIIA, MS 4005, KWP Participation Requirements.]

A. Regular attendance is enrollment and attendance in a program of study or training leading to a certificate, diploma or degree.

   For purposes of the regular attendance requirement, full-time attendance is defined as a workload of:

   1. The number of hours required by an individual in elementary, junior or high school/vocational school to fulfill the definition of full time;
   2. Number of hours required by the individual program for GED or literacy program.

   See Vol. IIIA, MS 4200, Educational Component for Teen Parents, for information on how to enter educational activity.

B. An 18 year old child may qualify for KTAP only if in regular full-time school attendance in elementary, middle, junior and high school. Homebound instruction provided by the school system is considered regular attendance as well as full-time attendance in a GED program. Discontinue the child's assistance when an 18-year old child graduates or reaches age 19, whichever comes first.

   Example: If the child is 19 years old on the first of May, the case is discontinued effective May. If the child turns 19 years old on the 2nd or any day after, the case is discontinued effective June.

C. Alternative types of school attendance may include:

   1. Home schooling;
   2. Homebound instruction which is provided by the school system;
   3. Adult basic education classes; or
   4. A GED program. If a child under age 18 completes a GED program and is waiting to take the GED test, verification must be provided that the child is registered to take the GED test. If verification is provided, the child under age 18 remains eligible for KTAP while waiting to take the GED test. If the child is not registered to take the GED test, he or she must begin classes again to remain eligible for KTAP.
   5. Correspondence courses are not acceptable as an alternative type of school.

D. The physically disabled homebound student receiving instructions from a homebound teacher is considered in regular attendance, if verification of homebound instruction is provided.

E. A child enrolled in the Job Corps Program is considered to meet school attendance requirements. Temporary absence from the home due to being in the Job Corps is considered in the same manner as temporary absence for attending school.

F. A child is considered in regular school attendance during the months of:

1. Official school or training vacation;

2. Illness;

3. Convalescence;

4. Family emergency; or

5. School suspension of a short duration unless an intention not to re-enter school/training has been indicated. This does not include expulsion from school.

G. If a child is not attending school, allow the parent the opportunity to enroll the child in school. If a parent indicates a child is not currently in school but the child will now go to school, the parent must provide verification from the school that the child will be or is enrolled. If the school will not allow enrollment after school has started or mid-year, a statement from the school must be provided indicating when the child will be allowed to enroll.

[Example: In October, a parent states her 16 year old child is not in school. Policy is explained and the parent states she will enroll her child in school. The parent provides a statement from the school indicating the child cannot begin classes until January. The child is not removed from the KTAP case in October. Verify school attendance in January.

H. If the non-SSI child, age 16 but under age 18, is not in school, the child is disqualified. The child's needs are removed from the active KTAP case. If the child, including an SSI child, is not in school and there are no other eligible children in the household, KTAP eligibility does not exist. If the child is a member of a SNAP case, the disqualification will be applied to that SNAP case.]

MS 2318 SCHOOL ATTENDANCE VERIFICATION (1)

[The School Attendance Report, form PA-33D, Verification of School Enrollment/Attendance, or other documentation from the school is used to verify attendance for children age 16, 17 or 18, and all teen parents receiving KTAP. The School Attendance Report is a listing of children in school and is provided to each school in each county with a KTAP child in attendance.

Workers can access the School Attendance Report and the Home School Attendance Report on Worker Portal. These reports list KTAP children ages 16, 17 or 18 and teen parents required to attend school in order to receive benefits.

A. The school attendance report covers the previous quarter. Each school's listing includes the name of the school, the school address, the case name, case number, the child's name, date of birth, and social security number. The school annotates the listing and returns it to the Centralized Mail Center.

B. The questions on the Education screens capture the information required to produce the School Attendance Reports. A child is added to the quarterly listing by answering these questions.]

C. On the school attendance report, the school staff will indicate a "Y" or "N" to whether the student is in regular attendance. The school will provide the number of unexcused absence and tardiness. If the school indicates the student is attending regularly, no further action is required. However, if the school indicates the student is NOT attending regularly or problems are identified in the "Comment" section of the report, contact the child's parent or the teen parent, who is head of household, to request verification of school attendance status.

1. Advise the parent or teen parent of the necessity for the child/teen parent to remain in school and that the child/teen parent will be removed from the KTAP case if he/she does not remain in school.

2. If the parent or teen parent indicates the child or teen parent is no longer attending school, enter this information on the Education screens to remove the child or teen parent from the KTAP case or discontinue the case, whichever is appropriate.

3. If no school attendance report is received, send an RFI to ask the client to provide verification of school attendance.

[D. For a teen parent who is the head of household and age 19 and younger, participation is tracked automatically if the school information is entered on Worker Portal. The months between the quarterly listing or quarterly use of form PA-33D, when appropriate, are tracked automatically each month. If the teen parent stops attending school, the worker must update the Education screens.

E. A teen parent who is considered a child and attending high school, middle school or elementary schools is not considered work eligible individual and is not considered in the KWP participation rate.

F. If a child or teen parent is attending a home school, use form PA-33D to verify school attendance for any child on the Home School Attendance Report.

G. Use form PA-33D or other documentation from the school to verify school attendance for a child at application, adding the child to the case, or when the child's name does not appear on any of the listings.

H. For any teen parent in below post-secondary school or a child age 16, 17 or 18 years old not found on one of the lists, review the Education screens on Worker Portal and update the information as needed. This will ensure the student appears on the next quarterly listing.]

MS 2321 WORK REGISTRATION

All adult KTAP applicants, ages 18 through 59, must register for work with the Office of Employment and Training (OET), unless exempt.

A. Individuals exempt from work registration are:

1. Under age 18;

2. Age 60 or older;

3. Age 18 or 19 and in fulltime attendance at a secondary school or below;

4. Receiving benefits based on 100% disability;

5. A former recipient of benefits based on 100% disability within the past 12 months who lost benefits due to income or resources and not an improvement in the disability; or

6. Employed 30 or more hours per week at minimum wage or higher.

B. [At application, the worker must ask the individual if he/she has registered for work with OET within the prior 12 months.

C. Work registration will be automatically verified through an interface between Worker Portal and OET.

1. If the individual has registered for work with OET in the prior 12 months, the verification field on the Work Registration screen will upload with “OET Interface” and no other action is required.

2. If the individual has not registered for work within the prior 12 months, the case is pended for the individual to register. An RFI will be issued instructing the member to register for work on the OET website or in a local OET office.

D. For individuals who were not required to register for work at application but lose the exemption and become required to register, an RFI is sent instructing the member to register for work on the OET website or in a local OET office.]

MS 2322 KWP WORK ELIGIBLE INDIVIDUALS

[A member or nonmember in a KTAP case who is a "work eligible individual" is required to participate in Kentucky Works Program (KWP) activities.

A. Work eligible individuals are:

1. An adult parent, second parent, caretaker relative who chose to be included in the KTAP benefit group, or a minor parent who is head of household;

2. A parent who lives with the KTAP child but is not included in the benefit group as an active member due to:

a. Disqualification due to a drug felony;

b. Disqualification due to a probation or parole violation; or

c. Disqualification because the individual is a fleeing felon.

B. Worker Portal determines if each individual in a KTAP case is considered work eligible and if so, if the individual is eligible for any KWP exemptions. If eligible for an exemption, the Member Status table on the EDG Summary screen will indicate the type of exemption next to the individual's name.

1. Individuals who are not exempt must participate in KWP. If the individual does not participate, he/she is subject to conciliation and sanction if he/she refuses or fails to participate without good cause. Refer to Volume IIIA, MS 4700 and MS 4750.

2. If an individual has a disability, participation should not be discouraged. Inform the individual about services through Vocational Rehabilitation. Additionally, inform the individual about potential eligibility for SSI or RSDI. Refer the individual to the Social Security Administration (SSA) to apply for disability benefits, if appropriate.]

MS 2324 KWP EXEMPTION CRITERIA (1)

[An individual who meets certain criteria can be granted an exemption from Kentucky Works Program (KWP) participation. Individuals who are exempt from KWP activities are not considered in the work participation rate calculation.

Exemptions from KWP participation are:

A. Disability – An adult who has been determined disabled and is currently receiving Social Security Disability benefits based on 100% disability. The exemption is automatically applied by completing and verifying the disability information on the Disability screen in Worker Portal.

B. Caring for a Child Under 12 Months – When a KTAP case contains a work eligible parent who is the only parent in the household, the system will automatically queue the Exemption Summary screen. If the single parent wishes to use the exemption, it must be indicated on this screen. This exemption:

1. Is not allowable for the work eligible parent when there is another parent or a stepparent in the household;

2. Is not allowable for minor parents under age 18 who have not obtained a high school diploma or GED;

3. Does not have to be used all at one time;

4. Is limited to 12 cumulative months in the single parent's lifetime;

5. Is not allowed if the youngest child's first birthday is in the month of application or in the anticipated change month;

6. Is automatically removed when there is no longer a child under 12 months of age;

7. Is automatically removed when the 12 months limit has been reached;

8. Must be removed by visiting the Exemption Summary screen and answering the question "No" when the individual indicates he/she no longer wishes to use the exemption.

C. Teen Parent – Minor parents, under age 18, with a child under 12 weeks old, are not required to attend school for the first 12 weeks after the baby is born. This exemption is automatically applied based on the teen parent and child's date of birth, the pregnancy end date, and the teen parent's school attendance information in the Education screen.

D. Caring for an Incapacitated Family Member Living in the Household – A parent who is needed to care for an incapacitated family member living in the household. This exemption is not allowed for a caretaker relative who chooses to be included in the KTAP benefit group.

1. At application, if a KTAP applicant states he/she is needed to care for an incapacitated family member who lives in the household, “Proof of Eligibility for Exemption” will be included on the Request for Information (RFI). The RFI and form PA-4, Statement of Required Caretaker Services, will be either locally printed or system generated to the client.

2. Form PA-4 must be completed by the disabled individual’s health care provider to verify care is necessary and there is no alternative arrangement. A new form PA-4 must be completed when the care end date expires or at minimum, every 6 months.

3. In the month prior to the care end date or in the 5th month of the exemption, whichever is first, an RFI and form PA-4 is automatically sent to verify continued eligibility for the exemption. If form PA-4 is not received by the last day of the month, the individual is no longer exempt and is required to comply with KWP activities. An RFI is sent requiring the individual to complete the KWP assessment.

Exemptions are reviewed at application, recertification, and when a change is reported.

To remove the exemption for the following month, the exemption must be removed by the last work day of the current month.

The KWP assessment must be completed when an exemption is no longer valid.

Exemptions are reported on the federal file for the month the exemption is entered on Worker Portal. The data for the federal report will not consider an individual exempt for the following month if the exemption is removed by the last work day of the month.]

MS 2326 [MINOR PARENTS (1)

An unmarried minor parent (under age 18), must meet the following requirements to be eligible for KTAP benefits:

A. Unmarried minor parents who have not graduated from high school or earned a GED are required to attend school or alternative training unless caring for his/her child less than 12 weeks of age.

   1. If the minor parent is not in school and has not graduated or earned a GED, he/she is ineligible to receive KTAP benefits. The minor parent is also disqualified from the SNAP benefit group.

   2. Verification is required when a minor parent who is not attending school states he/she is a high school or GED graduate. If verification is not provided, the system will remove the minor parent from the KTAP benefit group or discontinue the case, as appropriate.

   3. School attendance for a minor parent who is head of household is reported directly from Worker Portal for KWP participation purposes. See Volume IIIA MS 4200.

B. An unmarried minor parent must live with a parent, caretaker relative, legal guardian, or in another approved adult supervised setting. For situations when the minor parent is not living in an adult supervised setting, Protection and Permanency (P&P) staff has the responsibility of assessing the health and safety of the minor parent and child and assist with appropriate services, if needed.

   1. Contact P&P by phone if an appropriate relative or legal guardian is not available or domestic violence, child abuse, or neglect is alleged or suspected. Follow up with an email or form PAFS-628, Exchange of Information.

   2. DO NOT pend the application while waiting for information from P&P.

   3. The minor parent remains eligible for KTAP as long as he/she is cooperating with P&P staff in finding an appropriate adult supervised setting.

   4. If P&P staff determines health and safety issues will not exist if the minor parent continues to live independently, the requirement for an approved adult supervised setting is waived.

   5. Once a living arrangement is deemed appropriate, the minor parent and child are required to remain in that living arrangement or another eligible arrangement.

   6. If the minor parent refuses to accept an appropriate living arrangement, the minor is excluded from the KTAP benefit group as well as from the SNAP benefit group.

7. Teen parents age 18 and over are not required to live in an adult supervised setting.

C. A minor unmarried parent who is head of household and has graduated from high school or earned a GED is required to participate in KWP activities. Minor parents are subject to KWP sanction if he/she is not complying.

D. Minor parents who have not graduated from high school or earned a GED are not eligible for the exemption for caring for a child under 12 months old.

E. A minor parent is a work eligible individual and required to complete the KWP Assessment if he/she is the head of household.

F. A minor parent who is married and living with his/her spouse is not required to live in an adult supervised setting.]

MS 2328 RELATIONSHIP

[To be eligible for KTAP, the child must be living in the household with a parent or caretaker relative, when a parent is not in the home.

A. The caretaker relative may be any of the following:

1. A blood relative of the child including a relative of a half-sibling;

2. A relative of the adoptive family after a child has been legally adopted;

3. Paternal relatives after paternity has been established; or

4. A relative by marriage of any persons listed in items 1-3. If the marriage has ended, relationship exists as long as the marriage ended after the child's birth.

B. A caretaker relative may provide a home for a dependent child without assuming obligation for support. The caretaker relative is entered as the head of household for the case, but is not required to be included in the benefit group. A caretaker relative has the choice of requesting aid and being included in the benefit group or receiving benefits for the child only. If a caretaker relative requesting aid is married and the spouse lives in the household, only one of the caretaker relatives can be included in the benefit group.

C. Adoption terminates the legal responsibility of the biological parents to the child. However, adoption does not end the blood relationship between the adopted child and the biological parents and their relatives.

As a result, if the child returns to the home of his/her biological parent, the biological parent has the following options:

1. Exclude the child from his/her KTAP case because he/she IS NOT legally responsible for the child; or

2. Include the adopted child based on the biological relationship to the child as his/her parent.

In this instance, a referral to Child Support Enforcement (CSE) is made on the adoptive parent, depending on the reason for the parent's absence.

If the adopted child is in the home with both the adoptive parent and the biological parent, the child must be included with the adoptive parent in determining KTAP eligibility.]

MS 2329 VERIFICATION OF RELATIONSHIP (1)

[The relationship of the relative applying for assistance for a child must be verified. A birth certificate is the primary source of verification for relationship of parent to child.

A. Acceptable sources for verification of relationship may be one document or a combination of items/documents. Some of the items in the list below must be used in combination with another item in order to establish relationship of the parent or caretaker relative to the child. Acceptable verifications include:

1. State authorized/numbered birth certificate;

2. KVETS for birth certificate inquiries for persons born in Kentucky;

3. Court/legal documents that specify relationship;

4. Statement from attending physician/midwife;

5. Hospital record;

6. Adoption record;

7. Passport/immigration/naturalization papers;

8. VS-8, Declaration of Paternity;

9. VS-8B, Voluntary Acknowledgement of Paternity;

10. VS-8C, Three-Way Paternity Affidavit;

11. Verification of birth registration;

12. Military records;

13. Medical records, including immunization record;

14. Marriage and/or divorce records;

15. School record;

16. Insurance policy;

17. Driver's license;

18. Baptismal certificate;

19. Church documents, including a family bible;

20. If there is no other source of verification available, and ONLY AFTER the supervisor provides approval, obtain a notarized statement from an individual having specific knowledge about the relationship between the applicant/recipient and child. The statement must include:

    a. Name of the child;

    b. Date of birth;

    c. Place of birth;

    d. Individual's relationship to the child; and

    e. Basis of the individual's knowledge.

B. The relationship of a relative, other than the parent, must be verified. For example: If the relative states she is an aunt, sister of child's mother, the documentation must verify the relative is a sister of the mother and verify the relationship of the mother to the child.

C. An alleged parent or relative of an alleged parent must provide proof of legal paternity or administratively established paternity. The relative of the alleged parent must also provide verification of relationship to the alleged parent.

   When evidence is not provided or conflicting evidence (e.g. more than 1 affidavit, etc. is provided for the same child), deny the application since relationship to the child cannot be established.]

MS 2330 ADMINISTRATIVE ESTABLISHMENT OF PATERNITY (1)

[Administrative establishment of relationship is determined when either the alleged parent or his relative is applying for KTAP, or the alleged parent is in the home.

In order to make this determination, one of the following types of evidence must be provided. If determining relationship of an alleged parent in the home, the evidence must be readily available to the worker.]

A. A birth certificate listing the alleged parent; or

B. Documents such as hospital records, juvenile court records, wills, and other court records which clearly indicate the relationship of the alleged parent or relative; or

C. Receipt of statutory benefits as a result of the alleged parent's circumstances; or

D. [Form VS-8, Declaration of Paternity, can be accepted to administratively establish relationship to determine KTAP eligibility. Form VS-8 is used by Vital Statistics to establish paternity outside a hospital. Form VS-8 must be signed by both parents and must be notarized to be valid verification of paternity. A correctly completed form VS-8 has the same authority as a paternity judgment.

E. Form VS-8B, Voluntary Acknowledgement of Paternity, can be accepted to administratively establish relationship. Form VS-8B is used in the hospital based voluntary acknowledgement of paternity process. The form is used by hospital personnel to establish paternity either before or after the birth of a child. Form VS-8B must be signed by both parents and must be notarized to be valid verification of paternity. Accept form VS-8B completed through the hospital based process to administratively verify relationship to determine KTAP eligibility.

F. A notarized form VS-8C, Three-Way Paternity Affidavit, can be accepted to administratively establish relationship to determine KTAP eligibility. This form is completed with the assistance of Vital Statistics staff when a child is born to a married woman and the child was fathered by a man other than her husband. Anyone seeking information about the three-way paternity process must contact Vital Statistics in Frankfort at (502) 564-4212. A correctly completed VS-8C has the same authority as a paternity judgment.]

G. A notarized statement or affidavit of either parent acknowledging paternity PLUS one of the following:

1. School records;

2. Bible records;

3. Immigration records;

4. Naturalization records;

5. Church documents, such as baptismal certificates;
6. Passport;

7. Military records; or

8. U.S. Census records; or

9. Notarized statement or affidavit from an individual having specific knowledge about the relationship between the alleged parent and child. The statement must include:

   a. Name of the child;

   b. Date of birth;

   c. Place of birth

   d. Individual's relationship to the child; and

   e. Basis of the individual's knowledge.

H. In cases in which the parent or, in the absence of the parent, the caretaker relative states the individual listed in item A or B is not the actual mother/father of the child, the parent/caretaker relative may provide substantiating evidence that the information was erroneous (e.g. proof that the parent named on the birth certificate was incarcerated for the 12 month prior to child's birth, etc.) and identify the alleged parent by providing a notarized statement or affidavit containing the following:

1. The erroneous information originally provided; and

2. The correct identity of the alleged parent.

When the case record contains the above notarized statement or affidavit and substantiating evidence to refute the original information, do not administratively establish relationship for the individual listed on the birth certificate or legal documents. If administrative establishment of relationship has previously been established for the alleged parent now cited as being erroneous, consider it no longer valid.

Once a notarized statement or affidavit is submitted to change the parent, the rebuttal process cannot be used again to refute it.

MS 2331 COMMON LAW MARRIAGES

[Kentucky does not recognize common law marriages unless a couple has been considered legally married by a state that does recognize common law marriage.

A. Common law marriages are recognized in the following 8 states and the District of Columbia:

1. Colorado – Common law marriages contracted on or after September 1, 2008 and the individuals were 18 or older at the time of the contract.

2. Iowa – Common law marriages for purposes of the support of dependent children.

3. Kansas – Common law marriages are recognized if the individuals are 18 or older.

4. Montana – Common law marriage are not strictly prohibited or invalidated by the Marriage Chapter of Montana statutes.

5. New Hampshire – Common law marriage is when individuals live together as husband and wife for 3 years, they are considered married until one of them dies.

6. South Carolina – South Carolina allows marriages without valid licenses.

7. Texas – Common law marriages are allowed in specific circumstances as found in the Texas Family Law.

8. Utah – Common law marriages are allowed by Utah statute.

B. The following states previously allowed common law marriages and will still recognize the common law marriages as valid:

1. Florida – Common law marriages entered into on or before January 1, 1968.

2. Georgia – Common law marriages entered into on or before January 1, 1997.

3. Indiana – Common law marriages entered into on or before January 1, 1958.

4. Ohio – Common law marriages entered into on or before October 1, 1991.

5. Pennsylvania – Common law marriages entered on or before January 1, 2005.]

C. The statement of the individual that he/she resided in a state which recognizes common law marriage and that he/she was considered married is accepted as verification.

MS 2332 ENUMERATION (1)

Require each member of the benefit group to furnish a Social Security Number (SSN) or apply for a SSN as a technical eligibility requirement. Do NOT require the applicant to provide a SSN or apply for a SSN for an individual who will not be a member of the KTAP benefit group.

Example: If a grandmother is applying for a grandchild and is not going to be included in the case, she does not have to provide a SSN for herself.

A. Obtain the SSN for each member included in the KTAP benefit group. Accept the individual's statement as verification of the SSN. No additional verification is required, unless questionable.

   [When a SSN is entered on Worker Portal, if the SSN does not match the database, a message appears on the screen.]

B. If the household member, based on religious grounds refuses to provide a SSN, the member has good cause for failing to comply. If the household member is unable to provide evidence such as out of state birth records which are necessary for completing form SS-5, the member has good cause for failing to comply as long as he is making a good faith effort to obtain the evidence.

   As long as a good faith effort is being made to provide the SSN, good cause exists for failing to provide the number.

C. Refusal without good cause to furnish a number or to make application for a number results in the removal of the individual's needs to whom the refusal is applicable. If the parent or caretaker relative refuses to cooperate with enumeration requirements for a child, exclude that child only from the case. If the child who is not enumerated is the only eligible child in the home, deny/discontinue the case.

D. Include the individual in the case when the individual, who must be enumerated, does not yet have a SSN and is cooperating with the enumeration process. The individual is cooperating when he or she:

   1. Allows DCBS to mail original documentation to Social Security Administration (SSA) with completed form SS-5; or

   2. Returns:

      a. Form SS-10;

      b. Form SSA-2853 signed by an authorized hospital official;

      c. A signed system-generated receipt issued by SSA; or

      d. Form SSA-5028 following a face-to-face interview with SSA.

E. [During each application/recertification, review the case to determine if all KTAP individuals have been enumerated and that the SSNs are entered on Worker Portal. If an individual is not currently enumerated or the SSN is not available or a verified SSN application has not been completed in the past 75 days, complete form SS-5, Application for a Social Security Number Card. Access the current version of the form and instructions on how to apply for a SSN, from the website at http://www.ssa.gov/ssnumber/.]

F. KTAP applications may be approved, or eligibility continued, during the period pending issuance of a number by the SSA. Once the SSN is provided, enter it on Worker Portal.

MS 2334 RESIDENCY (1)

To be eligible for KTAP, the child and parent or caretaker relative with whom the child lives must be residing in Kentucky.

A. Temporary absence from Kentucky with subsequent returns, or intent to return when the reason for the absence is accomplished, does not interrupt continuity of residence. Refer to MS 2338 for more information on temporary absence.

B. Individuals are considered a resident of Kentucky if they meet either of the following definitions:

1. Living in Kentucky voluntarily and not for a temporary purpose. A child is considered a resident of the state in which he/she is living other than on a temporary basis; or

2. The individual is, at the time of application, living in Kentucky, is not receiving assistance from another state and entered Kentucky with a job commitment or seeking employment (whether or not currently employed). Under this definition, the child is a resident of the state in which the caretaker relative is a resident, and migrants are considered residents of Kentucky.

3. If the individual is a student who lives in Kentucky while attending college but returns to his/her home state after each semester ends, the individual is not considered a resident of Kentucky.

C. Client statement is acceptable as verification of the place of residence, unless there are indications of residence in another state. In these situations, request verification of residency, such as a landlord statement or written statement from someone familiar with the family.

MS 2338 TEMPORARY ABSENCE (1)

[Temporary absence from Kentucky with subsequent returns, or intent to return when the purposes of the absence have been accomplished, does not interrupt continuity of residence.

A. Temporary absence from the home of the parent or caretaker relative for medical care, attendance at school, Job Corps, or short visits with friends or relatives does not interrupt the "living with" requirement when it is intended that the parent or caretaker relative will return to the home, AND the parent/caretaker relative maintains care and control of the child.

B. Temporary absence of a child from the home does not exist when the child is away from the home or expected to be away from home for more than 30 consecutive calendar days, unless there is a good cause reason for the absence.

1. Good cause reasons for being away from home for more than 30 days are:

a. Medical care.

b. Attendance at school including boarding school.

c. Attendance at college or vocational school including Job Corps.

d. Visiting with family or friends when it is intended that the child will return to the home and the parent/caretaker relative maintains parental control.

Example 1: The child lived with and is included in mom's KTAP case but stays with grandma in another county to attend school. The mother maintains parental control; therefore, the child is not considered absent.

Example 2: The child is visiting with her father for 2 months during the summer. Mom maintains parental control; therefore, the child is not considered absent.

2. For the parent/caretaker relative to remain eligible for KTAP, if the CHILD's absence does not meet one of the good cause reasons and other children reside in the home, the parent/caretaker relative must report the child's absence within 5 calendar days of becoming aware the absence will exceed 30 consecutive days.

a. If the parent/caretaker relative does not report within 5 calendar days, of the child's absence (expected to exceed 30 consecutive days), the parent/caretaker relative is ineligible to receive KTAP for the month the absence is unreported. Following the untimely report, the parent/caretaker relative remains ineligible until the month following the month the parent/caretaker relative reports the child's absence.

b. If the fifth day of becoming aware the child's absence will exceed 30 consecutive days falls on a weekend or holiday, allow the parent/caretaker relative until close of business of the next work day to report the child's absence.

c. At the point the agency becomes aware the child's absence exceeded 30 days or is expected to exceed 30 days without good cause, the child is removed from the case the first administratively feasible month. If this is the only child in the case, the case is discontinued.

C. A KTAP parent or child who enters a long term care facility may remain eligible for KTAP for up to 1 year as long as all other technical requirements are met. Immediately refer the nursing facility recipient to the Social Security Administration utilizing form PAFS-5.1, Report or Referral to the District Social Security Office, to apply for RSDI/SSI benefits if the recipient's medical condition appears to be disabling, e.g., head injury, quadriplegia, etc.

D. Residence in a spouse abuse center does not affect eligibility; however, the children must be living with the parent unless temporary absence existed prior to entering the spouse abuse center.]

MS 2340 DEPRIVATION AND JOINT CUSTODY (1)

To be eligible for KTAP, a child must be deprived of parental support due to the death, incapacity, unemployment/underemployment, or continued absence, either voluntary or involuntary, of the natural or adoptive parent.

[Joint custody policy applies to joint custody agreements for the parents of the child regardless of their current or previous marital status. This includes parents who never married, but have been established as the legal parent either administratively or by adjudication.

A. In cases where there is a joint custody agreement and:

1. The parents have a 50/50 joint custody order and are following the order; deprivation of the child does not exist.

   Example: The child resides with each parent for a total of 3 ½ days a week. This child is not considered deprived of parental support as each parent is providing care for the child for an equal amount of time.

2. If the joint custody order is something other than 50/50 (60/40, 70/30) or is not being followed, deprivation may exist. The parent residing with the child the majority of the time may receive KTAP, if all other eligibility factors are met.

   Example 1: Mother and father share custody of their child. The child resides with the mother Monday through Thursday and with the father Friday through Sunday. The child resides with mother the majority of the time; therefore, the mother may receive KTAP for the child.

   Example 2: According to the agreement, the child resides with the mother for 8 months and with the father for 4 months during the year. The mother may receive KTAP for the 8 months the child resides with her. The father may receive KTAP for the 4 months the child resides with him.

B. Joint custody must be verified by obtaining a copy of the joint custody order. If the parent states a child has a 50/50 joint custody order that is not being followed, it must be verified. Acceptable verifications include:

1. One or more written statements from individuals who know the family and can attest to the situation;

2. The child's school records;

3. A written statement from the other parent; or

4. Collateral contact.]

MS 2344 DEATH

[The death of either natural or adoptive parent qualifies a child as deprived due to death of one or both parents.

A. The “Absent Parent Status” field is changed to death on each appropriate child if the divorced or absent parent dies. Appropriate notification is sent to the Child Support Enforcement when the deprivation factor is changed to death.

B. If paternity has not been legally established for the deceased parent, the deprivation factor is birth out of wedlock, not death.

C. If the child is receiving benefits due to the death of the parent, verification of these benefits can also verify death.

D. If the child is not receiving any benefits due to the death of the parent, request verification of death. Acceptable verifications are:

1. Death Certificate;

2. Obituary or newspaper notice;

3. Funeral Notice; or

4. Hospital or other medical records.]

MS 2346 INCARCERATION

[The incarceration of a parent for a period in excess of 30 days constitutes deprivation due to absence if the parent intends to return to the home.

A. Verify incarceration and length of sentence by contact with law enforcement officials. The incarceration information is entered on the Living Arrangement screen.]

B. The otherwise eligible child may receive assistance for the month the parent returns to the home from incarceration.

C. When the parent is released from incarceration, determine eligibility as follows:

1. If the parent returns to the home, discontinue the case effective the month following return.

2. If the parent is released to a half-way house, deprivation based on incarceration still exists even if the parent is permitted to spend some time at home.

3. If the parent is allowed to live at home while serving a court imposed sentence by performing unpaid public work or unpaid community service during the workday, deprivation based on incarceration still exists and the case remains technically eligible. However, if the parent is not performing unpaid public work or unpaid community service while in home incarceration, deprivation based on incarceration does not exist.

MS 2348 HOSPITALIZATION

[Long term hospitalization of a parent (one year or more) is considered an involuntary absence which makes the child deprived of parental support due to the extended absence.

If the parent has been hospitalized for less than one year, the deprivation is incapacity of the parent, which can be verified by field determination. See MS 2381 for more information on Incapacity Field Determinations.

Verify the hospitalization with a doctor's statement that includes the diagnosis, prognosis, and estimated length of stay. The hospitalization information is entered on the Living Arrangements screen.

An otherwise eligible child may receive assistance for the month the parent is released from the hospital. If the parent alleges continuing incapacity, eligibility continues during the period incapacity is being established through a determination by the Medical Review Team (MRT).]

MS 2350 DEPORTATION

Deportation of a parent constitutes deprivation due to absence.

[Verify deportation with documents provided by the individual or through a collateral contact with law enforcement officials. Client statement can be taken as a last resort if the individual does not have any documentation and contact with law enforcement is unsuccessful.]

MS 2352 SINGLE PARENT ADOPTION

A single parent adoption automatically establishes deprivation for the child since there is only one parent.

[Single parent adoption is verified by viewing and scanning the adoption papers, court order, or other written documentation from the agency which handled the adoption (e.g., P&P, adoption agency, adoption attorney, etc.).]

MS 2355 DIVORCE

Divorce is the absence of a parent from the home due to the legal dissolution of a marriage by a court judgement. Divorce does not terminate the parent's obligation to support the child.

[There may be situations in which the obligation to support the child is terminated, such as termination of parental rights when the child is adopted.

If there is a joint custody order in place for the child, follow the policy concerning joint custody found in MS 2340.]

MS 2357 LEGAL SEPARATION

[Legal separation is the separation of married individuals by a court order. Unless specifically ordered by the court, legal separation does not terminate the parent's obligation to support the child.

If the legal separation order includes a joint custody agreement or the parents have an informal joint custody arrangement, follow the policy concerning joint custody found in MS 2340.]

MS 2359 MARRIAGE ANNULMENT

[Marriage annulment is the absence of a parent from the home due to a legal proceeding that ordered the marriage was invalid.

Children of an annulled marriage are considered born in lawful wedlock. Unless specifically ordered by the court, annulment does not terminate the parent's obligation to support the child.]

MS 2361 DESERTION

[Desertion is a parent's intentional severing of his/her parental obligations and duties. Desertion only applies to children whose parents were married at the time of the child's birth. Desertion should never be selected as the "Absent Parent Status" for a child who was born out of wedlock, even when paternity is established.

A. Desertion applies when the parent:

1. Is voluntarily absent from the home for 30 days or more; or

2. Refuses to accept the child into the home for 30 days or more.

The first day of desertion is the day the parent leaves the home. The deprivation factor of desertion begins with the 31st day of absence.

Example: If the parent leaves the home on 12/1, the deprivation factor of desertion exists as of 12/31. Once the 30 days has elapsed, the KTAP case is approved back to the application date, if all other eligibility factors are met.

B. The 30-day requirement is waived for the following situations:

1. The child leaves the parent because the parent was requiring the child to live under circumstances hazardous to the child;

2. One of the parents is court ordered to leave the home because he/she was requiring the child to live under hazardous circumstances;

3. The child is voluntarily placed with relatives following a finding by Protection and Permanency that the home was unsuitable;

4. The child is placed with a caretaker relative by court order;

5. The child is eligible and receiving benefits based on the incapacity or unemployment/underemployment and one of the parents leaves the home; or

6. Both parents are absent.

C. Deprivation does NOT exist if the only reason the parent is absent from the home is due to active duty in the uniformed services and intends to return to the home. Uniformed services are defined as Army, Navy, Air Force, Marine Corps, Coast Guard, Environmental Sciences Services Administration, and Public Health Services of the United States.]

MS 2363 FORCED SEPARATION

[Forced separation exists when:

A. An applicant is in a spouse abuse center AND the children are with the individual or were temporarily absent prior to forced separation. It is not necessary to verify a separate residence outside the spouse abuse center.

   Residence in a spouse abuse center alone does not determine eligibility. All other technical and financial factors must be met.

B. An abused spouse/applicant chooses not to reside in a spouse abuse center, but rather establishes a safe temporary shelter with family, friends, or in a shelter for the homeless; AND

   1. The children are with the individual or were temporarily absent prior to forced separation.

   2. The applicant can provide one of the following as verification of a forced separation:

      a. A current restraining order issued due to the abusive situation; or

      b. A written statement or other documentation from a Victim's Advocate, Social Worker, or other professional who is assisting the family.

   Do not verify a separate residence for the abusing spouse until the individual leaves the safe shelter and establishes a permanent residence. This may be a new residence or the former residence, if the abusing spouse has left the shared residence.]

MS 2365 BIRTH OUT-OF-WEDLOCK

[Birth out-of-wedlock exists when the child's parents were not married at the time of the child's birth.

A. When a child is born to an unmarried woman, the child is considered born out-of-wedlock, even when paternity is administratively established immediately after birth or established by the courts.

B. When a child is born to a woman who is married, the paternity of the child is automatically established because the parents of the child are married. In certain circumstances, birth out-of-wedlock is the correct deprivation type even though the mother was married at the time of the child's birth. These situations are:

   1. If the woman is married, but states her husband is not the father of the child and evidence shows that the couple had been living separately for at least ten months prior to the birth; or

   2. The woman is divorced because the child was conceived before or during the marriage with a man other than her husband and she concealed the pregnancy from her husband.

C. When the mother is absent from the home, birth out-of-wedlock is never the deprivation type for the mother as the maternal relationship of the natural mother to the child is always established by the birth of the child. In this situation, another deprivation type must be listed for the absent mother, such as desertion.

D. Birth out-of-wedlock is not the appropriate deprivation type in situations where both parents are living in the household, paternity has been established, and either parent is incapacitated or meets the definition of unemployment/ underemployment. The deprivation would either be incapacity or unemployment.

For cases that involve a joint custody agreement or the parents have an informal joint custody arrangement, follow the policy concerning joint custody found in MS 2340.]

MS 2367 VERIFICATION OF VOLUNTARY ABSENCE (1)

[Voluntary absence is the physical absence and continued absence of a natural or adoptive parent resulting in separation of the parent and child. For voluntary absence situations involving joint custody, refer to MS 2340.

Continued voluntary absence should be verified at application, recertification, a reported change in household members, a reported change of address, and anytime absence of the parent is questionable.

A. The following Absent Parent Status categories require only one source of absence verification. Verification cannot be older than 60 days:

1. Divorce – Verified by the divorce decree, custody order, or other court document.

2. Legal Separation – Verified by the legal separation agreement or court order.

3. Marriage Annulment – Verified by the marriage annulment documents.

4. Forced Separation – Verified by a written statement, form PAFS-76, form PA-21, or other documentation that verifies the individual and child/children are residing in a spouse abuse shelter.

5. Birth Out of Wedlock:

a. If paternity is NOT established, client statement is the only verification required.

b. If paternity IS established, two sources of verification are required.

B. The continuing absence of a parent is established if:

1. Two sources establish the same separate address for the absent parent;

2. A separate address cannot be established, but at least 2 persons contacted indicate the absent parent is not in the home of the individual; or

3. In cases where the individual applies for KTAP and desertion is less than 30 days, absence is verified on or after the 30th day of desertion.

C. Use two of the following sources to verify the absence of the parent from the individual's home. In order to use a source as verification of absence, the source must provide current information and a residential address of the absent parent that is different from where the child resides.

1. Inquiry of computer programs through the Kentucky Online Gateway (KOG):

a. Integrated Client Services Master file;

b. Driver's License File;

c. Motor Vehicle Registration file;

d. State Data Exchange (SDX);

e. Unemployment Insurance records; or

f. Worker Portal for current receipt of SNAP, Medicaid, or KTAP (either in the absent parent's name or the absent parent is included as a active member of the household.)

DCBS External Agency Search may be accessed for items b, c, and f.

2. Post Office;

3. Absent parent's landlord;

4. Court records (not older than 60 days);

5. Absent parent's current or previous employer;

6. Relative of the absent parent;

7. Probation/parole office records;

8. Law enforcement officials (such as KOOL/VINE);

9. Absent parent's neighbors/friends;

10. School officials;

11. Clergyman;

12. Community leaders;

13. Individual's landlord (such as PAFS-76 or written statement); or

14. Individual's neighbors/friends (such as PA-21 or written statement).]

DO NOT use relatives for verification UNLESS there is no one else available. If relatives are used, document the reasons for using relatives.

D. If the contacts and resources used by the worker to establish absence do not agree and indicate the parent may not be absent, give the individual the opportunity to provide evidence to verify absence. Eligibility does not exist if this evidence is not provided. Document the case record fully regarding the conflicting information, additional evidence provided by the individual, and the final decision.

MS 2375 REFERRAL FOR CHILD SUPPORT ENFORCEMENT

An individual who receives KTAP is required to assign his/her rights to child support to the Cabinet. If the individual refuses to assign rights at application or reapplication, the application is denied. If after the individual assigned rights, the individual refuses to cooperate, a 25% penalty is applied. For additional information, refer to MS 3080.

[Complete a child support referral to Child Support Enforcement (CSE) for all cases with a deprivation factor of voluntary absence or birth out-of-wedlock (regardless of the age of the child) unless the individual claims good cause. Refer to the subchapter Child Support Program MS 3000 to MS 3080 for detailed information on child support requirements, referral process, and good cause criteria.

Even if the parent or alleged father is deceased, a child support referral is required.]

MS 2377 INCAPACITY (1)

Incapacity is any condition of mind or body which makes a parent physically or mentally unable to provide the necessities of life for his/her child.

A. Incapacity determinations are done to verify:

1. The deprivation factor for KTAP eligibility; or

2. Kentucky Works Program good cause. Refer to Volume IIIA, MS 4720.

B. For KTAP eligibility based on incapacity, "parent" includes the natural, adoptive and stepparent if the stepparent meets the definition of second parent. The incapacitated parent can be either parent on the KTAP case.

C. The condition of incapacity must eliminate or substantially reduce the parent's ability to provide support and care for the child, including homemaking and childcare functions. Ability to support or care requires consideration of the parent's age, education, training, and work experience.

The condition causing incapacity must be present at the time of application and continue or be expected to continue for at least 30 days. The condition is presumed to continue during a period in which the parent is undergoing diagnostic studies and/or evaluation of rehabilitation potential.

D. Incapacity is determined by field determination (refer to MS 2381), or the Medical Review Team (MRT) (refer to MS 2383).

E. If a member of the assistance unit appears to have a disabling health condition, e.g., quadriplegia, head injury, etc., send the individual to apply for SSI/RSDI benefits by form PAFS-5.1, Report or Referral to the District Social Security Office.

Guidelines for KTAP incapacity determinations are separate and distinct from those used to determine eligibility for SSI and RSDI disability benefits. The fact that an individual is determined by SSA, to be not disabled according to SSI and RSDI standards, does not prevent an individual from applying for KTAP benefits based on incapacity. Do not delay processing an individual's KTAP application pending a determination of that individual's RSDI or SSI entitlement.

F. [When both parents are determined incapacitated, only one can be identified with the deprivation factor of incapacity on Worker Portal. Select the parent whose incapacity is expected to last the longest. Annotate in comments that both parents are incapacitated and which one was used to establish deprivation.]

[The determination that a parent meets the definition of incapacity results from analysis of medical and social factors. Incapacity determinations are also completed to determine if good cause related to a disability can excuse a work eligible individual from participation in Kentucky Works. See Volume IIIA, MS 4720.

A. Incapacity is verified either by:

1. A finding that the reason for a field determination in MS 2381 is met;

2. Form PA-6, Incapacity Determination, indicating a finding of incapacity by the Medical Review Team (MRT) if the MRT request was made for an application entered on KAMES; or

3. Through Worker Portal for applications entered on Worker Portal.

B. The determination that a parent is not incapacitated is not made by field staff. If the application cannot be approved using the criteria for field determinations outlined in MS 2381, enter a request for an incapacity determination by MRT.

C. Before the request is sent to MRT, determine if the case meets all factors of eligibility other than incapacity. If the case is ineligible based on a factor other than incapacity, deny the application and DO NOT enter the medical information on the Disability/Incapacity screen.

D. Use the following procedures to request a determination from MRT:

1. On Worker Portal, the Household Questions screen, answer “Yes” to the gatepost question “Is anyone Blind, Disabled or Incapacitated/Unable to Work?”. This will trigger the Disability/Incapacity screen on which a field determination can be made or an MRT referral requested. If an MRT referral is requested, enter the medical information on the MRT Referral screen. If the client cannot remember specific dates, ask for a specific time period such as last month, within the last 6 months, not in the last year, etc.

2. Assist MRT if additional clarification or information is needed from the individual. If MRT can reach the individual by phone, they will do so.

3. For redeterminations, or if MRT has made a decision within the past year, interview the client and list only medical sources accessed since the last determination was completed.

E. If the KTAP case is denied or discontinued after the request for a MRT determination is sent, email the MRT at MedReview@ky.gov or send form PAFS-628, Exchange of Information, to MRT stating the determination is no longer needed.]

F. If the client refuses to provide information, be assessed, attend appointments, or cooperate in activities needed to determine incapacity, deny the application due to insufficient information on which to base a decision of eligibility.

G. Once the determination is made, incapacity continues UNLESS there is a change in the condition of the recipient, OR MRT requests additional information for a redetermination.

[1. If the client returns to work or his/her condition improves and he/she continues to be financially eligible to receive KTAP, send updated medical information and social data to MRT for a redetermination. If the client is determined not to be incapacitated, discontinue the KTAP case. Explore eligibility in the Unemployed Parent (UP) category.

2. If the client returns to work or his/her condition improves, and the client is not financially eligible for or no longer wants KTAP, discontinue the case.]

MS 2381 INCAPACITY FIELD DETERMINATION (1)

A field determination of incapacity is made for the client if inability to work is alleged and:

A. SSI benefits are received. This includes receipt based on “Presumptive Eligibility”;

B. SSI was received during any portion of the 12 months preceding the application, and the SSI discontinuance was due to income or resources and not an improvement in condition. Send referral to the Medical Review Team (MRT) prior to the next recertification, unless the SSI decision states no reexamination is necessary. If staff cannot determine reexamination status, send a memorandum or email to MRT at MedReview@ky.gov, asking if a reexamination is necessary. Include in the memorandum the name, SSN of the client, and the date the client first received SSI;

C. The individual is age 65 or over;

D. The individual has been determined to meet the definition of blindness as documented in the Medicaid;

E. The individual has been determined to meet the definition of permanent and total disability as documented by form PA-610, Certification of Permanent and Total Disability or documented on Worker Portal;

F. RSDI, Black Lung, or Railroad Retirement based on disability is received. An individual meets requirements under this criterion if the Social Security Administration (SSA) has established disability but entitlement is pending due to the 5-month duration requirement. The official notification from SSA establishing entitlement at a later date, if viewed by the worker, verifies incapacity;

G. By presenting, in the event of a hearing, a copy of the "Notice of Favorable Decision" from the SSA, Bureau of Hearings and Appeals;

H. Incapacity or disability has been determined by MRT, Hearing Officer, Appeal Board, or Circuit Court with the decision stating no reexamination is necessary and there is no visible improvement in the condition;

I. The individual is hospitalized or in an alcohol or substance abuse facility on the date of processing the application and a statement from the attending physician indicates the period of incapacity has or will exceed 30 days but less than one year. If the hospitalization will exceed one year, the deprivation is hospitalization. Refer to MS 2348.

[If the application was made prior to admission, the physician's statement MUST indicate if incapacity existed on the application date. All hospitalization cases are to be reviewed when the parent is released;]

J. Receipt of Veterans Administration (VA) benefits based on 100% disability. This must be verified by a VA award letter;

K. [The individual had an illness, injury or surgery which required a period of time for recovery as specified by a doctor's statement. A field determination can be made for up to 6 weeks. At the end of the 6-week period or the time specified in the doctor's statement if less than 6 weeks, contact the individual to determine if he/she is still incapacitated. If the individual still claims to be incapacitated, a determination by MRT is required;]

L. The individual is on approved sick leave from a job and the employer is holding the job for the individual's return. Verify this with the employer;

M. The individual is deemed to be in a high-risk pregnancy condition. This condition is verified by a doctor's statement and lasts through the pregnancy and the 6-week postpartum period.

MS 2383 MEDICAL REVIEW TEAM (MRT) DETERMINATIONS

[The Medical Review Team (MRT) makes all incapacity determinations when a field determination is inappropriate. MRT uses medical and social information submitted on form PA-601T, by the worker and medical records that are obtained by MRT. MRT sends the decision to the field through Worker Portal for KTAP incapacity or KWP good cause. Refer to Volume IIIA, MS 4720 for additional information concerning MRT KWP determination.

A. If MRT schedules a special examination, MRT notifies the worker. The worker explains the necessity for the special examination and assists the individual in making needed arrangements.

   The physician sends reports of special examinations and fee requests directly to MRT. MRT authorizes the payment of the fee.

   MRT notifies the local office of any case action needed as a result of the special examination.

B. Decisions are made by MRT as follows:

   1. Incapacity exists and no further action is required;

   2. Incapacity exists and certain activities should be carried out to improve the client's personal, social, or job functioning;

   3. Incapacity exists for a time-limited period to permit diagnostic and other activities to determine employability;

   4. Incapacity cannot be determined on the basis of information as submitted and additional medical information or evaluations are needed to provide a basis for final decision;

   5. Incapacity does not exist. Use the comments and reasons shown on Worker Portal to explain why the incapacity standard was not met and the basis for the determination.

C. If incapacity has been established as a result of a fair hearing or appeal decision, follow recommendations of the hearing officer or Appeal Board. At the time of recertification, evaluate the case in the same manner as any case of incapacity.]

MS 2393 REDETERMINATION OF INCAPACITY (1)

Ensure that redeterminations requested on previous MRT determination are submitted in a timely manner. For incapacity cases, if the individual's condition improves or the individual returns to normal activities, obtain appropriate social and medical information, and submit to MRT for a redetermination of incapacity. For KWP good cause determinations, if the individual returns to normal activity, the good cause reason is removed from Worker Portal.

A. Following hospitalization or discontinuance of SSI due to a determination that disability no longer exists, eligibility continues pending redetermination by MRT if another reason for a field determination is not applicable and the parent continues to allege incapacity.

B. [Worker Portal sends an MRT Redetermination notice on the first day of the month prior to the redetermination due date. Update the medical information in Worker Portal on the first work day of the month that the previous MRT determination shows the information is due. If the individual indicates that he/she is scheduled to be examined by a health professional within the next 30 days, document this information on the MRT Referral screen in order for MRT to request the results of the examination.

   The MRT Redetermination Reminder notice is sent on the first day of the redetermination due month to individuals who fail to complete their MRT redetermination by the last day of the month before the redetermination due date.]

C. If the redetermination is for a KWP good cause, send form KW-100, Kentucky Works Contact Letter, requesting the client come in to determine if the good cause is still valid. If the client continues to claim good cause, complete the redetermination process. If the client states good cause is no longer needed, discuss KWP participation activities and requirements. If the client fails to respond to the KW-100, send form KW-204, Conciliation Notice, to start conciliation.

D. If a case is denied or discontinued for reasons other than the deprivation factor, the MRT finding of incapacity remains valid until a redetermination is due.

E. If a case with KWP good cause reason of incapacity discontinues for any reason, the MRT decision granting good cause remains valid until a redetermination is due.

MS 2397 QUALITY CONTROL CASES INVOLVING MRT (1)

[When a memorandum from a Quality Control Analyst indicates the redetermination of incapacity is due or past due, prepare form PA-601T, Referral for Determination of Incapacity/Disability, and immediately follow-up on any instructions transmitted on the most recent form PA-6, Incapacity Determination, or form KW-6, Kentucky Works Determination. When transmitting the medical and social reports to MRT enter "Quality Control Case" underlined in red in the upper right hand corner of form PA-601T. The MRT will provide a copy of form PA-6 for K-TAP incapacity or form KW-6 to Quality Control.**]**

MS 2400 RESOURCES

Only liquid resources are considered in determining eligibility. Consider liquid resources when available to the parent, child, and/or caretaker relative who is included in the benefit group. Excluded resources are not considered when determining eligibility.

A. Liquid resources are defined as:

1. Cash;

2. Checking accounts;

3. Savings accounts;

4. Stocks/bonds;

5. Money market accounts; and

6. Certificates of Deposit.

Excluded resources are not considered in determining eligibility.

B. [The resource limit is $2,000 for a family.

1. When total countable liquid resources are $2,000 or less at the time an application or recertification is processed, the case is resource eligible.

2. When total countable liquid resources exceed $2,000 at the time an application or recertification is processed, the case is resource ineligible.

3. During the month of discontinuance or denial, if the individual verifies resources have reduced to $2,000 or less without a transfer of resources, the household is resource eligible and the worker should take a reapplication at the time that the decrease in resources is reported.

C. Resources must be verified regardless of the amount. The individual must provide one of the following documents to verify his/her resources:

1. Bank statement or printout;

2. Stock statement or statement regarding bonds or certificates of deposit (CDs);

3. Wills or trustee statements;

4. Legal document/court order; or

5. Other written statement from the financial institution.]

MS 2410 EXCLUDED RESOURCES (1)

[Excluded resources are available money, real property, personal property, or other assets not counted in determining eligibility.

A. All resources that are not liquid assets.

B. Gifts or inheritance legally not available until a later date.

C. All resources of an SSI or State Supplementation recipient.

D. Resources of a child excluded from the KTAP case.

E. Resources of the stepparent who is not included in the KTAP benefit group, parent of a minor parent if the parent is not receiving KTAP for the minor parent, a caretaker relative if the caretaker relative is not included in the KTAP benefit group, or the spouse of a caretaker relative.

F. Amount of KTAP and Kinship Care monthly benefits and back payments.

G. Funds in an IRA, state retirement, deferred compensation, etc., during period of unavailability. When these funds become available, count as a resource.

H. Excluded income is also an excluded resource, (e.g., money received from urban renewal assistance, VA benefits for natural children of women Vietnam veterans, WIOA, etc.).

I. Principal and accrued interest of an irrevocable trust during periods of unavailability including irrevocable funeral trusts.

J. Loans. Verify the loan by a commercial loan contract or form PAFS-73, Verification of Contributions - Loans - Roomer/Boarder Payments. When verification is received exclude the loan amount. If verification is not received, consider the amount as a contribution.

K. Up to $12,000 to Aleutians and $20,000 to individuals of Japanese ancestry for payments made by the United States Government to compensate for hardship experienced during World War II (All recipients of these payments are provided with written verification by the U.S. Government.).

L. Payments made from the Agent Orange Settlement Fund issued by Aetna Life and Casualty to veterans or their survivors in accordance with Public Law 101-201 which was retroactive to January 1, 1989.

M. Federal tax refunds and earned income tax credit (EITC) payments received after December 31, 2009, for 12 months from the month of receipt.

N. Any payments received from the Radiation Exposure Compensation Trust Fund.

O. With Self-Employment/Farming annualized income, the balance of the yearly payment is excluded during each of the months the prorated amount is counted as self-employment income. Resources accumulated by a self-employed person, which are prorated as monthly income, are excluded.

Example: A tobacco farmer, after all expenses, receives $6,000 for his crop in January and deposits this sum in his bank account until needed for the next year's crop. The $6,000 is then prorated over a 12-month period and $500 a self-employment income is considered in the case. The yearly payment ($6,000) is excluded during the period the prorated amount is counted (12 months) as self-employment income.

P. SSI back payments made to a KTAP recipient, who is not ongoing eligible for SSI, are not counted as resources for the month of receipt and the following month. See MS 2420.

Q. Up to $5,000 in Individual Development Accounts. Refer to MS 2425.

R. 529 college savings plans such as the Kentucky Educational Savings Plan Trust (KESPT).]

MS 2420 COUNTABLE RESOURCES

Countable resources are:

A. All liquid resources, regardless of amount;

B. [Liquid resources are defined as:

1. Cash;

2. Checking accounts;

3. Savings accounts;

4. Stocks/bonds;

5. Money market accounts; and

6. Certificates of Deposit.

C. All liquid resources of technically excluded parents, unless the parent receives SSI;

D. All liquid resources of disqualified parents and children;

E. State tax refunds;

F. Interest on an excluded resource, other than a trust fund, which is posted to the account and not paid to the client on a periodic basis;

G. State Earned Income Tax Credit (EITC) payments beginning the second month after the month of receipt;

H. An employee's retirement contribution once it is withdrawn;

I. The remaining amount of SSI back payments received by a KTAP recipient who is not ongoing SSI eligible, beginning the second month after the month of receipt. This amount is the amount of the back payment remaining after being excluded for the month of receipt and the following month.

EXAMPLE: A back payment of $6,000 is received in January. The $6,000 is excluded for January and February. In March, the client had $4,000 left. The $4,000 is counted in March.

J. For consideration of alien sponsor's resources, refer to Volume I, MS 2049.

DO NOT count the current month's income as both income and a resource. If income for the current month is deposited in a bank account, deduct that amount from the account to determine the actual account balance.]

MS 2425 INDIVIDUAL DEVELOPMENT ACCOUNTS (1)

An Individual Development Account (IDA) is a savings account established at an approved financial institution with the assistance of a non-profit organization. The purpose of the IDA is for a down payment on a house, college fund, or establishing a self-employment business.

Non-profit organizations use grant money to establish the IDA with a financial institution and matches the earned income contributions that the individual makes.

Non-profit organizations notify the communities they serve of the availability of an IDA for individuals who qualify. The non-profit organization may contact Central Office or the local DCBS office to request that KTAP recipients be informed about an opportunity to have an IDA.

The non-profit organization assists interested individuals in setting up the IDA. The IDA must be set up for a qualified purpose and verified by a copy of the IDA savings agreement. A verified IDA is considered an excluded resource, including interest accrued to the account, in determining eligibility for KTAP.

A. The following restrictions apply to an IDA:

1. [Contributions to an IDA can only come from money derived from earned income. Contributions made by the individual are matched by the non-profit organization.]

2. There is a $5,000 limit per family.

3. The IDA must be separate from all other accounts, such as regular savings accounts.

4. An individual cannot transfer any existing money, such as money currently in a regular savings account, to an IDA.

5. Funds held in an IDA can only be withdrawn for one or more of the following reasons which meet the definition of a qualified purpose.

a. Post-secondary Education Expense - Post-secondary educational expenses paid from an IDA directly to an eligible education institution.

b. First Home Purchase - Cost of acquiring, construction or reconstruction of a home for a first time home buyer. This includes reconstruction of substandard housing, to repair things related to safety such as sanitary water, waste water facilities, energy efficiency, and structural improvements such as roof and floor repairs.

EXAMPLE: An individual already owns his/her first home, but the home does not have indoor plumbing. An IDA could be established to install plumbing and a bathroom.

c. Business Capitalization - Amounts paid from an IDA directly to a business capitalization account which has been established in a federally insured financial institution and is restricted to use solely for qualified business capitalization expenses.

B. The amount of the IDA must be verified at each recertification. If the individual's account is close to the $5,000 limit at recertification, explain he/she is responsible for reporting when the IDA exceeds this limit.

[C. Enter the total amount the individual has in an IDA on the Resource screens in Worker Portal and select the type of resources as IDA, which will exclude up to $5000 from counting in the KTAP case.]

MS 2450 [JOINTLY OWNED LIQUID RESOURCES

Jointly owned liquid resources are resources owned or held by more than one person.

A. Enter all the information regarding the joint ownership for each account on the “Liquid Resource” screen.

B. When more than one signature is required to withdraw funds from a joint checking or savings account, only the individual's share is available. Share is established by a signed statement from other parties as to the division of the resource.

C. If liquid resources are jointly owned, other than a checking or savings account; determine the individual's share by dividing the value by the number of owners. The parent's share is available to the children for whom assistance is requested, regardless of whether the parent is included in the benefit group.

D. If the individual states that he/she does not contribute to or withdraw from a jointly held resource (checking, savings, certificates of deposit, or savings bonds), allow the individual the opportunity to dispute the ownership. To dispute the ownership of the resource, the individual must provide:

1. A written statement regarding ownership and showing who deposits and withdraws funds from the account; and

2. A written statement from each of the other account holders which corroborates the individual's statement, unless the account holder is a minor or is physically or mentally unable to provide a statement; and

3. Verification that the individual's name has been removed from the account.

Do not consider the resource available starting with the month the individual's name is removed from the account.

E. Consider none available when the parties of the jointly held resource are not willing to release their portion of the resource or one party cannot be contacted for a release of their portion. It must be verified that litigation would be required or is pending (e.g., divorce settlement, probate of will, etc.) to determine to whom a resource belongs.]

MS 2460 SPONSOR RESOURCES (1)

[To determine KTAP eligibility for a sponsored alien, compute the liquid resources of the sponsor and his/her spouse, if living together, and consider in the case as follows:

A. The total liquid resources of the sponsor, and sponsor's spouse if appropriate, are computed as if the sponsor was applying for KTAP.

B. The total liquid resources are subject to a $1500 disregard with the remainder considered as a liquid resource available to the alien. If the sponsor is not sponsoring all members of an alien assistance group, the liquid resources are considered available only to the members sponsored.

C. In some situations, an individual serves as sponsor for 2 or more alien assistance groups. In such cases, the resources are divided equally between or among the sponsored aliens who receive or are applying for assistance.

   If the sponsor has signed an agreement guaranteeing support for some, but not all members of an alien assistance group, the sponsor's resources are considered available only to the sponsored members.

D. There are exceptions for deeming resources:

   1. The alien is determined indigent if:

      a. The amount of the sponsor's income and resources given to the alien does not exceed the amount agreed to in the affidavit; and

      b. Without the assistance from the Cabinet, the alien would be unable to obtain food and shelter. In determining if the alien is indigent, take into account the alien's own income and resources, plus any cash, food, housing or other assistance provided by other individuals including the sponsor.

   Count only the amount actually provided by the sponsor for a 12-month period. The 12-month period for the indigent exception starts with the month the determination is made.

   2. If the alien or alien's child has been subjected to extreme cruelty or has been battered in the U.S. by:

      a. A spouse or parent; or

      b. A spouse or parent's family living with the alien or alien's child and the spouse or parent allows the cruelty or battery; or

3. If the alien is a child who lives with a parent who has been battered or subjected to extreme cruelty in the U.S. by:

   a. A spouse; or

   b. A member of the spouse's family living in the same household and the spouse allows the battery or cruelty.

In order to claim this exception the alien child and parent may not be the individual committing the battery or extreme cruelty. This exception lasts 12 months unless the child and parent move back into the abusive situation.]

MS 2490 TRANSFERRED LIQUID RESOURCES

[KRS 205.210(3) mandates that the equity value of liquid assets voluntarily transferred by an individual receiving KTAP or Kinship Care benefits SOLELY FOR THE PURPOSE OF ESTABLISHING ELIGIBILITY be considered an available resource to the individual.

At application, determine whether liquid assets were transferred within the last 24 months. If liquid assets were transferred, enter all information regarding the transfer on the "Transfer/Sold Resource" screen.

At a recertification, determine whether liquid assets were transferred since the last recertification. If liquid assets were transferred, enter all information regarding the transfer on the "Transfer/Sold Resource" screen.

Transfer of a liquid resource does not affect eligibility if the individual presents convincing evidence the transfer was for a purpose other than to become eligible for benefits.

A. Eligibility is determined by considering the uncompensated value (fair market value minus compensation received) of the liquid resource and combining with all other liquid resources:

   1. If total liquid resources do not exceed the resource limit, no further consideration is given to the transfer;

   2. If total liquid resources exceed the resource limit and the resource was transferred within the last 24 months at less than fair market value, consider that the transfer was for the purpose of meeting eligibility requirements. In this situation:

      a. $2,000 is subtracted from the total amount of resources and divided by $500 to determine the number of months the family is ineligible. The ineligibility period is not to exceed 24 months from date of transfer. Partial months are counted as a whole month.

      b. The case will be denied or discontinued for the number of months computed.

B. For an individual whose eligibility is discontinued or denied, begin the period of ineligibility due to resources with the month of transfer. This period of ineligibility applies to the case in which the children are members, even if the parent/caretaker relative changes.]

MS 2500 INCOME - GENERAL INFORMATION (1)

Income is money received from statutory benefits, rental property, investments, business operations, child support, nonrecurring lump sums, wages for labor, or services performed, etc. Income may be unearned or earned.

[A. If the KTAP benefit group reports no income, verify the lack of income for the parent(s) or caretaker relative requesting aid by form PAFS-702, Proof of No Income, a written statement, or collateral contact.

B. Income is divided into 3 general types: continuing, non-continuing, and anticipated.

1. Continuing income is income that is received on a regular basis, e.g., daily, weekly, biweekly, semi-monthly, monthly, quarterly, semiannually, or annually. This type of income includes, but is not limited to, wages, statutory benefits, pensions, etc.

2. Non-continuing income is any type of income that has been terminated.

3. Anticipated income is income expected to be received in the future; such as child support, wages, pensions, etc.

C. The type and amount of income must be verified at each application and recertification and at the time of a reported change or anticipated change in income. When income terminates, verify the termination of the income before removing the income from the case. All income is verified by one of the sources listed below.]

1. Use the following types of verification for unearned income:

a. Award letters or verification from Social Security Administration;

b. Job service card;

c. Company pension statement;

d. Internal Revenue Service records;

e. Veterans records;

f. Railroad Retirement records;

g. Court orders of support;

h. Union records;

i. Inquiry of the Child Support Enforcement (CSE) External Search application;

j. Contract on the sale of property;

k. Bank statements;

l. Statement or copies of checks from the noncustodial parent making support payments; or

m. A statement from the person providing income to the individual.

[n. System inquiries such as SDX and BENDEX.]

2. Use the following types of documentation for earned income:

a. Pay stubs;

b. Employer statement or contact;

c. Contract;

d. Records maintained by the individual for his/her self-employment income;

e. Income tax returns;

f. Form PAFS-700, Verification of Income;

g. Form PAFS-121, Irregular Work form; or

h. Electronic Income Verification. Refer to Volume I, MS 0131, for acceptable Electronic Income Verification (EIV).

i. [System inquiries such as Eligibility Advisor.

D. The actual verified income is entered in Worker Portal and the system calculates the countable monthly income. Do not round income amounts before entering.

E. For individuals recently entering Kentucky, inquire if assistance was received in another state. If he/she states TANF has been received in another state, explain to the individual that TANF months received in other states must be verified before the application can be approved.

Contact the public assistance agency in the other state to verify the individual is no longer receiving benefits from the other state as well as each month TANF benefits were received. Ask the individual if he/she is able to provide any contact information for the other state, such as the worker's name, phone number, address, etc. If the other state requires a written request, fax form PAFS-28, Out-of-State Inquiry, to obtain verification of assistance status.]

MS 2505 SPONSOR INCOME (1)

[For a sponsored alien, the total gross income of the sponsor and sponsor's spouse is deemed to the alien as unearned income.

A. Income from KTAP or SSI is exempt from consideration when determining the sponsor's monthly income available to a sponsored alien.

B. In some situations an individual serves as a sponsor for 2 or more alien assistance groups. In such cases the income is divided equally among the sponsored aliens who receive or are applying for assistance.

C. If the sponsor has signed an agreement guaranteeing support for some but not all members of an alien assistance group, the sponsor's income is considered available only to the sponsored members.

D. Income is not considered available to unsponsored aliens in determining need unless the sponsored aliens actually make the income available to the unsponsored members of the assistance group. Only the amount made available is considered and shown as unearned income.

E. There are certain exceptions for deeming income:

1. The alien is determined indigent if:

a. The amount of the sponsor's income and resources given to the alien does not exceed the amount agreed to in the affidavit; and

b. Without the assistance from the Cabinet, the alien would be unable to obtain food and shelter. In determining if the alien is indigent, take into account the alien's own income and resources, plus any cash, food, housing or other assistance provided by other individuals including the sponsor.

Count only the amount actually provided by the sponsor for a 12-month period. The 12-month period for the indigent exception starts with the month the determination is made.

2. The alien or alien's child has been subjected to extreme cruelty or has been battered in the U.S. by:

a. A spouse or parent; or

b. A spouse or parent's family living with the alien or alien's child and the spouse or parent allows the cruelty or battery; or

3. The alien is a child who lives with a parent who has been battered or subjected to extreme cruelty in the U.S. by:

a. A spouse; or

b. A member of the spouse's family living in the same household and the spouse allows the battery or cruelty.

In order to claim this exception, the alien child and parent may not be living with the individual committing the battery or extreme cruelty. This exception lasts 12 months unless the child and parent move back into the abusive situation.]

MS 2510 EXCLUDED INCOME (1)

[EXCLUDED INCOME is income received by the family but not considered in determining the benefit calculation.

Consider jointly held income unavailable when the parties are not willing to release their portion of the income or one party cannot be contacted for a release of its portion. It must be verified that litigation would be required or is pending to determine to whom the income belongs.]

The following types of income are excluded:

A. Reimbursement for transportation in performance of employment duties, if identifiable;

B. Kentucky Works Program supportive services payments including relocation assistance;

[C. All Workforce Innovation and Opportunity Act (WIOA) income. Refer to Vol. IIIA, MS 4250, to ensure WIOA employment hours are captured for Kentucky Works participation;]

D. Monies distributed to members of certain Indian tribes which are referred to in Section 5 of PL 94-114 that became effective October 17, 1975 or Section 9 of PL 96-420 that became effective October 10, 1980;

E. Low Income Home Energy Assistance Program (LIHEAP) payments or other energy payments made to an energy provider or provided in-kind;

F. Nonemergency medical transportation payments;

G. Principal of loans – Verify the loan by a commercial loan contract, form PAFS-73, Verification of Contributions - Loans - Roomer/Boarder Payments. If not verified, consider the amount as a contribution.

H. All educational grants, loans, and scholarships regardless of the use or funding sources. Verification is not needed for educational grants, loans and scholarships;

I. All student work study income. Refer to Vol. IIIA, MS 4250, Employment (B), to ensure work study participation is captured for Kentucky Works participation;

J. Highway relocation assistance;

K. Urban renewal assistance;

L. Monies received from federal disaster and state disaster assistance;

M. Home produce utilized for household consumption;

N. Any funds distributed per capita to or held in trust for members of any Indian tribe under PL 92-524, PL 93-134, PL 94-540, PL 97-458, PL 98-64, PL 98-123, PL 98-124 or PL 100-241 (cash payment not exceeding $2,000 per year);

O. Any benefits received under Title VII and Title V, Nutrition Program for the Elderly, of the Older Americans Act of 1965, as amended;

P. Payments for supportive services or reimbursement of out-of-pocket expenses made to individual volunteers serving as foster grandparents, senior health aides or senior companions, and to persons serving in Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE) and any other programs under Titles II and III, pursuant to Section 418 of PL 93-113;

Q. Payments to volunteers under Title I (VISTA) of PL 93-113 pursuant to Section 404(g) if less than the federal or state minimum wage (whichever is greater). To determine if the VISTA payment is less than the applicable minimum wage, send a written request to: State Director of ACTION, 600 Federal Place, Room 372-D, Louisville, Ky. 40202;

R. Any payment made by the Division of Protection and Permanency for child foster care, or under certain circumstances subsidized adoptions (refer to MS 2275), adult foster care, or personal care assistance;

S. SSI including any other income of SSI recipients, an essential person's portion of an SSI benefit and SSI back payments;

T. Cost of producing income for self-employment;

U. Any housing subsidies received from federal, state, or local governments even if paid directly to the client;

V. Vendor Payment - payments made DIRECTLY to a doctor, pharmacist, landlord, utility provider, etc. by another individual or organization. This includes Home Energy Assistance (HEA) from private or public organizations or individuals;

W. In-Kind Income - any gain or benefit not in the form of money payable directly to the household.

X. $50 of child support. See MS 2610;

Y. The value of USDA donated foods, supplemental food assistance under the Child Nutrition Act of 1966, food assistance provided for children under the National School Lunch Act as amended, and the monthly SNAP allotment;

Z. Income of a technically excluded child;

AA. Small nonrecurring cash gifts (e.g., Christmas, birthdays and graduation), of $30 or less but not totaling more than $30 per month for each member of the assistance group. Refer to MS 2618;

BB. Income from complementary programs (e.g., education-related transportation and school supplies). See MS 2513;

CC. Up to $12,000 to Aleutians and up to $20,000 to individuals of Japanese ancestry for payments made by the United States Government to compensate for hardships experienced during World War II. (All recipients of this income are provided with written verification by the U.S. Government.);

DD. Payments made from the Agent Orange Settlement Fund issued by Aetna Life and Casualty to veterans or their survivors in accordance to P.L. 101-201 retroactive to January 1, 1989 are not considered as income;

EE. KTAP and Kinship Care payments and back payments;

FF. Income of a legal guardian not included in the KTAP case, when determining eligibility for a minor parent and his or her child;

GG. Federal tax refunds received after December 31, 2009 for 12 months from the month of receipt;

HH. Earned Income Credit (EIC) payments;

II. Any payments received from the Radiation Exposure Compensation Trust Fund;

JJ. Americorps educational awards. These awards are paid directly to the institutions;

KK. Payments made to individuals because of their status as victims of Nazi persecution;

LL. Income received from temporary employment from the United States Department of Commerce, Bureau of the Census;

MM. Payments made from Crime Victims Funds in accordance with Section 234 of the Antiterrorism and Effective Death Penalty Act of 1996;

NN. Loan assistance through the Farm Service Agency (FSA EM) pursuant to Section 321(a) of the Consolidated Farm and Rural Development Act;

OO. Americorps income that is intended to be used to pay for education, childcare and transportation expenses. Americorps income that is paid as a living expense intended to cover basic needs is counted as earned income;

PP. Section 401 of the Veterans Benefits and Health Care Improvement Act of 2000, Public Law 106-419, provided for certain benefits for individuals with covered birth defects who are the natural children of women veterans who served in Vietnam during the Vietnam era. There is no age limit for recipients of these benefits. These individuals receive the benefits until they die;

Section 421 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act 1997, Public Law 104-204, provides a monthly allowance to “any child of a Vietnam veteran for any disability resulting from spina bifida suffered by such child”;

QQ. Payments from the Tobacco Settlement;

RR. Tax Rebate checks;

SS. Earnings of an individual under age 20 attending school;

TT. Earnings of a dependent child under age eighteen who is a high school graduate;

UU. Interest and dividend income, unless derived from a corporate business;

VV. Discounts or subsidies provided to Medicare beneficiaries;

WW. [The ORR differential payment from Wilson Fish application for any refugee household receiving KTAP, who arrived in the US on or after October 1, 2015. The refugee household may continue to receive the payment for their first 8 months after arrival;]

XX. Reimbursement payments for an individual participating in the Vocational Rehabilitation Preparing Adults for Competitive Employment program;

YY. State Supplementation payments and back payments; and

ZZ. Payments received from the World War II Filipino Veterans Equity Compensation Fund.

MS 2512 EXCLUDED STUDENT INCOME

[Earned income is excluded for the following individuals who are currently attending school.

A. A child or teen parent who is meeting school requirements and included in the benefit group;

B. A child or minor parent (under age 18) who has graduated from high school or earned a GED;

C. Earned income of all teens (up to age 20), who are attending school, including post-secondary.

D. Earned income received by a child from participation in a Workforce Innovation and Opportunity Act (WIOA) earned income activity, regardless of student status, is excluded.]

MS 2513 COMPLEMENTARY PROGRAM INCOME (1)

[Certain assistance from complementary programs may be excluded. Assistance from complementary programs is money received from other public agencies and nonprofit organizations which does not duplicate items included in the K-TAP standard of assistance. The K-TAP standard of assistance includes shelter, food, clothing and utilities.]

Complementary program assistance which may be excluded includes but is not limited to assistance for education related transportation and school supplies from other public agencies or nonprofit organizations.

MS 2520 TWO-MONTH EARNED INCOME EXCLUSION (1)

Each adult in KTAP cases is allowed a one-time exclusion of wages as an incentive to become employed or to improve the employment situation. Improvements include a raise in pay, different job, moving from part-time to fulltime, etc.

A 2-month exclusion of wages is applied to the wages of each adult member of an active KTAP case who begins new employment or increases wages.

The adult can choose if the exclusion is to be applied to his/her earnings.

Example: Sally starts a job. It is only part-time and she remains on KTAP without using the earned income exclusion. She wants to save the exclusion for future employment. Sally gets another job which is fulltime. She elects to use the 2-month earned income exclusion.

A. This exclusion does NOT apply to new approvals with income from employment or new members added with wages.

B. Employment must be reported timely (within 10 days) and must be verified timely (within 10 days of the report) in order to receive the 2-month earned income exclusion. When the individual chooses to apply the exclusion, 2 full months of earnings from the new or increased employment are excluded regardless of the amount of income, number of hours, or the type of work. If the individual fails to verify the income, discontinue the KTAP case for failure to return verification. This does NOT count as a 2-month exclusion as the income is not verified or added to the KTAP case.

However, if the individual provides all the needed verification in the adverse action period, it is considered verified timely and the KTAP case is reinstated and the 2-month earned income exclusion of wages is allowed.

C. [When the employment is reported, enter the information on Worker Portal. Do NOT delay entering the employment information for verification of wages. If the verification is not received, allow the case to discontinue.

Enter wages, self-employment or farm income. The system will determine if the individual is eligible for the 2-month earned income exclusion. If eligible, indicate the individual chooses to use the earned income exclusion. The system excludes the income from the KTAP case for the appropriate months and counts it in the SNAP case accordingly.

Example 1: Sandy began work October 10th and reported/verified the employment timely. The 2-month exclusion begins November and ends December, if the verification is received and entered before October cutoff.

Example 2: Sandy began work October 30th and reported/verified the employment timely. The 2-month exclusion begins December and ends January.]

D. Each active adult member of the KTAP case is eligible for the 2-month earned income exclusion. This includes sanctioned or penalized adult

members of the benefit group, if otherwise eligible for the 2-month earned income exclusion.

E. [A minor parent (under age 18) is only eligible for the 2-month exclusion of wages from new employment if he/she is the head of household in the KTAP case and wages are not otherwise excluded due to school attendance. Otherwise, a minor parent or a teen child included in a KTAP case is NOT eligible for the 2-month earned income exclusion. A teen parent age 18 or 19 is considered an adult and is eligible for the 2-month earned income exclusion, if appropriate.]

F. The 2 months of earned income exclusion are consecutive, not cumulative.

1. If the individual quits for any reason (including accepting a better job unless there is no break in employment) or is fired from his/her job after only one month of the 2 months of the exclusion has elapsed, this still counts as 2 months. The individual is not eligible for the earned income exclusion again.

2. If an individual applies the 2-month earned income exclusion to a job and starts a second job, only the income from the first job is excluded. The income from the second job is counted.

G. If an individual chooses to use the 2-month earned income exclusion for one job and then gets a second job, the $30 and 1/3 or $30 deduction may be applied to the second job.

Example: Gloria uses the 2-month exclusion for her first job. She gets a second job and is still eligible for the $30 and 1/3 deduction. This deduction is applied to the income of the second job.

MS 2605 STATUTORY BENEFITS

[Statutory benefits are paid due to law and include Social Security Retirement, Survivor's, and Disability Insurance (RSDI), Railroad Retirement, Black Lung, Veteran's pension or compensation, Worker's Compensation, Unemployment Insurance (UI), or other pensions.

SSI is NOT considered a statutory benefit.

All individuals are required to apply for or comply with the requirements to receive statutory benefits if potential entitlement exists. If an individual refuses to apply for entitled benefits, the entire benefit group is ineligible. Individuals who are applying for or receiving KTAP are only required to verify application for or compliance with potential entitlement for other benefits. The KTAP case should NEVER be held pending for a decision of eligibility for other benefits.

Statutory benefits are counted as unearned income when determining the total income of the KTAP benefit group.]

MS 2610 CHILD SUPPORT AND/OR SPOUSAL SUPPORT (1)

Child and/or spousal support income is the amount of legally established or voluntary child/spousal support regularly received by the parent/caretaker relative. Voluntary payments are those amounts made by a legal, alleged, or adjudicated parent when there is no court order for support. All child support is designated for a specific child. Any amount of a military allotment designated as child/spousal support is considered as child/spousal support.

[When child and/or spousal support is court ordered, consider the court ordered support as non-continuing if terminated by a court order, and verify any months of zero receipt.]

A. Individuals receiving KTAP are required to assign all support rights to the Cabinet for Health and Family Services. This includes support for the spouse and for the child. Spousal support is treated the same as child support. This requirement applies only if the child and spouse are living in the same household and the state is collecting support ordered for the child. The child support and spousal support may be in two separate orders.

   1. Advise the individual during the initial interview to forward all support he/she receives to Child Support Enforcement (CSE) by form PA-124.1, Transmittal of Child or Spousal Support, within 10 days of receipt, following receipt of the notice of KTAP approval.

   2. If the individual is not currently receiving support, explain during the initial interview to forward all support received in the future to CSE.

B. At application, enter child support gross income received during the month. If the KTAP benefit group is below the gross income limit, Worker Portal will disregard the child support income when determining the benefit amount the family is eligible to receive.

C. For active cases, exclude up to $50 disregard of current month's escrow child support forwarded to the recipient by CSE.

   Escrow is an amount of child support held by CSE when certain conditions exist:

   1. The court or administratively ordered amount of support, obligation amount, and the support collection in a specific calendar month equal or exceed the KTAP benefit amount;

   2. The voluntary support, which is considered the same as an ordered amount, equals or exceeds the KTAP benefit amount; or

   3. Due to more than one non-custodial parent in the case, a combination of ordered and/or voluntary support exceeds the KTAP benefit amount.

D. [If the escrow payment is recurring or anticipated to recur, determine the best estimate of income which is anticipated to be received. If escrow payments have been received in the last 3 months, manually add the amounts for the 3 months (do not round). Enter the actual average amount on Worker Portal (do not round). Worker Portal will automatically deduct the $50 disregard.]

E. For renewals and case changes, when recomputing the KTAP benefit amount, include any regular child support payments whether being retained by CSE or received by the client in determining the family's gross income. Compare the gross income to the gross income amount for the family's size. If the case passes the gross income test, only consider the amount of escrow child support minus the $50 disregard retained by the client in determining the KTAP benefit amount.

F. If the parent, who is the only member of the KTAP case due to the only eligible child receiving SSI, receives child support for that child, the child support is not forwarded to CSE and is not considered in the KTAP budget. It is excluded income as the support is for the SSI child.

If the parent of the SSI child receives spousal support, the spousal support is not forwarded to CSE. The spousal support is considered in the KTAP budget as a contribution. See MS 2615.

MS 2615 CONTRIBUTIONS (1)

Contributions are cash received from any source, which is anticipated to recur, including:

A. Money from a parent involuntarily absent from the home;

B. [Child support received by or for a child who is a minor parent in a KTAP case;]

C. Spousal support received by a parent who is the only member of the KTAP case due to the only eligible child receiving SSI;

D. Any amount of a military allotment NOT designated by the noncustodial parent as child/spousal support;

E. Any money received from a stepparent or a spouse of a caretaker relative included in the case who is absent due to military service; and

F. Loans not documented by form PAFS-73, Verification of Contributions-Loans-Roomer/Boarder Payments, or other appropriate verification.

Average the amounts received in the prior 3 calendar months to determine the best estimate of the amount of contribution income to be counted monthly.

MS 2618 CASH GIFTS

[Small nonrecurring cash gifts of $30 or less, but not totaling more than $30 may be excluded per month for each member of the assistance group.]

Small nonrecurring cash gifts may include cash gifts for Christmas, birthdays, and graduations.

When a K-TAP recipient reports receipt of a cash gift, take the following action.

A. Determine the amount of the gift.
B. If the amount of the gift exceeds $30, the entire amount is considered as unearned income in the month of receipt.
C. [If the total amount of the gift and previous cash gifts received in the month for the individual exceeds $30, consider the excess as unearned income in the month of receipt.] Establish a claim, if appropriate.
D. [If the amount of the gift does not exceed $30 and other cash gifts received by that individual in the month do not exceed $30, exclude an amount not to exceed $30 for the month.]

MS 2625 TEST BUDGET INCOME (1)

[When a stepparent or the spouse of a caretaker relative requesting aid, or parent of a minor parent is living in the home, his/her income is considered in determining the eligibility for the KTAP case.

EXCEPTION: If a stepparent or spouse of a caretaker relative requesting aid is absent due to active duty in a uniformed service, his/her income is NOT considered. However, if the stepparent or spouse of a caretaker relative gives money to the KTAP family, this is considered a contribution.]

Income is first applied to the needs of the individual and his/her dependents. Do NOT include the minor parent, who is included in the KTAP case, as a dependent. However, if the minor parent is not included in the KTAP case, the minor parent can be included in the test budget family size. Any surplus is considered available to the KTAP case.

[A. If a minor parent is living in the home with his/her parent, income of the parent or stepparent is deemed to the minor parent. For the purpose of deeming income, a minor parent is considered any person under the age of 18.]

B. For a stepparent, exclude any income received prior to the date of marriage or, if common law marriage, the date the relationship was established. Do not consider a sanctioned individual in the stepparent family size.

1. When a minor parent lives with a stepparent, the surplus of the stepparent's income is considered available to the KTAP case.

2. When a minor parent lives with a parent AND a stepparent and both have income:

a. Determine the stepparent's surplus available to the parent;

b. Consider the stepparent surplus as income to the parent;

c. Consider the surplus from the parent available to the KTAP case of the minor parent.

3. If only the stepparent or parent has income, determine the surplus by counting everyone, except members of the minor parent's KTAP benefit group, in the family size. Consider the surplus as available to the KTAP case of the minor parent.

If the stepparent, spouse of a caretaker relative included in the case, parent of a minor parent, or spouse of a dependent child REFUSES to provide income verification, deny or discontinue the case.

C. Consider a nonrecurring lump sum amount as income only in the month of receipt when received by the stepparent, parent of a minor parent, or

spouse of a dependent child. Consider any amount remaining in subsequent months as a resource to the stepparent or parent only. Resources of the stepparent or parent are not used to determine eligibility of the minor parent or KTAP benefit group. For allowable deductions see MS 2630.

D. Consider the gross income of the stepparent, spouse of a caretaker relative requesting aid, or parent of a minor parent and reduce by the following. For a step-parent, or spouse of a caretaker relative included in the case the following amounts must have been paid on or after date of marriage.

1. The work expense standard deduction of up to $90 for full-time and part-time employment. If the earnings are less than $90, the amount of the earnings is the amount deducted as the work expense standard;

2. Child support or alimony payments actually made to persons not in the home. This amount does not have to be court ordered and may include medical bills or medical insurance;

3. Actual amount paid to an individual not in the home, other than children or an ex-spouse, who is or could be claimed by the stepparent, parent of a minor parent, or spouse of a dependent child as a dependent for federal income tax purposes; and

4. [KTAP Standard of Need for the family size of the stepparent, spouse of a caretaker relative included in the case, and/or parent of a minor parent.]

   a. If both the stepparent and the parent of a minor parent have income, complete two test budgets. The family size on each parent's test budget would include the stepparent or parent plus his/her dependents living in the home and not in the minor parent's KTAP case, who are or could be claimed for federal income tax purposes. If only the stepparent or parent has income, complete one test budget counting both parents plus all dependents living in the home not included in the minor parent's KTAP case.

   b. DO NOT include a sanctioned individual in the family size.

   c. An SSI recipient is included in the stepparent family size, although his/her income is not counted.

   [For self-employment income, refer to MS 2770 and MS 2773 to determine the profit or net income. After reducing the income of the stepparent, spouse of a caretaker relative requesting aid, or parent of a minor parent, apply any surplus to the KTAP case.]

MS 2630 NONRECURRING LUMP SUM INCOME (1)

A nonrecurring lump sum is income that does not occur on a regular basis and does not represent accumulated monthly income received in a single sum. Examples of nonrecurring lump sum income include but are not limited to severance payments, money received from insurance settlements, gifts, inheritances, lottery winnings, non-continuing proceeds from bankruptcy proceedings.

A. The following payments are not considered lump sum income:

1. Back payments of accumulated monthly income from RSDI, UI, Worker's Compensation, child support, etc., are NOT considered as lump sum income. Consider back payments from these sources as income in the month of receipt and any remaining amount as a resource in the following months.

2. A Federal or State Income Tax Refund is NOT lump sum income.

3. If the lump sum is from accumulated annual leave, it is considered continuing earned income in the month received, not a nonrecurring lump sum.

4. Income from the sale of property, including initial or down payment from a land contract sale, IS NOT a nonrecurring lump sum income. Refer to MS 2640.

5. A lump sum COLA payments received as a result of an error in calculations by the Social Security Administration is excluded from consideration.

B. Income is considered available both when actually available and when the individual has a legal interest in a nonrecurring lump sum and has the legal ability to make such sum available for support and maintenance.

Example 1: A KTAP individual is involved in an accident and receives a $5,000 settlement. The individual tells her attorney she wants $2,500 set up in a trust and the rest to purchase certificates of deposits. In this example, the individual has control over the settlement and therefore a legal interest and ability to make the money available for maintenance. This lump sum would be countable.

Example 2: An individual receives KTAP for her child who received a $5,000 insurance settlement. A court orders that $5,000 be set up in a trust for the child until she reaches her 18th birthday. In this example, the individual has no control of the money and no legal interest. This lump sum would be excluded until the child's 18th birthday.

C. If a child included in the KTAP family group receives the nonrecurring lump sum income, the income is available to the KTAP case, even if the child is excluded from the case AFTER receiving the money. If the child is removed from the KTAP case, and the effective date of the removal is BEFORE the nonrecurring lump sum income was received, the income is not available to the case.

D. Determine if any of the lump sum is earmarked and used for the purposes for which it is paid (e.g., money paid for back medical bills resulting from accidents or injury, funeral and burial costs, replacement or repair of lost or damaged resources, designated attorney fees).

Verify how the money is spent by receipts, court or insurance records, bills, etc.

E. If the nonrecurring lump sum is for KTAP and non KTAP individuals, prorate the amount between the individuals covered and count the prorated share of the KTAP individuals as a nonrecurring lump sum amount in the KTAP case.

F. Consider the nonrecurring lump sum, minus any amount verified as earmarked and used for the purpose for which it was paid, as income in the month received to determine eligibility.

1. Compute countable income without including the nonrecurring lump sum amount.

2. Add the nonrecurring lump sum amount to countable income to obtain total countable income.

a. When the total is less than the Standard of Need and gross income exceeds the Gross Income Scale only because of the nonrecurring lump sum, the case is ineligible for one month only.

b. When the total exceeds the Standard of Need, determine the ineligibility period.

G. [If ineligible, the case is discontinued and an ineligibility period is determined, unless the lump sum was received by a stepparent or caretaker relative who is not included in the case.

If a caretaker relative is included in the case and reports receipt of a lump sum and:

1. If the report is timely, the caretaker relative may choose to be removed from the case.]

a. If he/she chooses to be removed, recoup the entire KTAP benefit amount for the months he/she was included in the case. Begin with the month of receipt of the lump sum and end with the month he/she is removed from the case. Do not establish an ineligibility period.

b. If he/she chooses to remain in the case, establish an ineligibility period if appropriate.

2. The report is untimely, the care relative does not have an option to be removed from the case. Establish an ineligibility period if appropriate.

3. [If the stepparent, spouse of a caretaker relative included in the case, parent of a minor parent, or spouse of a dependent child receives the nonrecurring lump sum amount, determine the net amount countable as surplus income in the month of receipt.]

   Deduct back payments actually made from the nonrecurring lump sum amount:

   a. For support or alimony payments to individuals not in the home; and/or

   b. To individuals out of the home who are or could be claimed as dependents for tax purposes;

      1) Deduct the Standard of Need for the stepparent OR parent of a minor parent family size only if not deducted from earned and other unearned income.

      2) The remainder is the net nonrecurring lump sum which is added to surplus income of the stepparent OR parent of a minor parent in the month of receipt.

MS 2635 INCOME SUPPLEMENTATION

Income supplementation is money received by the individual from the Office of Vocational Rehabilitation, an income protection plan or hospital confinement policy, etc.

Consider regular monthly income supplementation in determining initial and ongoing eligibility.

[A.] If the income received monthly is stable, use the monthly amount of income.

[B.] If the income received monthly fluctuates, average the amounts received in the 3 prior calendar months to determine the best estimate of the monthly income.

MS 2640 PROMISSORY NOTE/MORTGAGE/LAND CONTRACT SALE (1)

Promissory notes, mortgages, and land contracts are considered saleable unless specifically prohibited in the agreement. Verify the amount using the contract or written agreement.

[A. If the following are nonnegotiable/not saleable, continuing payments are considered unearned income to the holder:

1. Promissory notes;

2. Mortgages; and

3. Land contracts.]

B. Both principal and interest parts of the continuing payments on promissory notes, mortgages and land contracts are unearned income, subject to the following deductions:

1. Payments on mortgages, including interest; and

2. Actual payments for insurance and taxes.

MS 2650 OTHER UNEARNED INCOME (1)

Other sources of unearned income may be miner's benefits, pensions, insurance, annuities, oil leases, mineral rights, spousal maintenance due to one member of a couple being in a long term care (LTC) facility, etc.

Payment received when an employee's retirement contributions are withdrawn prior to retirement is considered a resource, not income. The retirement contribution was considered as income in the month earned and withheld by the employer. Therefore, when it is withdrawn, it is not counted as income again.

Interest is unearned income if it is paid to the individual or added to an account, e.g., passbook savings, etc., which is considered a resource. Interest on a certificate of deposit, etc., is not available until withdrawn.

[Gift cards may be considered income. In order to determine how to consider gift cards, evaluate the ways the gift card can be used. A general use gift card (VISA, Wal-Mart, Target), can be used to purchase a variety of items (food, clothing, gas, other miscellaneous items); therefore, the amount of the gift card is considered as income in the K-TAP case. A specific use gift card, such as those issued by a restaurant, salon, clothing store or gas station, is limited in use and would not be considered as income in the K-TAP case.]

Determine the monthly amount of income to be considered in the case as follows.

A. If the income is received on a MONTHLY basis and:

1. The income is stable, use the monthly amount of income.

2. The income fluctuates, average the amounts received in the 3 prior calendar months to determine the best estimate of the monthly amount.

B. If the income is received MORE frequently (e.g., weekly, bi-weekly, semi-monthly), use the amounts received in the 3 prior calendar months, average, and multiple the average by 4 1/3, 2 1/6 or 2, whichever is appropriate, to determine the best estimate of the monthly amount of income.

C. If the income is received LESS frequently (e.g., quarterly), prorate over the period intended to cover. Consider the prorated amount as the best estimate of the monthly amount.

MS 2700 INTRODUCTION TO EARNED INCOME

[Earned income is money derived from direct involvement in a work related activity.

A. Consider sick pay received as earned income if the person is still considered an employee by the employer and the sick pay is received for time off, such as a short term illness. However, sick pay from an outside source, such as an insurance company, is considered unearned income whether or not the recipient is still considered an employee by the employer.

B. Enter the paychecks that are representative of ongoing income as regular earned income on the Earned Income Details screen.

C. The monthly countable income using the information entered on the Earned Income Details screen.

D. To change or remove wages, enter the new information on Worker Portal through Report a Change.]

MS 2710 WAGES (1)

Wages consist of salaries received from full-time or part-time employment where taxes are withheld prior to the individual receiving pay. Odd jobs, occasional, seasonal or contract employment are included when taxes are withheld prior to receipt of the income. Exclude from wages reimbursement for transportation in performance of duties, if identifiable.

[A. Wages can be either subsidized or unsubsidized. Some examples of subsidized wages are:

1. Work study;

2. Wage subsidy;

3. Ready-to-Work; and

4. Work and Learn.

When entering the subsidized wages on the Earned Income Details screen, answer the question, “Is this income subsidized”, as “Yes”.]

B. Accumulated annual leave is considered as wages in the month the money is received with appropriate deductions allowed. If income is received as back payment from employment or severance pay, see MS 2630.

C. Consider living allowances (stipends) paid by programs established under the National and Community Services Trust Act of 1993 (such as AmeriCorps) as earned income and apply earned income disregards as appropriate.

D. [Consider AmeriCorps VISTA payments that equal or exceed the federal minimum wage or the state minimum wage, whichever is greater, as earned income. Allow deductions as appropriate. To determine if the VISTA payment equals or exceeds the applicable minimum wage, ask the individual to provide the income verification letter which the individual obtains from their my.ameriCorps.gov account.]

E. DO NOT deduct garnishments on salary.

F. Consider in the following manner:

1. To determine the estimated monthly income, verify and use income from all pay periods in the last two calendar months. If the last two calendar months do not represent the ongoing situation (e.g., sick leave, holiday plant closing, etc.), use information available which best indicates the KTAP benefit group’s ongoing income.

2. If the income in the prior two months is NOT representative of the ongoing situation due to a change of circumstances which occurred or

will occur, calculate the best estimate of the monthly income in the following manner:

a. If the change in circumstances results in change in the number of hours to be worked, multiply the number of estimated hours per pay period, using employer's statement, by the current pay rate for the period and convert.

b. If the change in circumstances results in a change in the pay rate, multiply the number of hours worked per pay period in the prior two months by the new pay rate. Divide the result by the number of pay periods in the prior two months and convert.

3. If the income has recently begun or the recipient changed jobs and the recipient has not received two calendar months of income, anticipate the monthly income by computing an amount based on:

a. The hourly rate multiplied by the estimated number of hours to be worked during the pay period and convert; or

b. The daily rate multiplied by the number of days to be worked in the pay period and convert.

4. If the individual reports that the income is ending:

a. Determine the last date the individual will receive the income.

b. Recalculate the case based on the income amount to be received and authorize a supplemental payment, as appropriate. Refer to MS 2180.

EXAMPLE: Sally reported in November that her job is ending 11/29 and that she will receive one pay check in December. If the report is received before the November cutoff, adjust the December KTAP payment counting only the one paycheck anticipated for the December payment month and then remove the income for January.

If the report is received after the November cutoff, remove the income effective January and issue a supplement for December based on the actual amount of the paycheck received in December.

G. Document the reason less than the last two calendar months of income was used in the calculation, method of verification, and how the monthly amount was calculated. If the estimated income DOES NOT accurately reflect the anticipated ongoing circumstances, review the case and recalculate the income utilizing verified income. However, if the estimated income accurately reflects the anticipated ongoing circumstances, recalculate the best estimate at recertification.

[Countable tip income is money actually received in addition to wages for services performed by the employee. Countable tip income does not include the allocated or tip credit reported by the employer for tax purposes which may appear on the paycheck stub or through Electronic Income Verification (EIV).

A. Verify tips by using the individual's daily tip log of actual tips received. A tip log is any daily record kept by the individual of tips received. Entries on the log must show date of receipt and amount. DO NOT use the allocated tip or tip credit amount shown on the paycheck stub or through EIV.]

For applications or new tip income when a daily tip log is not available, use the individual's statement of anticipated tips.

When tip income is reported, advise the individual of his/her responsibility of maintaining a daily tip log for verification purposes.

B. Consider the tips in the following manner.

To best estimate the monthly amount of tips, use the same time period used in determining the monthly amount of wages (e.g., if the best estimate of income is determined by using the prior 2 calendar months' wages, then use the prior 2 calendar months' amount of tips shown on the daily tip log). Convert the daily tips to weekly, bi-weekly, semi-monthly, etc.

Example: Joni works at Jerry's Cafe and is paid each Friday. A daily tip log is kept by Joni.

For September, the pay periods ended 9/3, 9/10, 9/17 and 9/24. Add the tips for each day in the pay period to obtain the weekly amount: 8/30 - $6.00; 8/31 - $6.55; 9/1 - $9.75; 9/2 - $9.10; 9/3 - $10.50. Added together, they equal $41.90 (round to $42.00) for the 9/3 pay period. Average the tips for this weekly pay period and the other weekly pay periods and convert to a monthly amount.

C. If the tips are in conjunction with self employment, the tip income must be added to the self-employment income when calculating the hours of Kentucky Works participation.

MS 2730 CONTRACT EMPLOYMENT

Contract employment is income from jobs in which there is a contract/payment agreement, e.g., school teachers, bus drivers, house painters, etc.

Consider income from contract employment in the following manner.

A. When the individual has a contract/payment agreement, compute gross monthly wages by dividing the contracted/agreed upon amount by 12, and round to the nearest dollar, unless the contract/payment agreement states income will be paid for fewer months.

1. If the contract/payment agreement states the income will be received in fewer than 12 months, divide the contracted agreed upon amount by the number of months in the contract/payment agreement and round to the nearest dollar.

2. If the contract/payment agreement states the income will be received monthly for 12 months and the individual requests the remainder of the pay in a lump sum prior to the end of the 12-month period, continue using the annualized figure for the remainder of the 12-month period.

Example: An individual receives Michelle P. Waiver income; he is budgeted to receive $30,000 for a 12-month period. The individual has the option to receive a higher hourly wage and be paid for only 9 months out of the 12-month budget. The income would continue to be averaged over the 12-month period.

3. DO NOT re-compute based on monthly fluctuations in income. However, reported losses in income due to unpaid sick leave or snow days that are not made up and that lasted 30 days or more, are taken into account by reducing the annualized monthly income over the remaining months of the contract by the reported income loss due to unpaid leave.

Example: $2400 was the original contract amount and the monthly income was $200. $200 was lost due to sick leave which lasted 34 days. There are 5 months left on the contract. Reduce the $1000 ($200 x 5) by $200, leaving $800. Divide $800 by the remaining months, 5. $160 is counted per month for the remainder of the contract.

B. If contract employment is self-employment, consider as self-employment income (e.g., contract to paint house, install roof, etc.).

[C. Worker Portal prorates contract income. On the Earned Income screen, enter the total amount of the contract income in the Contract Wage field. Enter the length of the contract in the "Contract Start Date" and "Contract End Date" fields. Income will be removed at the end of the contract period.]

MS 2770 SELF-EMPLOYMENT INCOME (1)

[Self-employment income is income for which taxes are NOT withheld BEFORE the individual is paid. Self-employment income can be derived from farming, owning a business, rental property, roomer/boarders, babysitting, house cleaning, working for cash, etc.

If taxes are withheld before the individual is paid, the income is not self-employment; it is considered wages.]

A. Self-employment can be:

1. Ongoing self-employment where the individual intends to work at the self-employment month after month;

2. Occasional self-employment that includes seasonal, temporary, sporadic or odd job income. Temporary or sporadic employment can include lawn mowing, house cleaning, babysitting, selling scrap metal, selling plasma, etc., which is not continuous in nature; or

3. Farming.

B. Verify by:

1. Quarterly estimated tax returns, if filed;

2. Most recent annual income tax return if quarterly return is not filed; or

3. [Personal records kept by the individual if self-employment income is new or the individual does not file a tax return.]

C. Consider profit or net income from self-employment. To determine profit, deduct actual work expenses directly related to producing the goods or services from the gross self-employment income.

D. Farm or rental self-employment income may be either unearned or earned.

1. [Earned:

a. Farm income is earned self-employment income if the individual is physically working on or managing the farm.

Earnings deductions are allowed. Consider profit as income in the KTAP case. If the farming is done in part by a household member not included in the benefit group, deduct his/her prorated share from the profit.

b. Rental income is earned self-employment if the individual personally collects the rent, authorizes, supervises, or does repairs, manages the property, is responsible for renting property, or performs other services in relation to the rental property.

Consider profit from rental property currently owned or being purchased by the individual.

2. Unearned:

a. Profit from farm income is unearned income if there is no direct involvement in farming activities. In cases of divided ownership, divide total profit (net income) between the owners, unless by mutual consent the entire proceeds are available to the individual. If the Social Security Administration considers all farm income as available to the SSI parent, the income is not counted in the KTAP case.

b. Profit from rental income is unearned if all activity is performed by someone other than the individual included in the KTAP benefit group.

E. The sale of plasma is earned self-employment income.]

F. Computing Monthly Income:

1. When using the annual income tax return, if one is filed and representative of the current situation, or the individual's business records for the last 12 months:

a. Round the gross income to the nearest dollar.

b. Divide the rounded gross income by 12 and round to the nearest dollar to obtain the monthly gross income amount.

c. Round the allowable expenses to the nearest dollar.

d. Divide the rounded allowable expenses by 12 and round to the nearest dollar to obtain the monthly allowable expenses.

e. Subtract the rounded monthly allowable expenses from the rounded monthly gross income to obtain the monthly profit.

2. When ongoing nonfarm self-employment income has been in operation for less than 12 months:

a. Round the gross income for the number of months the activity has been in operation to the nearest dollar.

b. Divide the rounded gross income by the number of months of operation and round to the nearest dollar to obtain the monthly gross income amount.

c. Round the allowable expenses for the number of months of operation and round to the nearest dollar.

d. Divide the rounded allowable expenses by the number of months of operation and round to the nearest dollar to obtain the monthly allowable expenses.

e. Subtract the rounded monthly allowable expenses from the rounded monthly gross income to obtain the monthly profit.

[f. If the self-employment has not been in existence long enough to receive income, the individual must provide an estimate of anticipated gross income and expenses.]

3. If this is a new farm or farming activity:

a. If the farm or farming activity has been in existence for less than a year and the client has received income from the farm or farming activity, prorate the income over the period of time the farm or farming activity has been in operation. Use the monthly amount as the anticipated income for the next year.

[b. If the farm or farming activity has not been in existence long enough to receive income, consider no income.]

4. For occasional or seasonal self-employment:

a. Round the gross income for the 3 previous months to the nearest dollar.

b. Divide the rounded gross income by 3 and round to the nearest dollar to obtain the monthly gross income amount.

c. Round the allowable expenses for the 3 previous months to the nearest dollar.

d. Divide the rounded allowable expenses by 3 and round to the nearest dollar to obtain the monthly allowable expenses.

e. Subtract the rounded monthly allowable expenses from the rounded monthly gross income to obtain the monthly profit.

5. If income from self-employment fluctuates, use the averaged amount based on tax return.

6. If self-employment income changes from one type to another, the prior tax return is no longer used.

7. The self-employment income is recalculated at:

[a. 6-month intervals if the activity has been in operation for 12 months or more;

b. The next KTAP or SNAP recertification or 6-month interval, whichever comes first, if the activity has been in operation for less than 12 months; or

c. If the farming arrangement has changed, e.g., had grown corn, then switched to soy beans, do not consider the income of the past year.]

8. When an individual reports he/she is no longer self-employed or farming, the income is removed.

G. [Weekly hours are entered on Worker Portal for self-employment. When computing self-employment hours to be considered for the federal participation rate, the system uses the following formula:

$$\text{Monthly hours} = \frac{\text{gross income - expenses}}{\text{federal minimum wage}}]$$

The appropriate weekly hours to be entered are determined by taking the total monthly hours and dividing by 4.33. For more information concerning how hours of self-employment are considered in the participation rate, refer to Volume IIIA, MS 4250.

MS 2773 SELF-EMPLOYMENT INCOME DEDUCTIONS

[When calculating self-employment income, certain cost of doing business deductions can be allowed. Enter the actual expense amounts on Worker Portal Self-Employment Verification screen. Do not round the amounts. The screen consists of relevant fields found on IRS Schedule C 1040 form. The system determines expenses to be used.

A. The following items are deducted from gross income to determine profit]:

1. Wages paid to employees;

2. Rent when the enterprise is operated at a site other than where the individual lives;

3. Interest on a mortgage and taxes, when the enterprise is operated at a site other than the home;

4. Interest payments on the purchase of capital assets, equipment, etc.;

5. Cost of stock offered for resale;

6. Cost of supplies, including seed, feed, fertilizer, crop insurance, utilities required to carry on the enterprise;

7. Travel expenses directly attributable to the operation of the business enterprise, a mileage deduction equivalent to the federal mileage rate if the person uses his/her own private vehicle, but not for transportation to get to the place of the self-employment. The federal mileage rates can be found at www.irs.gov. (Select “Forms and Publications” and select “Form 1040-instructions”.);

8. [Repair or maintenance of equipment and property used in business. Deductions for repairs to the home are not allowed; and]

9. Other non-personal items directly related to producing the goods or services, e.g., fuel to operate equipment.

B. [The following deductions are not used when determining profit:]

1. Personal work or business expenses, taxes, FICA, lunches, etc.;

2. Amounts claimed for depreciation;

3. Prior or current losses;

4. Purchase of capital equipment;

5. Payments on principal for the purchase of property, durable goods, capital assets, equipment, etc.;

6. Entertainment expenses;

7. Personal transportation;

8. Salary or commission paid to the individual by the self-employment business; and

9. Rent, when self-employment business is based in the individual's residence.

MS 2776 RENTAL/ROOMER/BOARDER INCOME (1)

Rental/roomer/boarder income is received from renting a home, a portion of a home, or providing food only to an individual.

A. For rent from nonhome property, even from houses which are an excluded resource, deduct the following from gross income to determine profit if identifiable:

1. Property taxes;

2. Interest on mortgages;

3. House or building insurance (liability);

4. Advertising; and

5. Other valid expenses such as repairs.

B. For rent from renting or sub renting a portion of the home, (or place of residence) determine deductions as follows:

1. Divide the square footage of the room or portion of the home being rented by the square footage of the home to obtain the rented percentage. The individual's statement is acceptable verification of square footage. For example, square footage of rented room = 500; square footage of home = 1500; 500 divided by 1500 = 1/3 or 33 1/3% (rented percentage).

2. Annualize cost of the home's utilities, home insurance, property taxes, interest on mortgage, and (if appropriate) rent paid for home, if any. Divide by 12 to obtain the monthly expense. Multiply the monthly expense by the rented percentage to obtain the sub rental deductions. For example:

Interest on mortgage	$1,200
Utilities	800
Home Insurance	300
Property Taxes	+100
	$2,400 divided by 12=$200 monthly costs
$200 x 33 1/3% = $66.67 monthly sub rental deductions	

C. Roomer only, determine sub rental deduction as in item "B" of this section.

[D. Boarder only, deduct an amount equal to the Supplemental Nutrition Assistance Program (SNAP) allotment for the number of boarders.

EXAMPLE: There are 3 boarders. The deduction equals the SNAP allotment of a 3 person household.]

E. Roomer/boarder:

1. Food Deductions:

[a. Deduct an amount equal to SNAP allotment.
b. If roomer/boarder is a member of the SNAP case, do not allow food deduction.]

2. Sub rental Deduction:

a. Compute sub rental deduction as in item "B" of this section.
[b. DO NOT compute the sub rental deduction if the roomer/boarder payment is the same as, or less than, the SNAP allotment.]

MS 2800 COMPUTATION OF COUNTABLE INCOME (1)

KTAP eligibility and the benefit amount are determined prospectively. A best estimate of income is used to anticipate the amount of income to be received by the KTAP assistance group in the payment month.

[A. The best estimate is based on the agency's knowledge of past and current circumstances and accurately reflects the anticipated ongoing circumstances. Determination of the best estimate is dependent on the type of income (e.g., wages, self-employment, contributions, etc.).

The actual verified income is entered in Worker Portal and the system calculates the countable monthly income. Do not round income amounts before entering.

In general, the system will calculate the actual income for a specified time period and will average and/or convert by 4 1/3, 2 1/6, 2 or 1, as appropriate, based on the type of income. For procedures specific to the types of income, refer to MS 2600-2650 and MS 2700-2776.]

B. The best estimate of earned income must be re-determined at recertification or every 6 months whichever comes first, or if there is a change in circumstances that will affect the ongoing KTAP benefits. For unearned income, the best estimate must be re-determined at renewal or if there is a change in circumstances that will affect the KTAP benefits.

1. A change in circumstances requires a re-computation of the best estimate. A change in circumstances is defined as a change in income and/or dependent care expenses which affect the ongoing KTAP payment. This includes:

   a. Beginning or ending employment;

   b. Change in employers or obtaining additional employment;

   c. Increase or decrease in the number of work hours;

   d. Increase or decrease in the rate of pay;

   e. Increase or decrease in the dependent care expense due to a change in provider, number of hours of care, number of individuals for whom care is given, or amount charged; or

   [f. Change in the type of self-employment activities or changes in the crop or livestock for farmers.]

2. Normal fluctuations in the income amounts are not considered as a change in circumstances and do not require a re-computation of the best estimate. Normal fluctuations include:

   a. A change in work hours which will not exceed 30 days;

b. A 5th or periodic paycheck; or

c. Holidays, vacation days or sick leave not to exceed 30 days.

C. Process the KTAP case in the following manner for an application, recertification, or case change:

1. If the income is representative of the ongoing situation, use the income from all pay periods in the prior 2 calendar months.
Refer to the procedures found in MS 2500 and MS 2710.

2. If the income is NOT representative of the ongoing situation, do the following:

a. For individuals recently employed who have not received 2 calendar months of earned income, enter the hourly rate and the estimated number of hours per day or week as indicated on the income verification on Worker Portal. The system determines the countable monthly income based on the entries.

b. For cases where the hours of employment or the rate of pay changes and the individual has not received 2 calendar months of earned income at the changed hours or rate, enter the amount of pay for the pay periods verified and indicate if it is representative on Worker Portal. The system determines the countable monthly income based on the entries.

The system will determine the monthly countable income by averaging and/or converting the weekly, bi-weekly, or semi-monthly amounts by 4 1/3, 2 1/6 or 2, 1 respectively].

MS 2810 DETERMINATION OF INCOME ELIGIBILITY (1)

The determination of income eligibility for KTAP is a two-step process.

A. Step One

The gross income test is completed at each application, every recertification, and at case changes which require recomputation of the assistance payment. Compare total gross income to the gross income scale.

1. Gross income is the sum of non-excluded unearned and earned income before deductions. This includes:

   a. [Total unearned income (including surplus income of a stepparent OR parent of a minor parent or spouse of a dependent child. Exclude SSI income);]
   b. Nonrecurring lump sum income;
   c. Non-excluded child support collected by Child Support Enforcement (CSE), child support forwarded to the client by CSE due to an escrow situation, or child support retained by the client;
   d. Unearned income of children included in the case (does NOT include earned income of a child in school);
   e. Wages before deductions;
   f. Profit from self-employment;
   g. Income of non SSI technically excluded parents of a KTAP child; and
   h. Income of a sanctioned/penalized individual.

   Consider gross income of non SSI parents in the home even if the parent of a KTAP child is excluded from the benefit. The technically excluded member and the sanctioned individual are not counted in determining the number of eligible persons.

2. The Gross Income Scale is as follows:

1 person	$ 742
2 persons	$ 851
3 persons	$ 974
4 persons	$1,096
5 persons	$1,218
6 persons	$1,340
7 persons or more	$1,462

3. If gross income EXCEEDS the appropriate amount on the Gross Income Scale at application, recertification, or case change, the case is ineligible. If a nonrecurring lump sum amount is included, refer to MS 2886 and MS 2892.

B. Step Two

The Standard of Need is an established dollar amount based on the number of eligible persons included in the KTAP family group. The Standard of Need amount is not the payment amount.

Standard of Need							
Number of Eligible Persons	1	2	3	4	5	6	7or more
Standard	$401	$460	$526	$592	$658	$724	$790

If the KTAP family's income is at or below the gross income limit, compare the KTAP family's income to the Standard of Need. If the KTAP family's income, after subtracting excluded income and applicable deductions, is equal to or exceeds the Standard of Need, the KTAP family group is ineligible.

Do not count technically excluded/sanctioned members in determining the number of eligible persons in the KTAP family group.

MS 2820* DETERMINATION OF BENEFIT AMOUNT

The method of calculating the K-TAP benefit amount is called "ratable reduction". With ratable reduction, the family's countable income is subtracted from the Standard of Need to arrive at the deficit amount. The "deficit" is multiplied by 55%. The K-TAP benefit amount is either the reduced amount or the maximum payment amount, whichever is less. Families with no income receive the appropriate K-TAP payment maximum.

NOTE: The UIB and the Trade Re-Adjustment (TRA) benefits of a qualifying parent and TANF benefits from another state are not ratably reduced, these are counted dollar for dollar.

The Maximum Payment Scale for each family size is:

Maximum Payment Scale							
Number of Eligible Persons	1	2	3	4	5	6	7 or more
Maximum	$186	$225	$262	$328	$383	$432	$482

MS 2840 EARNED INCOME DEDUCTIONS (1)

After the gross income test is passed, the following deductions, if appropriate, can be considered: work expense standard, KTAP dependent care, and $30 and 1/3 or $30 deduction from the earned income of each individual. The deductions are allowed for each individual, including sanctioned, penalized, or technically excluded individuals.

A. The work expense standard is deducted from the earnings of each individual, if eligible to receive deductions. Deduct up to $90 for either full-time or part-time employment including individuals whose income is deemed through a test budget. If the earnings are less than $90, the amount of the earnings is the amount deducted as the work expense standard.

B. [KTAP dependent care is a deduction for dependent care paid by the parent, second parent, or caretaker relative and NOT through the Child Care Assistance Program (CCAP), to retain employment.]

1. To be eligible for the deduction:

   a. The dependent care is paid for a child or an incapacitated adult receiving care, living in the home, AND receiving KTAP benefits; and

   b. The KTAP case would be ineligible without the deduction; or

   c. CCAP will not pay for the child care if the provider is living with the KTAP family. CCAP must be used in lieu of a dependent care deduction if the KTAP case remains eligible without the dependent care deduction. Refer to Volume I, MS 0610 to MS 0620 for additional information concerning CCAP.

2. To be allowed as a deduction, the dependent care must meet the following guidelines.

   a. Dependent care for a child 13 years of age or older must be documented as to the reason the care is requested by the individual, any verification supporting the reason, and the worker's decision.

   b. The dependent care can be a deduction if paid to a person living outside the household or a person who is living in the household and NOT:

      1) A member of the KTAP benefit group;

      2) A parent or legal guardian of the child or incapacitated adult; or

      3) A stepparent of the child.

   c. If both parents in a UP case are employed, a dependent care deduction may be given for only one parent's income.

d. If one parent is participating in Kentucky Works while the other parent is employed, child care is allowed as a deduction from the employed parent's wages, not to exceed the maximum allowable deduction, unless paid by CCAP.

e. A dependent care deduction for a child may not be given for a month for which a CCAP payment is made for the same child.

f. A dependent care deduction is NOT given for any co-pay required by CCAP.

3. Verify the child or adult is being cared for by a provider and the actual amount the provider is paid by a statement from the provider.

   If the individual fails to provide verification of dependent care expenses, the case is processed without the deduction.

4. Deduct the monthly amount paid for dependent care not to exceed per child:

   a. Age 2 years and over or incapacitated adult:

      1) $150 for part-time employment, defined as less than 30 hours per week or 130 hours per month or the individual is not employed throughout the month; or

      2) $175 for full-time employment, defined as 30 or more hours per week or 130 or more hours per month.

   b. Under age 2 years, $200 for full-time or part-time employment.

5. Determine the best estimate of the monthly amount, as follows:

   a. If the dependent care costs and provider has not or is not anticipated to change:

      1) Use the amount of the dependent care costs for the prior 2 months for situations where the individual receives wages; or

      2) Use the amount of the dependent care costs for 3 months or 12 months for annualized when an income tax return is used, for self-employment income.

   b. If the dependent care costs in the prior months do not reflect the ongoing costs, estimate the new costs based on the provider's statement.

C. The $30 and 1/3 and $30 deductions are time-limited. For detailed information, refer to MS 2857.

MS 2843 EARNED INCOME DEDUCTION RESTRICTIONS AND GOOD CAUSE (1)

Do not allow any deductions from earned income for a month in which any of the following conditions exist:

A. The income is earned from illegal activities (those prohibited and criminalized under Federal and State law).

B. Employment is REFUSED, REDUCED, or TERMINATED without good cause within prior 30 days.

Good cause exists only if one of the following conditions is met:

1. A definite bona fide offer of employment was NOT made at a minimum wage customary for such work in the community.

2. The individual is unable to engage in such employment or training for mental or physical health reasons.

3. The individual has no way to get to and from the work site or the site is so far removed from the home that commuting time exceeds 3 hours daily.

4. Working conditions at such job or training are a risk to the individual's health or safety.

5. The child care arrangement is terminated through no fault of the individual.

6. The available child care does not meet the special needs of the child, e.g., physically or mentally disabled child.

7. The parent is temporarily absent from work on approved educational leave.

8. The individual is needed in the home to care for another household member who is ill or incapacitated, and there is no other household member available to provide the care.

[Only verify good cause if there is reason to doubt the individual's statement. A good cause determination is not required for an individual "fired" from a job. Document on Worker Portal the details of good cause.]

C. The individual failed to report new or increased earnings without good cause within 10 calendar days of the day the change in circumstances becomes known to the individual. Changes are considered known to the individual at the earliest point the change can be verified.

1. Good cause exists only if one of the following conditions is met within the 10 calendar days:

a. The KTAP benefit group was the victim of a natural disaster, such as a flood, storm, tornado, earthquake or fire;

b. An immediate family member living in the home was institutionalized or died; or

c. The responsible relative and, if different, individual who is employed is out of town the entire timely reporting period.

2. If good cause EXISTS, allow the appropriate earnings disregards.

3. If good cause does NOT EXIST:

a. Apply the deduction for the ongoing months.

b. DO NOT apply the deductions for the report month or prior months when determining if an overpayment exists.

EXAMPLE: The individual reports on April 15, that her wages increased effective March 1. She had no good cause as she just forgot to report the change. Re-compute the ongoing payment, allowing the appropriate deductions, effective the next administratively feasible month, May. Overpayment discrepancies are automatic in Worker Portal. The system automatically determines if benefits have been overpaid after eligibility is run

If the next administratively feasible month is June, allow the deductions for May.

Only verify good cause if there is reason to doubt the individual's statement.

MS 2857 TIME-LIMITED DEDUCTIONS (1)

Two distinct time-limited earned income deductions can be allowed, if appropriate:

- The $30 and 1/3 deduction for 4 months; and
- The $30 deduction for 8 consecutive following the 4th month of the $30 and 1/3 deduction.

[The $30 and 1/3 deduction or the $30 deduction can be allowed for each individual included in the KTAP case who has earned income, if appropriate. At the time the new employment is entered on Worker Portal, the system applies the deduction as appropriate.

The $30 and 1/3 or $30 deduction is NOT transferable between states.

A. [A $30 and 1/3 deduction month is any month where $1 or more income remains after the work expense is deducted from the gross income. If no income remains after the work standard expense is deducted, the month is NOT a $30 and 1/3 month. The system auto tracks the deduction and removes it appropriately.]

1. If the earnings are not reported timely, without good cause, the $30 and 1/3 count starts with the month the job began even though the deduction is not allowed.

   Example: The client reports on 3/15 that she started a new job 1/2. Since the job was reported untimely, the $30 and 1/3 count starts with January. The deduction would only be allowed for April which is the 4th and last month of the deduction.

   For information regarding good cause, refer to MS 2843.

2. When the individual loses employment, the 4 months of the $30 and 1/3 deduction starts over again when the individual regains employment.

3. If the individual has received the $30 and 1/3 deduction for the appropriate time period, the system will remove the deduction and will not allow again until the individual has obtained new employment or the case is correctly discontinued and reapproved.

B. Following removal of the $30 and 1/3 deduction, each of the next 8 consecutive months is counted as a $30 month, even if there is no earned income in the case. If the case is correctly discontinued during the 8-month period and reapplication is made, the $30 and 1/3 deduction will begin again.

   The first month of the $30 deduction is the first month the $30 and 1/3 deduction is no longer applied, even if no earned income is considered in determining the benefit amount.

   [If the case remains active for the 8 months following removal of the $30 and 1/3 deduction, the system removes the $30 deduction and does not allow again until the individual obtains new employment or the case is

correctly discontinued and reapproved after a break in KTAP benefits if at least one month.]

MS 2880 DETERMINING A KTAP INELIGIBILITY PERIOD (1)

[An ineligibility period is the period of time in which a KTAP benefit group is ineligible due to receipt of nonrecurring lump sum income, causing total countable income to exceed the Standard of Need. Refer to MS 2630. An ineligibility period is calculated for a KTAP family group when a nonrecurring lump sum is received.

A. The ineligibility period is calculated as follows:

1. The total countable income is divided by the Standard of Need for the family size.

2. The result is the number of months the family is ineligible for KTAP benefits.

3. The ineligibility period begins with the month the nonrecurring lump sum was received.

4. Any remainder of the lump sum income is counted in the first month following the ineligibility period if an application is made.

Example: A mother with her child received a $20,000 lump sum payment from the lottery in May. $20,000 is divided by the Standard of Need for the family size of two, $460. The equals 43.48 months: 43 months of ineligibility and $220 counted in the 44th month. The ineligibility period begins with May, the month the lottery winnings were received.

B. The ineligibility period applies to ALL individuals included in the KTAP family group in the month of ineligibility computation or anyone applying during this month.

C. An ineligibility period, established in another state, does not affect the individual's receipt of assistance in Kentucky. Ineligibility periods are NOT transferable between states.

D. Do NOT compute an ineligibility period on:

1. Continuing income only; or

2. Anticipated income, e.g., the individual reports he/she may receive an insurance settlement. These amounts are only used to compute an ineligibility period if the case is still active in the month the money is received, or a reapplication is made in the month the money is actually received.

E. When the nonrecurring lump sum income is received by an excluded parent, count the lump sum income in completing the gross income test. If the determination of an ineligibility period is required, increase the family size by one person to obtain the correct Standard of Need for the benefit group.

F. Document circumstances of the lump sum in Worker Portal comments.

G. Establish a claim for any months KTAP was received in error due to the receipt of a nonrecurring lump sum.]

MS 2892 APPLICATIONS DURING AN INELIGIBILITY PERIOD

A. [A separate KTAP case is NOT established for an individual who is added to the KTAP household AFTER the month of receipt of the nonrecurring lump sum income, but during the ineligibility period. If an individual, who is required to be included in the KTAP case, joins a KTAP benefit group which is serving an ineligibility period, the ineligibility period is recalculated, including the new individual in the family size. See MS 2895.

B. For a reapplication during the period of ineligibility, determine if the criteria for determining the ineligible months is still policy. When policy has changed to exclude the criteria used previously, the ineligibility period is recomputed using new policy. If continuing the ineligibility period is inappropriate, determine eligibility based on current case circumstances.]

MS 2895 INELIGIBILITY PERIOD SHORTENED (1)

A. The ineligibility period may be shortened when:

1. Circumstances change which if the case was active would increase the payment AND the Standard of Need;

2. The nonrecurring lump sum income causing the ineligibility period has been spent for necessary medical treatment, medical equipment, or medical transportation costs incurred during the ineligibility period, less any amount reimbursable by a third party, for any individual considered ineligible due to receipt of the lump sum income;

3. [Income, which caused the calculation of the ineligibility period, has become unavailable for reasons that were beyond the control of the benefit group; or

4. An individual, who is required to be included in the KTAP case, joins a KTAP benefit group which is serving an ineligibility period.]

B. "Unavailability" and "reasons considered beyond the control" are defined as follows:

1. [The definition of "unavailability" is not accessible to the KTAP benefit group for use toward basic food, clothing, shelter, and utilities.]

2. The "reasons considered beyond the control" of the family are:

a. Loss or theft of the money;

b. The individual to whom the lump sum was designated no longer lives in the household, making the lump sum income inaccessible;

c. Expenditure of the lump sum income to meet extraordinary expenses, that are not included in the Standard of Need, described as:

(1) Payments made for attorney's fees which were associated with the settlement and not specifically designated by the settlement;

(2) Unreimbursed funeral or burial expenses for the caretaker relative, the caretaker relative's spouse, any member of the KTAP benefit group, or any sibling, child, parent or grandparent of a KTAP child including travel costs associated with the death;

(3) Payments made during the ineligibility period on medical bills incurred prior to the beginning of the ineligibility period which were medically necessary to the health of an assistance group member and not covered by the Kentucky Medicaid Program (KMAP) or other third party;

(4) Such necessary expenses as food, shelter, or transportation which are not reimbursable by a third party, and are associated with overnight travel of more than 35 miles in order to obtain necessary medical treatment because of an accident, illness, or medical condition of an assistance group member;

(5) Costs for repair or replacement of primary vehicle, clothing, housing, and essential household furnishings, including costs associated with temporary arrangements, that are damaged or destroyed by theft, civil disorder, vandalism, accident, fire, flood, storm, earthquake, or other natural disaster, less the amount of third party reimbursement. Examples of essential household furnishings are beds, stove, refrigerator, table and chairs;

(6) That portion of costs not reimbursable by a third party that are necessary to rectify or prevent a serious hazard to the health or economic viability of the assistance group, such as, but not limited to: cost to purchase or otherwise secure minimum adequate housing if present housing does not meet the basic needs of the family, is nonexistent, or cannot be repaired; cost of weatherization or necessary repairs to owner occupied housing; payment of back rent, back mortgage, or back utility bills if under threat of eviction, foreclosure, or cut-off; payment of back due taxes; payment of court judgments that have been entered against the individual, except if the judgment involves the payment of erroneously received benefits from any government programs; cost of repairs to or replacement of inoperable essential appliances; cost of repairs to or replacement of an inoperable or unsafe motor vehicle that is essential for employment, education/training or obtaining medical treatment. Examples of essential appliances are stoves, refrigerators, phones, or if needed due to a medical condition, air conditioners. Economic viability means the ability to produce income necessary to meet basic food, clothing, shelter and utility expenses.

C. To SHORTEN the ineligibility period after the initial number of months have been determined:

1. Obtain third party verification:

a. Of the amount of the lump sum income that was spent on approved expenses, e.g., receipt or statement from repairman, or store;

b. That the amounts spent are not reimbursable by a third party or paid by KMAP, if eligible at that time; and

c. That the nature of the request that the ineligibility period be shortened meets all the required criteria, e.g., its necessity, health hazard, relationship to the deceased, etc.

Accept the individual's signed statement ONLY if third party verification is unobtainable and there is no reason to doubt the statement. If an individual's statement is used, the case record must be documented as to the efforts made to obtain third party verification.

2. Deduct the allowable amounts from the original amount of the lump sum income.

3. Add the remaining amount to the original total countable income from all sources excluding the lump sum.

4. Divide this new amount by the Total Standard of Need for the family size in the first month of the original ineligibility period. The result of the division is the adjusted number of ineligible months, with any remainder of the income applied to the next month if reapplication is made. The ineligible months begin with the month in which the lump sum was received.

   Example: In July 2013, a KTAP mother and her dependent child win $10,000 nonrecurring lump sum income in the lottery and receive $150 other countable income, after the disregards and deductions are applied. The Standard of Need for two is $460. The family has been living in a shelter after having been evicted from their apartment for nonpayment of rent.

   [The KTAP benefit group, therefore, is determined ineligible for 22 months beginning with July 2013, the month of receipt of the nonrecurring lump sum. The ineligibility period ends in April 2015, and $30 is left to count in the prospective budget for May 2015, if the individual reapplies. The case is closed effective August 2013, and a claim is established for the July 2013 KTAP payment.]

   On August 15, 2013, the family reapplies for assistance because $9,000 was spent as down payment on a home, $500 went to closing costs, and a total of $300 was paid for utility hook-ups. Since the family spent the money on approved expenses, the ineligibility period is recomputed. The first step is to subtract from the $10,000 received in July, the amount spent for obtaining adequate housing ($9,800). Add the remainder ($200) to the $150 other countable income and divide by the current Total Standard of Need for the family size ($460) in the month in which the lump sum was received. Since the sum ($350) is less than $460, there is no ineligibility period. No claim is established for the July 2013 payment, and the case is reapproved effective August 15, 2013.

D. If an individual, who is required to be included in the KTAP case, joins a KTAP benefit group which is serving an ineligibility period, the ineligibility period is recalculated, including the new individual in the family size. A new individual may be a newborn child or a child or parent returning to the home, who is required by standard filing unit rules to be included. A separate KTAP case is NOT approved for the individual.

1. Shorten the ineligibility period in the following manner.

   a. Multiply the Standard of Need for the original family size by the number of months that standard was applied. Include the month the individual entered the household in this computation.

   b. Subtract the result from the sum of the countable net income and the amount of the lump sum (less appropriate deductions).

   c. Subtract the prorated amount of the individual's share of the Standard of Need for the month the individual entered the KTAP household. This is calculated by taking the difference between the new Standard of Need (Standard for the original family size plus the new individual) and the original Standard of Need and prorating the difference from the date the new member entered the household using the KTAP Grant Proration Table.

   d. Divide the remaining amount of the lump sum by the new Standard of Need to determine the adjusted length of the ineligibility period.

      [Example: A KTAP benefit group of 3 members with $0 countable net income receives $15,000 from an accident settlement in January. $2,000 is used for medical expenses specified in the settlement. An ineligibility period of 24 months is established. In April a sibling is reported to have moved back to the home on April 15th. The ineligibility is recalculated using a family size of 4. The prorated Standard for April is calculated by taking the new Standard of Need for 4 persons and subtracting the original Standard of Need for 3 persons ($592 minus $526, equals $66). The balance ($66) prorated from April 15th.]

ORIGINAL CALCULATION:		
Lump Sum + Net Countable Income		$15,000
Specified Expenses	minus	$ 2,000
Balance	equals	$13,000
Standard of Need for 3 Persons	divided by	$ 526
Months of Ineligibility with $376 Counted in the 25th Month	equals	24
RECALCULATION:		
Standard of Need for 3 Persons		$ 526
Number of Months Applied	multiply by	4
Total Amount Applied	equals	$ 2,104
Lump Sum (less appropriate deductions)		$13,000
Total Amount Applied	minus	$ 2,104
Balance	equals	$10,896
Prorated Standard for April	minus	$ 35
Balance		$10,861
Standard of Need for 4 Persons	divided by	$ 592

Adjusted Months of Ineligibility with $205 Counted in the 19th Month	equals	18

2. DO NOT issue supplements for any months prior to the report month if the recalculation results in the period of ineligibility ending before the report month.

   [Example: A KTAP case of 3 members is serving an ineligibility period. In May, the household reports a child was born in March. In recalculating the ineligibility period, the ineligibility period should have ended in April. No retroactive benefits are paid for April. Payments would begin prospectively based on the date the KTAP benefit group reapplied for assistance and met all conditions of eligibility.]

3. If the individual, who caused the ineligibility period to be recalculated, subsequently leaves the home, ineligibility DOES NOT follow that individual. Therefore, that individual could be included in another KTAP case, if otherwise eligible.

   Example: A son moves to his mother's home. She and another sibling are currently serving an ineligibility period. The ineligibility is recalculated including the son. The son moves to his aunt's home because of emotional problems. The aunt may apply for and receive KTAP for the boy.

4. The ineligibility period is NOT recalculated again if the individual, who caused the period to be shortened, leaves home.

MS 3000 REQUIREMENTS FOR CHILD SUPPORT ACTION

[The Cabinet is required to make efforts to establish paternity and secure child support from noncustodial parents for children receiving KTAP or Kinship Care benefits due to the absence of a parent due to death, divorce, legal separation, desertion, or birth out of wedlock. Child support collected on the behalf of individuals receiving KTAP or Kinship Care is paid to the Cabinet.]

A. At application and when a child is added to an existing benefit group, the parent or caretaker relative must assign child support rights to the Cabinet. The parent or caretaker relative must also sign form KTAP-125 or KC-125, NCP Fact/Information Sheet and Assignment of Rights. Refusal to assign child support rights to the Cabinet results in denial of the KTAP or Kinship Care application.

B. The parent, technically excluded parent, a caretaker relative, and a minor parent are required to cooperate with Child Support Enforcement (CSE) and law enforcement officials in all phases of support activity. This includes, but is not limited to, identifying and locating the alleged father or non-custodial parent, establishing paternity, obtaining child support payments, and forwarding child support payments to CSE's Centralized Collection Unit (CCU) at P.O. Box 14059, Lexington, Kentucky 40512.

   If the parent is the only eligible member of the KTAP benefit group because the only child receives SSI, the parent is not required to assign child support rights to the Cabinet nor cooperate with child support activities. CSE is responsible for all aspects of child support enforcement activities for children who receive SSI.

C. Establishment of paternity and support from non-custodial parents is not pursued when:

   1. The child receiving KTAP is married. However, if the married child is divorced before the age of 18, the requirement to establish paternity and/or child support resumes;

   2. The parent is absent due to hospitalization or incarceration and intends to return to the home upon release. If the parent decides not to return to the home, a child support referral is appropriate; or

   3. The deprivation factor for the child is single parent adoption.

MS 3010 CHILD SUPPORT ENFORCEMENT ACTIVITIES

Child Support Enforcement (CSE) administers the child support program and is responsible for the following:

A. Reviews referrals and applications to determine appropriate action;

B. Initiates location efforts for noncustodial parents;

C. Initiates action to establish paternity;

D. [Establishes child support orders;]

E. Collects and distributes child support;

F. Enforces support obligations by judicial or administrative means;

G. Reviews support obligations for possible modification;

H. Advises field staff of changes in the case or the need for additional information;

I. [Informs the individual of available services; and]

J. Informs the individual of the status of the child support case.

MS 3020 FAMILY SUPPORT RESPONSIBILITIES (1)

It is the responsibility of the Family Support Worker to do the following:

A. Explains the child support program to the individual including penalties for failure to cooperate, and the opportunity to claim good cause for not cooperating;

B. Provides the client with form CS-333, Facts about the Child Support Enforcement Program;

C. Determines good cause for individuals requesting good cause;

D. Secures information from the individual to complete the referral;

E. Secures copies of court orders, as appropriate;

F. Notifies the child support worker of subsequent changes, such as:

1. [Any change in information or status previously submitted. Changes are entered on Worker Portal, Absent Parent Referral screen;]

2. Additional facts pertinent to case handling;

3. Copies of court orders;

4. The death of a parent for whom the referral has been submitted;

5. Removal of one or more children from an active KTAP case; or

6. When a parent, caretaker relative or minor parent refuses to cooperate with Child Support Enforcement (CSE).

G. Tells the individual of the requirement to forward support received to CSE following receipt of the first KTAP benefits which is not reduced by child support income and if not currently receiving support to forward to CSE when received;

H. Cooperates in completion of the court action upon request including, if necessary, appearing to give testimony;

I. Takes other action at the request of CSE;

J. Refers non-assistance individuals for child support services to the child support office or contracting official for information and applications; and

K. Requests a refund of excess child support collections. Refer to Volume I, MS 1230.

MS 3030 CHILD SUPPORT REFERRAL PROCESS (1)

[A child support referral is completed on all children in the KTAP benefit group when a parent is voluntarily absent from the home. Worker Portal sends the referral information to Child Support Enforcement (CSE).

A. Complete a referral, even when the absent parent is “unknown”:

1. At application;

2. At reapplication if the case information has been moved to off-line history; or

3. Any time a child is added to the KTAP case, if there is not an existing referral.

If there is an existing referral, review all the referral information and make changes as needed.

B. When a child support referral is required, the worker should:

1. Explain the child support requirements and good cause, and provide form CS-333, Facts about the Child Support Enforcement Program.

2. If the individual refuses to cooperate with the referral process, determine if good cause exists. Refer to MS 3050 for the good cause criteria and process. Good cause does not apply to the assignment of rights. If the individual refuses to agree to the assignment of rights, the application is denied. Refer to MS 3000.

a. If good cause exists, do NOT apply a penalty for noncooperation.

b. If good cause is determined not to exist and the individual will not cooperate, apply the penalty for noncooperation. Refer to MS 3080.

3. After the referral is completed, form KTAP-125 or KC-125 prints out with the application. Have the individual read and sign the form.

Information is updated at renewals or case changes.

C. In cases that contain a parent and a minor parent, either the parent or the minor parent may sign form KTAP-125 for the minor's children. If the parent signs form KTAP-125 for the minor's children, the minor parent is required to cooperate with CSE and law enforcement officials in all phases of child support activities to avoid reduction of KTAP benefits.

For UP cases which contain child support referrals, only the custodial parent of the child listed on the referral may sign form KTAP-125. The custodial parent is still required to cooperate with CSE to avoid reduction of KTAP benefits.

D. When CSE determines that an alleged father is not the parent of a child, do the following:

1. Contact the custodial parent for another possible father and complete a referral on that person;

2. Delete the incorrect referral; and

3. Document the action in Case Notes.]

MS 3040 NONCOOPERATION WITH CHILD SUPPORT ACTIVITIES (1)

A. [The following are considered "noncooperation or refusal to cooperate" which result in the penalty of 25% reduction of the KTAP benefits.

1. Refusal to provide information, including that required for completion of the referral, that is available to the parent, caretaker relative or minor parent and required for child support activities or law enforcement officials to provide child support services;

2. Refusal to sign the child support referral;

3. Failure to appear as a witness in judicial or other hearings. This includes failure to sign complaints or keep appointments scheduled with Child Support Enforcement (CSE) or contracting officials;

4. Refusal, under penalty of perjury, to provide correct information or attest to the lack of information;

5. Dismissal of a pending court action or initiation of a dismissal after signing form KTAP-125/KC-125; or

6. Initiation or completion of action to terminate or lower an existing support order after signing form KTAP-125/KC-125.

When an individual refuses to cooperate and does NOT file a "good cause" claim, apply the penalty.

B. Refusal to forward support payments is another form of noncooperation. If notified by the child support caseworker or discovered by other means that the individual is receiving voluntary or court ordered support for a KTAP child and is not forwarding these payments to CSE, immediately contact the individual and collaterals, as necessary, to determine if support was received. If support was not received or was received and forwarded, notify the child support caseworker.

If court ordered or voluntary support was received but not forwarded, consider the individual not cooperating and:

1. Consider all support money as income in the case, minus the $50 disregard to the child(ren) for whom payments were made;

2. A good cause claim is not appropriate because the individual was notified in writing by the application/recertification forms and by form CS-333 that all support rights are assigned to the Cabinet; and

3. Establish a claim, if appropriate.

C. If the individual later states a willingness to cooperate, the cooperation must be verified. Issue a RFI to request verification of cooperation be provided within 10 calendar days. Verification of cooperation consists of

proof that the individual met with the contracting official, completed a child support referral, etc.

EXCEPTION: If the contracting official cannot reschedule the individual's appointment within 30 calendar days, accept verification of the rescheduled appointment as verification of cooperation.

If verification is provided timely, the worker removes the penalty effective with the next administratively feasible month. Supplements are not issued for the time period in which the individual did not cooperate or the month of cure.

Example: An individual is disqualified for noncooperation with CSE effective 7/1/16. The individual verified cooperation with CSE on 7/10/16. The disqualification is removed and full benefits are authorized for the next administratively feasible month, in this situation August. Do not issue a supplement for July.

Example: An individual is disqualified for noncooperation with CSE effective 5/1/16. The individual verified cooperation with CSE on 5/28/16. The disqualification is removed and full benefits are authorized for July, the next administratively feasible month. Do not issue a supplement for May. In this situation a supplement for June is appropriate as verification of cooperation was received after system cut-off for KTAP.

A supplement is not issued for the month of the cure. However, a supplement may be made the next month if verification of cooperation is received after cut off. If verification of cooperation is not provided by the end of 10 calendar days, send notification of the denial of the request.]

MS 3050 GOOD CAUSE FOR NONCOOPERATION

Good cause for failing to cooperate with child support activities exists only when:

A. Cooperation in support activities could result in physical or emotional harm of a serious nature to the child and/or custodial parent;

B. Support action is not in the child's best interest due to incest;

C. Support action is not in the child's best interest because the child was conceived as a result of rape;

D. Support action is not in the best interest of the child because legal proceedings for adoption of the child are pending; or

E. Support action is not in the best interest of the child because the custodial parent is being assisted by a public or licensed private social agency to resolve whether to keep the child or release him/her for adoption AND discussion has not gone on for more than 3 months.

When an individual, including a minor parent, refuses to cooperate in child support activities, and claims to have a good reason for not cooperating:

A. [Enter good cause information in the Cooperation with CSE/MSE section of the Absent Parent Information screen when an individual requests a good cause claim. Complete the child support referral on Worker Portal indicating the individual has good cause. For verification of a good cause claim refer to MS 3060.]

B. Any proposed finding regarding good cause is reviewed and approved by the supervisor or designated representative.

C. Review good cause claims with the individual at recertification to decide if good cause still exists. The good cause decision may be reviewed more frequently if circumstances in the case indicate it is necessary.

1. If good cause continues to exist, document the case.

2. If good cause no longer exists, update the appropriate child support referral and change the good cause indicator.

3. [If an individual requests a hearing on a denial of good cause and the agency is upheld, no further action is necessary. If the agency is reversed, inform the child support caseworker or contracting official that the individual has good cause and to cease child support activity. Change the good cause indicator on Worker Portal.]

MS 3060 VERIFICATION OF GOOD CAUSE

[Evidence must be provided by the individual within 20 calendar days from the date good cause is entered on Worker Portal, unless an extension is given.]

A. Evidence which supports a determination of good cause includes, but is not limited to, the following:

1. Birth certificates, medical, or law enforcement records indicating that the child was conceived as a result of incest or forcible rape;

2. Court documents or other records indicating legal proceedings for adoption of the child by a specific family are pending before a court of competent jurisdiction;

3. Records (court, medical, criminal, child protective services, social services, psychological, or law enforcement) indicating the noncustodial parent or alleged father might inflict physical or emotional harm on the child or caretaker relative;

4. A written statement from a public or licensed private social agency that assistance is being given to the custodial parent to resolve the issue of whether to keep the child or relinquish the child for adoption and the issue has not been pending more than 3 months; and

5. Notarized statements from individuals, other than the custodial parent with knowledge of the circumstances which provide the basis for the good cause claim.

B. In each good cause determination based upon anticipation of serious emotional harm to the child, the mother, or caretaker relative, consider the following:

1. The present emotional state of the individual subject to emotional harm;

2. The emotional health history of the individual;

3. The extent of the emotional impairment and how long it might last; and

4. The extent of the involvement required of the individual in the child support activities.

If medical information documenting the above is not available, accept collateral contacts or the statement, unless questionable.

C. When the good cause claim is based on the anticipation of physical harm to the child and/or parent/caretaker relative, and supporting evidence is not available, accept the individual's statement unless questionable.

MS 3080 PENALTY FOR NONCOOPERATION

The penalty for failure to cooperate with child support activities without good cause is a 25% reduction of the maximum KTAP/Kinship Care benefit amount for the household size. This includes failure to cooperate by a caretaker relative or technically excluded parent.

Example: The maximum benefit amount for a two member KTAP benefit group is $225. The 25% reduction is $56.

A. The KTAP/Kinship Care benefits can only be reduced by 25% of the maximum KTAP/Kinship Care benefit amount regardless of the number of members penalized in the case for not cooperating with Child Support Enforcement.

B. If an individual is penalized for reasons other than noncooperation with child support activities and fails to cooperate with child support, the 25% reduction of the maximum benefit amount is applied for the remaining active members.

C. [When the individual fails to cooperate without good cause, the penalty can be applied one of two ways:

1. The KASES Interface notifies Worker Portal to apply the penalty and send notification to the client of the noncooperation and penalty. The notification will also inform the client to contact Call Services if the client claims good cause; or

2. The worker can answer “No” to the question “Cooperation with CSE/MSE?” on the Absent Parent Information screen, which will apply the 25% penalty.

D. A disqualification is applied to the SNAP case by Worker Portal when the penalty is entered.]

MS 3650 UNEMPLOYED PARENT (UP) PROGRAM

Two parent families may be eligible for KTAP based on a child being deprived of parental support due to unemployment or underemployment of one or both parents.

The following conditions must apply to establish a deprivation factor of unemployment or underemployment:

A. Both parents of at least one child must live in the household.

B. Paternity must be established by adjudication, administrative establishment, or by the parents' legal marriage. A common-law marriage is acceptable if the marriage existed in a state where common-law marriage is recognized. Paternity is established through a legal marriage if the marriage existed at the time of the child's birth, even if the marriage is now ended.

C. [Unemployed parents are subject to work registration which is met by registering online through the Office of Employment and Training (OET) at https://focuscareer.ky.gov/ or by visiting the local OET office. If the QP refuses to work register, deprivation of unemployment is not met. The application is denied.

D. The application may be completed and signed by either parent. The determination of the QP must be completed for both parents. The QP has primary responsibility for participating in the Kentucky Works Program.]

MS 3655 THE QUALIFYING PARENT AND PRIOR LABOR MARKET ATTACHMENT (1)

A. The qualifying parent (QP) is the parent in a two parent household, who meets prior labor market attachment.

1. The earnings of each parent are considered in determining the QP regardless of when the relationship between the parents began.

2. If unable to secure primary evidence of earnings to determine which parent is the QP, designate the QP using the individual's statement or the best evidence available.

3. If both parents earned identical amounts of income, the applicant designates the QP.

The QP designation remains with the same parent as long as assistance is received on the basis of the same application.

B. [Prior Labor Market Attachment is defined as:

1. Having earned $1,000 or more during the 24 months prior to the month of application. The earnings must be a result of legal activities. Income from activities prohibited and criminalized under Federal and State law CANNOT be counted in the quarters of work. Accept the applicant's/QP's statement as to the work history that is outside the U.S. It is unnecessary to convert foreign currency to U.S. dollars. Assume $1,000 for the prior 24 months as the standard of living is not the same as in the U.S.

a. Two semesters or four quarters of full-time attendance, as defined by the school or institution, in a post-secondary school, may be substituted for $500 of the $1,000 earnings required in the 24 months prior to the month of application. $250 per semester is allowed.

b. Gross income from self-employment and farming qualify as earned income in determining prior labor market attachment. The self-employed individual does not have to realize a profit to meet this requirement.

c. At application, school attendance or earnings are verified when determining prior labor market attachment. The case record is documented with the type of verification utilized.

(1) Utilize readily available verification such as program 48 (New Wage Record), information in a SNAP electronic case file (ECF), any available old or current assistance case record with income verification, or verification provided by the QP.

(2) If the wage verification is not readily available to the caseworker, the applicant/QP is responsible for providing the

wage verification necessary for determining prior labor market attachment. Wages are verified using pay stubs or an employer statement, either written or verbal, such as form PAFS-700, Verification of Income, form PAFS-121, Irregular Work Form, or a contract.

(3) If the QP cannot provide income verification necessary to determine his/her prior labor market attachment and the information is not readily available to the caseworker, a collateral contact with knowledge of the individual's employment may be utilized. Use the client's statement as a last resort, for verification in situations such as out-of-state employment, an employer no longer in business, or those who cannot be contacted.

(4) It may be necessary to combine sources of verification when determining prior labor market attachment. Document the case record with the sources of verification used and why a client's statement is accepted for all or part of the prior labor market attachment.

OR

2. Within 12 months prior to application, received unemployment compensation which can be verified on IMS inquiry program 4B, for an in-state claim.

OR

3. The individual is currently receiving unemployment compensation and complying with the requirements to receive the benefits.

   Application for Unemployment Insurance (UI) benefits must be made by both parents if potential eligibility exists.

   a. Verification of potential or actual entitlement for UI may be accomplished through Program 43 and/or 4B. Print the computer inquiry and/or refer the unemployed parent directly to the UI office or to UI website https://uiclaims.des.ky.gov/.
   b. Document the case record clearly to show the method of clearance and if application for benefits has been made. Spot check the case for anticipated unearned income if appropriate.
   c. If eligibility exists and either parent refuses to apply for or comply with the requirements of UI (including compliance with UI eligibility requirements even after UI has been approved), KTAP eligibility does NOT exist.

C. Prior labor market attachment remains established as long as the UP case remains active. If the UP case is discontinued, prior labor market attachment has to be reestablished.

D. Either parent may sign the application forms to protect the filing date. DO NOT refuse to take an application signed by a non-qualifying parent.]

MS 3665 UNEMPLOYMENT REQUIREMENTS (1)

The following conditions apply to the deprivation factor of unemployment.

A. Both parents live in the home.

B. One parent must meet prior labor market attachment to be designated as the qualifying parent.

C. At application, the qualifying parent (QP) is unemployed or underemployed and working less than 100 hours per month for at least 30 days. The 100 hour standard is applied to the application only.

1. KTAP eligibility begins on the 31st day of unemployment or underemployment.

2. The first day of the 30-day unemployment period begins the day the individual loses employment or hours are reduced to less than 100 hours per month.

3. The case cannot be approved prior to the 31st day of unemployment or underemployment.

D. Within the 30 days prior to the KTAP application or during the course of receipt of KTAP benefits, the QP has not, without good cause, refused a bona fide offer of employment or training for employment. Training for employment includes participation in the Kentucky Works Program (KWP).

1. Determine that an offer of employment or training was made.

2. If an offer is refused, determine if good cause exists. Refer to Vol. III, MS 2843 for good cause reasons for refusal, reduction or termination of employment.

3. Good cause determinations are not required for individuals losing employment due to being "fired" from a job. If an individual states he/she was fired, obtain verification from the employer.

4. If the offer of employment, training for employment or KWP placement is made through a contracting vendor, the contractor will advise if the offer is refused.

E. If an application or an existing UP case is denied or discontinued due to the refusal to accept employment, voluntary reduction or termination of employment or training without good cause, a reapplication based on unemployment of the QP must meet all requirements in this manual section and MS 3655.

When a UP case is discontinued due to failure to participate in KWP activities, a one calendar month ineligibility period is imposed. The one calendar month period begins on the effective date of discontinuance. The

requirements for a reapplication are the same as an initial application; however, the requirements in MS 3667 must also be met before the case can be reapproved.

Example 1: A UP case discontinued on March 10 for failure to cooperate with KWP activities. The case is discontinued effective April 1. The household will not be eligible for benefits until May 1, which is the day after the one calendar month ineligibility period.

[If the family returns to complete a reapplication on April 3, enter the application on Worker Portal and enter the effective date of discontinuance, April 1, as the date when unemployment/underemployment began. Inform the family that eligibility will begin one calendar month from the effective date of discontinuance. Document thoroughly in case comments regarding the actions taken.]

Example 2: A UP case discontinued on March 21 for failure to cooperate with KWP activities. The action was taken to discontinue the case after cut-off; therefore, the effective date of discontinuance is May 1. The family will not be eligible for benefits until June 1.

If the family returns to complete a reapplication within the negative action period, an application cannot be entered on Worker Portal. Inform the family of the one calendar month ineligibility period. An appointment can be made for the family to return to complete the application.

F. [If a parent in the UP application received in a KTAP case which was discontinued for full family sanction, the UP case is not subject to the one calendar month ineligibility period or the 15 calendar day upfront participation requirement.

If a parent in the UP application was previously sanctioned in a KTAP case, the sanction is removed from OTIS prior to the UP approval. No upfront participation is required.]

G. Unemployment does not exist when a QP is:

1. On strike (Refer to MS 2217);

2. Temporarily unemployed due to weather conditions or lack of work if there is a job to return to and return can be anticipated within 30 days or at the end of a normal vacation period;

3. Unavailable for full-time employment. The availability for full-time employment is determined at application, recertification, and at any point the qualifying parent's availability for full-time employment is in question. The client's statement is accepted when determining if the qualifying parent is available for full-time employment. However, if the

QP refuses to accept a job without good cause, unemployment does NOT exist; or

4. Under contract for employment, unless a written statement from the employer verifies that the individual is subject to release from the contract if full-time employment is secured.

H. In order for a KTAP eligible alien to be a QP, work status must be verified. Employers complete form I-9, Employment Eligibility Verification, for each newly hired employee. Form I-9 includes a list of acceptable documents used to verify employment authorization. More information regarding employment verification and a link to form I-9 can be found on the U.S. Citizenship and Immigration website at http://www.uscis.gov/i-9.

[I. If the QP refuses to accept or continue suitable employment, send form KW-204, Conciliation Contact, to determine if good cause reasons exist for the refusal. See Volume III, MS 2843. If a good cause reason does not exist, the UP case NO longer meets eligibility criteria. Enter “No” to the question “Is the qualifying parent willing and able to accept employment?” on the Qualifying Parent Determination screen.]

J. If after an initial approval, either one or both parents fails to participate the required hours, send form KW-204 for conciliation to both parents. Follow the procedures set forth in Volume IIIA, MS 4800.

[While the non-qualifying parent can assist the QP in meeting the required hours of participation for the UP case, the QP must be actively seeking employment or receiving training toward obtaining employment. Accept the QP’s statement he/she is actively seeking employment or training if the non-qualifying parent is meeting the requirement.]

MS 3667 UP REAPPLICATION AFTER DISCONTINUANCE FOR KWP NONCOOPERATION

[Once a UP case is discontinued for noncooperation with the Kentucky Works Program (KWP), the qualifying parent (QP) and/or other parent must demonstrate KWP compliance by participating for 15 calendar days prior to reapproval of the UP case, regardless of the reason for the most recent discontinuance. In addition, there must be at least a one calendar month break in KTAP benefits between the effective date of discontinuance and the effective date of approval. For example, if the KTAP is discontinued effective October, then the case cannot be approved for benefits until November.

A. When processing UP applications that involve a previous UP case discontinuance for noncooperation with KWP, the UP case is subject to the one calendar month ineligibility period or the 15 calendar day upfront participation requirement.

A KTAP case discontinuance for full family sanction does not affect the UP case application.

1. When a client applies before the eligibility period ends, the system will deny the application for the month of the ineligibility period.
2. When the client applies after the ineligibility period:
   a. The KTAP application can be held pending for up to 30 days, as appropriate, to allow the client adequate time to complete and verify participation.
   b. Manually enter on the RFI: “Participate in the assigned KWP activity for 15 calendar days.”
   c. Manually issue form KW-33, Verification of Kentucky Works Participation, to verify participation.]

B. The appropriate number of hours required during the 15 calendar days are 76 hours for a case with a 35 hour weekly participation requirement and 120 hours for a case with a 55 hour weekly participation requirement.

C. If the client has been participating in an activity for the required number of hours per week lasting at least 15 calendar days prior to the application date and the participation is verified, the case can be approved if all other eligibility factors are met.

D. If the client has not participated in an activity prior to the KTAP application, the 15 calendar days begins the day the individual starts participating in a KWP activity.

E. After approval of the KTAP case, the FLSA calculator on OTIS is used to determine WEP/COM participation hours allowed for the approved individual.

[F. If the individual does not verify participation within 30 days of application, deny the case for noncooperation with KWP.

G. If at any point following reapproval of the UP case discontinued for noncooperation with KWP, the individual fails to cooperate, discontinue the UP case for noncooperation. Form KW-204, Conciliation Notice, is not necessary.]

MS 3670 INCAPACITY AND THE UNEMPLOYED PARENT (1)

The following guidelines apply when a parent in a potential Unemployed Parent (UP) case or current UP case alleges INCAPACITY:

A. If at application either parent in a two-parent family alleges incapacity, do not base the application on unemployment.

   1. Take the KTAP application based on incapacity by answering the gatepost questions accordingly.

   2. If a field determination cannot be made, refer the individual to the Medical Review Team (MRT) by entering the appropriate medical details in post eligibility. Refer to MS 2379 and MS 2381 for further information about incapacity determinations and field determinations of incapacity.

   3. Refer the individual claiming incapacity to the Social Security Administration (SSA) utilizing form PAFS-5.1, Report or Referral to the District Social Security Office, to apply for Supplemental Security Income (SSI) benefits.

B. If either parent in an active UP case alleges a physical or mental inability to work and the other parent is NOT meeting the 35-hour requirement, go through Report a Change and:

   1. Answer 'Yes' to the gatepost question "Is anyone Blind, Disabled, Incapacitated/Unable to Work?".

   2. Answer the questions as appropriate on the Disability/Incapacity screen.

   3. If a field determination cannot be made, refer the individual to MRT by entering the appropriate medical details in post eligibility.

   4. Refer the individual claiming incapacity to the SSA to apply for SSI benefits.

   5. [KTAP eligibility will pend and no benefits will be issued until a MRT decision is returned.]

   6. If MRT returns a decision of not incapacitated, the case will be discontinued.

   7. If a family wishes to reapply for KTAP eligibility under the UP program, the family must meet all UP eligibility criteria including prior labor market attachment.

MS 3700 EDUCATIONAL BONUS (1)

Individuals receiving KTAP or Kinship Care (KC) can receive a $250 educational bonus for completing certain educational programs.

A. An educational bonus can be issued when one of the following is earned:

1. A High School diploma;

2. A GED certificate;

3. English as a Second Language (ESL). Only one bonus is paid for ESL regardless of the number of levels the individual completes; or

4. A post-secondary program degree or certificate. Only one bonus is paid for a post-secondary program.

   Example 1: If the individual obtains an associate degree and a bonus is paid for that degree, another bonus cannot be paid if the individual subsequently obtains a bachelor's degree.

   [Example 2: If the individual obtains a certificate that is earned within the bachelor program, only one educational bonus can be issued for the post-secondary program.]

   Note: Short-term trainings do not qualify for an Educational Bonus.

B. There is no time-frame for requesting an Educational Bonus; however, the individual must have been an active KTAP/KC recipient when the educational program was completed.

C. The individual must verify the completion of the program and receipt of the diploma, certificate, or degree. Verification can be in the form of the diploma, certificate, or statement from the educational institution.

D. Educational bonuses are issued through Manual Issuance Request in Benefit Management. Educational bonuses are not issued by special circumstance.

E. [The payment is issued to the adult or child who earned the diploma or certificate.]

MS 3750 [RELOCATION ASSISTANCE PROGRAM (RAP)

The Relocation Assistance Program (RAP) assists families receiving KTAP who need to relocate for employment or to escape a domestic violence situation.

A. RAP can assist the family with moving expenses in order to:

1. Accept a verified offer of full-time employment;

2. Maintain employment obtained within 90 days of the date of the request, provided the employment was reported and verified timely; or

3. Escape a domestic violence situation.

B. RAP can pay up to a total of $500 of verified moving expenses.

C. After January 1, 2003, individuals may receive assistance from RAP only once in a lifetime in order to relocate for employment. Receipt of RAP prior to January 1, 2003 does not count toward the once in a lifetime limit.

D. There is no limit for RAP if needed to escape a domestic violence situation.

E. To qualify for RAP, the individual must meet the following criteria:

1. Currently receiving KTAP. A sanctioned or otherwise ineligible individual does not qualify for RAP;

2. Relocation assistance will assist the family with achieving self-sufficiency.

3. When RAP is requested to accept or maintain full-time employment, the individual must meet the following criteria:

a. The individual must have a verified offer of employment or be recently employed, within 90 days of the request. The employment, including self-employment, must pay a wage equal to or greater than minimum wage multiplied by 30 hours per week.

The offer of new employment, or the hire date, the amount of wages, and location of the new residence can be verified by written statement, wage stub, form PAFS-700, Verification of Income, PAFS-76, Information Request, etc.

b. The current residence must be 10 miles or more from the location of the employment. The new residence must be closer to the location of the employment than the current residence. The location of the new residence and proximity to the employment site must be verified.

4. When RAP is requested to escape a domestic violence situation, verification of domestic violence can include, but is not limited to the following:

a. A protective order;

b. A police report;

c. Residence in a spouse abuse center; or

d. Involvement of an agency or individual, such as a victim's advocate, social worker, TAP worker, etc.

Employment is not a requirement for relocation assistance to escape a domestic violence situation.

F. If the family moved prior to the request for RAP, the family is not eligible. Issue form KW-105, Notice of Ineligibility, to deny the request.

G. A minor parent is NOT eligible to receive RAP to move from his/her parent's home.]

MS 3760 [RELOCATION ASSISTANCE PROGRAM ELIGIBILITY]

To qualify for the Relocation Assistance Program (RAP) the individual must meet the following criteria:

A. The individual must be currently receiving K-TAP. A sanctioned or otherwise ineligible individual is not considered to be in receipt of K-TAP and does NOT qualify for RAP.

B. The individual must have a verified offer of employment or be employed and have been hired within 90 days of the request. The employment, including self-employment, must pay a wage that is equal to or greater than minimum wage multiplied by 30 hours per week.

C. The K-TAP family must move in order for the individual to:

1. Maintain current employment obtained within 90 days of the date of request, that was reported and verified timely, or accept a verified offer of employment; or

2. Escape a domestic violence situation. Verification of domestic violence includes but is not limited to:

[a. A protective order;

b. Involvement of an agency/individual such as a victim's advocate, social worker, TAP worker, etc;

c. A police report; or

d. Residence in a spouse abuse center.]

Employment is not a requirement for an individual moving to escape a domestic violence situation.

D. The current residence must be 10 miles or more from the location of the employment. The new residence must be closer to the location of the employment than the current residence. The location of the new residence and proximity to the employment site must be verified.

E. After January 1, 2003, the individual can only be approved for RAP one time unless RAP is needed to escape a domestic violence situation. Receipt of RAP prior to January 1, 2003 does not count towards the once in a lifetime limit.

The offer of new employment, or the hire date, the amount of wages, and location of the new residence can be verified by written statement, wage

stub, forms PAFS-700, Verification of Income, or PAFS-76, Information Request.

If the K-TAP family moved prior to the individual making application for RAP, deny the application.

RAP may be approved to assist the employed individual with actual moving expenses up to $500.

F. A minor is ineligible to receive RAP to move from his/her parent's home.

MS 3770 [RAP APPLICATION AND PAYMENT PROCESS

Use form RA-1, Application for Relocation Assistance, to determine eligibility for the Relocation Assistance Program (RAP). RAP Payments are issued from the Online Tracking and Information System (OTIS).

A. Complete form RA-1 during the interview with the individual to determine if the family meets the criteria for RAP.

   1. If the individual requests RAP, allow the applicant 10 calendar days to return verification of the moving expenses. Use a manual correspondence to request verification of the offer of employment, wages, domestic violence situation, new residence, and moving expenses.

   2. Process the application immediately upon return of the required verification. If the locations of the residence and/or employment are not known, use internet programs, such as www.mapquest.com, to determine if the new residence is closer to the new worksite than the current residence.

   3. If it is determined the household is ineligible for a RAP payment, send form KW-105, Notice of Ineligibility, to notify the individual of the denial for RAP.

   4. Provide follow-up case management to assist families in the transition. This includes referrals to other agencies and charitable organizations that may offer assistance to recipients who are moving.

   5. If a family is not currently receiving KTAP assistance and requests assistance with relocation, explore eligibility for the Family Alternatives Diversion Program (FAD). If FAD eligible, relocation expenses may be paid through FAD.

B. After the request for RAP is approved by the worker and concurred by the supervisor, the payment can be issued to the family. If the individual has verified $500 or more of moving related expenses, issue one payment for $500.

   RAP payments:

   1. Are issued from OTIS under the “Payments” tab.

   2. Are always issued to the individual.

   3. Are tracked by OTIS to ensure RAP is not allowed more than once per adult for employment purposes.]

MS 3850 WORK INCENTIVE (WIN) ELIGIBILITY (1)

Employed adults of a KTAP case discontinued with earnings may be eligible for Work Incentive (WIN) reimbursement payments of $130 per months for up to nine consecutive months. Receipt of WIN reimbursements is limited to one eligibility time frame and cannot be waived or postponed.

WIN payments are only issued to the individual's EBT card. WIN cannot be issued by check or direct deposit.

If eligible, WIN payments begin the month after KTAP benefits stop. If a KTAP application is taken for a month which WIN has been received, the KTAP or FAD will be denied due to receipt of WIN. Individuals cannot receive more than one TANF benefit (KTAP, FAD, or WIN) for the same month.

A. To qualify for WIN reimbursements, an adult member of the KTAP benefit group must:

1. Report employment within 10 calendar days of obtaining employment;

2. Provide verification of employment within 10 calendar days of the report;

3. Be discontinued from KTAP with countable earned income. Earned income that is excluded cannot be used to establish WIN eligibility.

4. Have an age eligible child (deprivation is not an eligibility factor for WIN);

5. Expect to be employed on an ongoing basis;

6. Have a work expense (client statement is accepted);

7. Be a resident of Kentucky; and

8. Have a total gross earned and unearned income that is equal to or below 200% of the Federal Poverty level.

[Note: It is very important to enter the correct employment start date, report date and verification date as this impacts the determination of WIN eligibility.

2020 200% of Federal Poverty Level

Family Size	Income Before Taxes	Family Size	Income Before Taxes
1	$2,127	5	$5,113
2	$2,873	6	$5,860
3	$3,620	7	$6,607
4	$4,367	8	$7,353

*For each additional member, add $746.]

B. An individual with a KWP sanction can be eligible for WIN reimbursement payments.

1. When verification of employment is received, review the start date and hours of employment. If the hours of employment meet the individual's work requirements and 15 days have passed from the start date, cure the sanction on OTIS before discontinuing the KTAP case on Worker Portal. This will allow the hours to be counted toward the federal participation rate.

2. If the hours do not meet the work requirements, the sanction is not cured.

C. Failure to report changes timely, other than changes in employment that occurred after WIN eligibility was established, does not affect WIN eligibility.

Example: The individual obtained employment in July which was reported and verified timely. In August, the client was approved for RSDI, which was not reported until the client's recertification in November. The RSDI income made the case income ineligible. The case is WIN eligible in this situation because the client was employed before the unreported change occurred.

D. An adult member is not eligible for WIN reimbursement payments if:

1. Employment is obtained after the KTAP case is discontinued;

2. The individual has previously received a WIN reimbursement payment, unless receipt was in error and the payment was returned and deleted from OTIS. OTIS comments must be thoroughly documented to reflect the erroneous receipt of WIN;

3. The employment was not reported and verified timely;

4. The earned income (work study, WIOA, etc.) was excluded.

E. If a KTAP case with wages discontinues in error, update the WIN status on the Payments – WIN screen on OTIS. A reinstatement action may be entered on Worker Portal prior to the 10th calendar day of the following month to prevent issuance of a WIN reimbursement.

F. A claim is established if a WIN reimbursement is received and retained due to agency or household errors.

MS 3860 WIN REIMBURSEMENT PROCESS (1)

[WIN reimbursement payments are deposited to an Electronic Benefit Transfer (EBT) account for individuals eligible for WIN. If there are two WIN eligible individuals in the case, each must have a separate EBT card/account. If the household was receiving KTAP benefits via EBT, the individual who was head of household for the KTAP case will receive his/her WIN payments on the same EBT card. The second parent must have a separate EBT card/account, if a separate account is not already established. A message will display on the WIN Payment screen in OTIS to alert the case manager that the individual does not have an established EBT account, so the WIN payment cannot be issued.

An EBT card for the second parent can be issued on the "Card Maintenance" screen in the "Benefit Management" section of Worker Portal.

The first WIN reimbursement is automatically issued to the EBT card on the 10th workday of the month after the KTAP discontinuance. All other monthly WIN payments are issued by a case manager in OTIS.

A. Ensure all dates are entered accurately in the system when entering the income information.

B. To issue ongoing WIN payments:

1. Form WIN-1, Work Incentive (WIN) Report, is generated to the individual by OTIS. The individual has until the 10th calendar day of the report month to return form WIN-1 and verification of employment. If the 10th day is a holiday or weekend, the due date is the next workday.

2. If the WIN payment has not been issued by the 10th calendar day of the report month, form WIN-2, Second Notice for Work Incentive (WIN) Report is generated by OTIS on the 12th day of the month. Form WIN-2 reminds the individual to return the form by the last workday of the month or WIN reimbursements will stop.

3. When a completed WIN-1 or WIN-2 is received, determine if WIN eligibility exists. To remain eligible an individual must:]

a. Be employed at some time during the month reimbursement is requested to cover;

b. Have an age eligible child (deprivation is not an eligibility factor for WIN);

c. Have a work expense;

d. [Return a completed form WIN-1 or WIN-2 by the last work day of the month;

e. Be a resident of Kentucky; and

f. Have total gross earned and unearned income of the KTAP family that is equal to or below 200% of the Federal poverty level.

4. Once a completed form WIN-1 or WIN-2 is received and continued eligibility is determined, go to the Payments Screen - WIN to issue the WIN reimbursement payment.

5. If an individual fails to return either form WIN-1 or WIN-2 or verification by the last workday of the report month, WIN reimbursements stop and the individual is not eligible for WIN again.

6. Workers can access the WIN Report on OTIS for a list of active WIN cases.

C. If form WIN-1 or WIN-2 is returned and additional information or verification is needed, contact the individual or send form KW-105, Notice of Ineligibility, to inform the individual that employment verification was not received. Do not use the “Deny WIN” button on the OTIS WIN Payments screen. If the response is not clarified or the verification is not received by the last workday of the report month, OTIS automatically ends the WIN eligibility.

D. If an individual is on leave from a job for the majority of the month he/she may still be eligible for WIN. An individual who is employed, but on temporary leave, may incur a work expense even though he/she did not work any hours during the month.

Example: The individual is receiving WIN and is on temporary leave from employment. The individual must pay union dues and child care expenses to keep a slot open for his/her child. As the individual remains employed and has incurred a work expense for the month, he/she is eligible for WIN.

E. Once WIN reimbursements begin, individuals who lose employment are not eligible for future WIN reimbursements unless the individual obtains another job within 30 days and provides written verification within 10 calendar days of obtaining the job.

Example: An individual reports she lost her job on 7/3. The individual finds another job 8/1. She reports and verifies the new employment timely. She would continue to be eligible for WIN for July.

F. If an individual fails to provide verification of new employment within 10 calendar days, issue form KW-105, Notice of Ineligibility, from the WIN Payment screen on OTIS denying the payment and informing the individual that WIN eligibility has ended.]

MS 5000 KINSHIP CARE OVERVIEW (1)

The Kinship Care Program provides cash benefits for care of a child who has been removed by Protection and Permanency (P&P) staff from his/her home due to abuse, neglect, or the death of both parents and placed with an approved caretaker relative. The eligibility determination is a two-part process that is initiated by P&P. No new Kinship Care applications were accepted after 3/31/13. For reapplications, refer to MS 5100. Any caretaker relative caring for a child may apply for KTAP, Medicaid, and/or SNAP benefits.

A. The responsibilities of P&P staff are:

1. Assigning a designated worker to oversee the placement of the child in a safe home with a Kinship Care caretaker relative;

2. Determining the suitability of the caretaker relative's home;

3. Completing all necessary background checks;

4. Developing and monitoring the plan to facilitate the caretaker relative obtaining permanent legal custody of the child if the child cannot return to his/her parents;

5. Completing form KC-01, Kinship Care Program Statement of Rights and Responsibilities, and routing a copy to Family Support staff;

6. Completing, approving and routing form KIM-78KC, Kinship Care Financial Assistance Application, to Family Support staff for a financial eligibility determination. All paperwork for applications must have been received by the local Family Support office by 3/31/13;

7. Determining the need for and issuing payment to cover a child's immediate need for clothing, school supplies, furniture, or shelter;

8. Issuing payments for attorney fees relating to the caretaker relative's obtaining permanent custody of the child; and

9. Providing ongoing support and case management services to the caretaker relative for at least six-months or until permanent custody is attained, whichever occurs later.

B. The responsibilities of Family Support staff are:

1. Returning incomplete forms to the P&P individual designated by the Service Region;

2. [Entering information from the P&P approval via form KIM-78KC on Worker Portal;]

3. Completing an interview with the caretaker relative or an authorized representative to determine the child's financial and KTAP related

technical eligibility, obtaining the assignment of rights to child support, and completing referrals to Child Support Enforcement;

4. Completing an annual recertification to review financial and technical eligibility;

5. [Monitoring the caretaker relative's pursuit of permanent custody;

6. Entering verification of permanent custody;]

7. Accepting and processing reported changes for the household; and

8. Authorizing educational bonuses for eligible children receiving Kinship Care.

C. A caretaker relative who is dissatisfied with an action or inaction on the part of the Cabinet has the right to a fair hearing or service appeal. Those actions occurring due to the performance of staff carrying out P&P responsibilities are handled by the service appeal process. Actions that are the responsibility of Family Support staff are addressed by the fair hearing process. Refer to Volume I, MS 0440-0545, for fair hearing procedures.

MS 5020 ADDITIONAL SERVICES FOR KINSHIP CARE

[Some additional services may be provided by Protection and Permanency (P&P) staff to assist the family in caring for the child.

A. Some services that can be provided to the family by P&P are:

1. Family counseling;

2. Parenting training;

3. Referrals to an available support group or other community services; and

4. Case management services for at least 6 months, beginning with the date of placement of the child with the KC caregiver or until the KC caregiver has obtained permanent custody of the child, whichever is later.

B. Educational bonus – a child receiving KC can receive an educational bonus of $250 for earning a diploma or certificate. For more information on Educational Bonus, refer to MS 3700.

C. Receipt of Kinship Care does not establish automatic eligibility for the Child Care Assistance Program (CCAP).]

MS 5030 KINSHIP CARE CARETAKER RELATIVE RESPONSIBILITIES (1)

The Kinship Care caretaker relative shall agree to:

A. Take temporary custody of the child;

[B. Pursue permanent custody.

1. The caretaker should accept permanent custody of the child if it is recommended by Protection and Permanency (P&P) staff and the court.

2. If P&P staff or the court does not approve the caretaker's petition for permanent custody, the caretaker is considered meeting his/her responsibility for pursuing permanent custody;]

C. Report, within 10 days, any change in circumstance which may impact eligibility or the amount of payment;

D. Assign child support rights to the State and cooperate with child support activities; and

E. Cooperate with the recertification process every 12 months. The recertification may be completed by a telephone interview or by a face-to-face interview.

MS 5040 CHILDREN NOT ELIGIBLE FOR KINSHIP CARE

The following children are not eligible for Kinship Care payments:

A. A child for whom form KIM-78KC, Kinship Care Financial Assistance Application, with entries indicating the date of placement, KC-01 completion date, caretaker relative's home evaluation approval date, referral date to Family Support, and signature of the Protection and Permanency (P&P) worker designated to monitor a child's protective service case is not provided by P&P staff. If P&P does not provide all the paperwork by 3/31/13 to the local Family Support office, the child is not eligible for Kinship Care; however, an application for KTAP, MA and/or SNAP may be taken.

B. The child does not have a designated P&P worker and the Kinship Care caretaker relative is not willing to pursue and assume permanent custody per MS 5030.

C. The caretaker relative has declined the initial offer of Kinship Care on form KC-01, Kinship Care Program Statement of Rights and Responsibilities.

D. The child or caretaker relative lives in or relocates to another state.

E. A child age 16 or older who is not attending school full-time unless he/she is under age 18 and has graduated from high school or an equivalent.

F. Either parent of the child resides in the child's home.

G. The child's removal from his/her home was based on a Cabinet determination of dependency, with the exception of dependency based on the death of both parents.

H. A child who receives Supplemental Security Income (SSI). A child who loses Kinship Care benefits due to receipt of SSI may be re-approved for Kinship Care if he/she subsequently becomes ineligible for SSI.

I. A child who is included in an active KTAP or Foster Care case. If eligible for Kinship Care payments:

   1. [A child must be removed from the KTAP case prior to approving Kinship Care. Any retroactive benefits are authorized by a special circumstance payment.]

   2. Foster care payments must cease. Kinship Care eligibility starts the day after foster care payments end.

J. A judicial order awards custody or joint custody of the child to a parent.

K. The child of a minor parent if the minor parent is included in a Kinship Care case.

MS 5050 KINSHIP CARE TECHNICAL REQUIREMENTS (1)

[For a determination of eligibility for Kinship Care (KC), the Family Support worker must first receive from Protection and Permanency (P&P) forms KIM-78KC, KC-01 and P&P Central Office approval letter for the child. These forms and approval letter must have been received by 3/31/13 in the local Family Support office. After 3/31/13, no new applications were accepted unless it involved a transfer of custody by P&P from one caregiver to another.

If the child is placed by P&P with another caretaker relative due to the death, illness, or active duty military services of the initial caregiver, the child remains eligible for Kinship Care. An application may be approved for a new caregiver. Forms KIM-78KC and KC-01 must be completed and the approval e-mail from P&P Central Office provided for the new caregiver prior to approval of the application.

The child must also meet the following KTAP technical eligibility requirements:

A. Age is established per KTAP policy, refer to MS 2310.

B. The KC caregiver must be a relative, refer to MS 2328.

C. Residence with the KC caregiver in Kentucky.

D. A child may remain KC eligible if temporarily absent from the home and the absence reason meets the criteria in MS 2338.

E. Children age 16 and older must attend school or an equivalent secondary program, refer to MS 2316.

F. Rights to child support must be assigned to the State during the application process. Refusal to assign support rights by signing form KIM 125, NCP Fact/Information Sheet and Assignment of Rights, generated by Worker Portal results in denial of a Kinship Care application.

G. Both parents must be absent from the KC caregiver's home. Referrals to Child Support Enforcement are completed unless a good cause reason exists, refer to MS 3050.

H. KTAP standard filing unit policy applies with an exception. A child eligible for the Kinship Care program, due to abuse, neglect or the death of both parents, living in the home of a relative with a sibling receiving KTAP (living with the relative, but not due to abuse or neglect or death of both parents) is not required to be in the same case.

   Example: Grandmother receives KTAP for one grandchild. This child is in her home for a reason other than abuse, neglect or the death of both parents. Grandmother is approved as a KC caregiver for a sibling of the KTAP child placed with her due to abuse. The KC child is not added to the KTAP case. A separate Kinship Care case is approved for the child placed with grandmother due to abuse.

I. [Payments for Kinship Care are discontinued if the child is in foster care, a residential treatment facility, a psychiatric residential treatment facility, or a detention center.

J. If the child is returned to a parent's home prior to permanent custody being established for reunification purposes on a trial basis, the Kinship Care case is discontinued. The reunification trial period can last up to 60 days.

1. If the child is returned to the KC caretaker relative's home within the 60 day trial period, the Kinship Care case can be reapproved after receipt of verification from P&P and if all other eligibility factors are met. The effective date of the reapproval is the date the child is returned to the KC caretaker relative's home.

2. If the child returns to the KC caretaker relative's home any time after the 60 day trial period lapses, the Kinship Care case cannot be reapproved. The caretaker relative may apply for KTAP.]

MS 5055 PERMANENCY REQUIREMENTS (1)

To be eligible for a Kinship Care payment, the Kinship Care caretaker relative must agree to pursue permanent custody of the children placed in their care if reunification efforts with the parents are not successful. Protection and Permanency (P&P) staff make a recommendation regarding custody; however, the final decision and terms of the custody order is the decision of the court's presiding judge. In most instances, the involvement of the P&P worker with the caretaker relative and child ends when the caretaker relative obtains permanent custody.

A. [The requirement to pursue permanent custody begins when the case is approved for Kinship Care benefits on Worker Portal. The review date is 12 months from the date of application.

Entries on Worker Portal are used to track completion of the permanent custody requirement.

1. At application, if the caretaker relative does not have permanent custody but is willing to pursue, choose "Pursuing Custody" from the drop down menu for Permanent Custody Status on the Program Request Screen. This will set the review date for 12 months from the date of application.

2. At recertification, the case is reviewed for permanent custody. If permanent custody has not been granted or the caretaker relative has not pursued custody, generate an RFI to request verification. Proof the caretaker relative has hired an attorney or filed a petition with the court to pursue permanent custody is acceptable verification. If verification is not received or entered, the system takes action to discontinue the case.

3. If the caretaker relative has taken action to pursue permanent custody but has been denied by the courts, the Kinship Care case remains active. Choose "Denied Custody" for the Permanent Custody Status in the Program Request screen. Documentation, such as the court order, is required. P&P can also be contacted to confirm. The caretaker relative is not required to take further action if permanent custody request is denied.

4. If permanent custody has been obtained, choose "Obtained Custody" for the Permanent Custody Status in the Program Request screen. Documentation, such as the court order, is required. P&P can also be contacted to confirm.

5. If the caretaker relative refuses to pursue permanent custody, choose "Refused to Pursue" for the Permanent Custody Status. The Kinship Care case will be denied.]

The system will not automatically establish ongoing KTAP eligibility for a child who loses Kinship Care due to the caretaker relative not pursuing permanency. If continued assistance is requested, take an application for KTAP.

B. The P&P worker is responsible for:

1. Explaining permanency requirements to the caretaker relative at application.

2. Developing a case permanency plan and conducting monthly visits with the caretaker relative and child.

3. Reviewing the permanency plan and determining if the placement is in the best interest of the child prior to the twelfth month of the child being placed in the home of the caretaker relative.

4. Preparing a court report recommendation that permanent custody be granted if the placement is determined appropriate.

5. Removing the child from the home of the caretaker relative if the placement is not appropriate and notifying Family Support staff.

6. Notifying Family Support staff when the caretaker relative refuses to pursue permanent custody per a court report recommendation.

7. Notifying Family Support when a permanent custody order is obtained.

8. Developing an aftercare plan, if needed, with the caretaker relative after permanent custody has been granted and closing the child protective services case.

C. The caretaker relative is responsible for pursuing permanent custody when P&P determines permanent placement of the child in the caretaker relative's home is appropriate. The case remains eligible for Kinship Care for as long as the child remains in the home and the caretaker relative cooperates in pursuing a permanent custody order. Pursing permanent custody includes:

1. Cooperating with P&P staff on issues relating to preparation of a court recommendation.

2. Meeting with legal representation, as needed, in order to prepare and file a petition to the court.

3. Appearing in court and testifying, as needed.

D. Family Support staff is responsible for:

1. Requesting verification from the caretaker relative that he/she is pursuing permanent custody of the child. This verification can include proof the caretaker relative has hired an attorney for this purpose or filed a petition with the court.

2. [Verifying that the caretaker relative is pursuing and/or has obtained permanent custody.]

3. Discontinuing a child's Kinship Care benefits when the caretaker relative does not pursue permanent custody.

E. [If a caretaker relative provides verification that permanent custody is denied by the court, obtain documentation from the caretaker relative or P&P and update Worker Portal comments. The Kinship Care case remains active if otherwise eligible. No further action is required by the caretaker relative.]

F. In situations where the court orders joint custody granted to:

1. The caretaker relative and a parent of the child, eligibility for Kinship Care payments ends. If the caretaker relative has physical custody of the child and the parents are absent from the home, explore eligibility for KTAP.

2. The caretaker relative and another person, other than a parent, who resides in the home, eligibility for Kinship Care payments continues.

3. The caretaker relative and another person, other than a parent, who resides outside the home, continued eligibility for Kinship Care payments is determined on a case by case basis. Contact the Family Self Sufficiency Branch for guidance.

MS 5060 CHILD SUPPORT REQUIREMENTS FOR KINSHIP CARE

[At the time of application, if the caretaker relative refuses to assign child support rights to the Cabinet, the Kinship Care case is denied.

If the caretaker relative refuses to cooperate with child support activities without good cause, a penalty is applied which reduces the benefit amount by 25%.

When the caretaker relative fails to cooperate without good cause:

A. Answer "No" to the question "Cooperation with CSE/MSE?" on the "Absent Parent Information" screen, which will apply the 25% penalty.

B. If the individual is currently receiving SNAP benefits, Worker Portal applies the SNAP penalty automatically.

Any child support collected for a child receiving Kinship Care is to be forwarded to:

Child Support Enforcement
P.O. Box 14059
Lexington, KY 40512-4059

For more information on Child Support, refer to MS 3000 – MS 3080.]

MS 5070 KINSHIP CARE INCOME AND RESOURCE DETERMINATION (1)

[The resource limit for the Kinship Care case is $2,000 and the countable resources for the child are the same as used for KTAP children. See MS 2420. The resources of the Kinship Care caretaker relative are not considered.

Countable income for the Kinship Care child is determined using the same criteria as KTAP. See MS 2500- MS 2776. The income of the caretaker relative is not considered. The gross income of all Kinship Care children in the case is compared to the income limit:**]**

Number of Eligible Children	Monthly Income Limit
1	$ 300
2	$ 600
3	$ 900
4	$1,200
5	$1,500
6 or more children	$1,800

If countable gross income is equal to or less than the monthly income limit, the case is financially eligible for the full benefit amount.

*MS 5080 KINSHIP CARE BENEFIT PAYMENTS (1)

The monthly payment scale and income limit are as follows. If financial eligibility is met, the child's income does not reduce the monthly benefit payment.

Number of Eligible Children	Monthly Payment and Child's Income Limit
1	$ 300
2	$ 600
3	$ 900
4	$1,200
5	$1,500
6 or more children	$1,800

A. If a Kinship Care benefit group consists of two children whose combined income does not exceed the income limit scale for 2 children, both children are financially eligible.

Example: One child receives $340 RSDI monthly benefit and the sibling has zero income. The combined income for both children is under the $600 income limit; therefore, both siblings are financially eligible. The benefit authorized in the Kinship Care case is $600.

B. When a child receives KTAP and is then approved for Kinship Care, the total KTAP benefit amount received by the family is divided by the members of the case and rounded to the nearest dollar amount to determine the child's share. Calculate the amount of Kinship Care owed to the caretaker relative for each month KTAP was received.

Example: A parent has a KTAP case for herself and her child and receives $225. The child is removed from her home due to abuse and placed with the aunt August 14. The parent has already received KTAP for the child for the month of August and the child is removed from her KTAP case effective 9/1. The Kinship Care benefit for August ($300) is prorated from August 14 ($170). The child's share of the KTAP benefit, $112.50, is rounded up to $113 then deducted from the prorated Kinship Care amount. The result, $57 ($170-$113=$57), is paid as a special circumstance payment and the full KC amount of $300 is issued 9/1 and ongoing.

Example: A parent has a KTAP case for herself and her two children and receives $262. The children are removed from her home due to abuse and placed with the aunt August 10. The parent received KTAP for the children for the months of August, September, and October and the children are removed from the KTAP case effective 11/1. The Kinship Care benefit for August ($600) is prorated from August 10 ($420). The children's share of the KTAP benefit, $175 ($87.33x2=$174.67, rounded to $175), is deducted from the prorated Kinship Care amount. The result, $245 ($420-$175=$245), is paid as a special circumstance payment for

August. For September and October, deduct $175 from the full KC amount of $600 and issue as a special circumstance in the amount of $425 for each month. The full KC amount of $600 is issued 11/1 and is ongoing.

C. When the KC caretaker relative receives KTAP prior to approval of Kinship Care, the KTAP amount received is deducted from the Kinship Care amount to determine the amount that is owed.

Example: A grandmother is a payee in a KTAP case and received $186 in June for her grandchild. She is approved for Kinship Care for the child effective June 1. To calculate the amount of Kinship Care for that month, the KTAP amount is subtracted from the Kinship Care amount. The Kinship Care owed to the grandmother is $114 ($300-186).

Example: A grandmother applied for KTAP and requested to be included in the case. She received $225 for herself and the child. The grandmother is then approved for Kinship Care for the child. To calculate the amount of Kinship Care owed, the KTAP amount is subtracted from the Kinship Care amount. The Kinship Care owed to the grandmother is $75 ($300-225).

Example: An aunt is a payee in a KTAP case and received $262 for 3 children. She is approved for Kinship Care for only 2 of the children. The countable amount of KTAP for the 2 children approved is $225, the KTAP benefit amount for a 2 member household. To calculate the amount of Kinship Care owed, the KTAP amount is subtracted from the Kinship Care amount. The Kinship Care owed to the aunt is $375 ($600-225).

MS 5090 [KINSHIP CARE RECERTIFICATIONS (1)

Kinship Care (KC) cases are recertified every 12 months. A report is generated to notify the local office case managers of all KC cases due recertification in the next month. Each county has a case manager who is designated to reach out to the KC clients listed on the report.

A. Within 10 days prior to the recertification month, the designated case manager contacts the client and:

   1. Reminds the individual of the upcoming recertification;

   2. Answers questions concerning the recertification process; and

   3. If requested, initiates the recertification.

B. The KC recertification can remain pending for 30 days from the date the recertification was initiated.

C. For recertifications, there is a 10-day grace period from the effective date of the discontinuance of KC benefits. If the KC individual returns all mandatory documentation within the grace period, the KC benefits can be reapproved by the case manager.

All other KC discontinuances are required to be forwarded through the regional office to the FSSB inbox for review.]

MS 5100 REAPPLICATION FOR KINSHIP CARE

Kinship Care benefits may be authorized upon reapplication by the Kinship Care caretaker relative, with whom the child was placed by Protection and Permanency (P&P) staff prior to 4/1/13, in the following instances:

A. [The child is returned to the home of the caretaker relative by P&P staff when reunification efforts with the child's parent are not successful. The Kinship Care case is discontinued when the child resides in the parent's home as part of a P&P reunification effort for a trial period of up to 60 days. If P&P returns the child to the home of the KC caretaker relative within the 60-day period, the Kinship Care case may be reapproved if all other eligibility factors are met. The effective date of benefits is the date the child is returned to the home of the caretaker relative. This must be verified by P&P staff.]

B. A child who was discontinued or denied Kinship Care benefits due to receipt of SSI no longer receives SSI benefits. The effective date is the first day of the month following receipt of the last SSI check.

C. A child is returned to the home of the caretaker relative by P&P staff after a temporary absence due to placement in:

1. Foster Care;

2. A residential treatment facility;

3. A psychiatric residential treatment facility; or

4. Detention.

If approved for benefits, the benefits are authorized from the date the child returns to the home.

Reapplication for Kinship Care is not appropriate for any reason other than items A, B, or C. The caretaker relative may apply for KTAP, Medicaid, and/or SNAP.

If a caretaker relative does not complete a recertification for Kinship Care, the caretaker relative cannot reapply for Kinship Care.