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INCOME SUPPORT DIVISION
INTRADEPARTMENTAL MEMORANDUM

ISD-GI 08 - 30
DATE: July 14, 2008

TO: ISD Staff
FROM: *HN* Helen Nelson, Deputy Director
Income Support Division
RE: Transition Bonus Q & A

Effective July 1, 2008, changes were made to NM Works regulations implementing the Transition Bonus Program. Attached please find the Transition Bonus Questions and Answers document.

If there are further questions regarding this GI contact Samuel Peinado at (505) 827-7233 or by e-mail at Samuel.Peinado@state.nm.us.

TRANSITION BONUS PROGRAM
Questions & Answers June 2008

SECTIONS BY TOPIC

PAGE

A. Initial Application & Eligibility	2 - 3
B. 6-month Report	4
C. Changes During Reporting Periods & Claims	4 - 5
D. ISD2	5 - 6
E. Lifetime Limits	6
F. Other Categories	6 - 7
G. Miscellaneous	7 - 8

Additional References

Policy Manual: 8.102.501 NMAC: "Employment Retention Bonus Program"
ISD-MR 08-02: Removal of Excess Hours Disregard and Transition Bonus Program
Transition Bonus Training Packet created July/2008 located on the ISD Files Drive in the Policy Clarification Folder
ISD2 Program Update: <i>Transition Bonus Program and Removal of the Excess Hours Disregard</i> issued on June 9, 2008

A. Initial Application & Eligibility

QUESTION	ANSWER
1A. Will Transition Bonus require a new application?	Yes, a new application <i>Transition Bonus Application</i> , FAP 105 is required for a TANF/NM/W that is currently closed.
2A. Do they have an option to opt. in? Example: cases are closing now and are placed on Transition Bonus.	Yes, they just need to inform their worker they do not want to participate in this program. A notice was issued the third week of June 2008, informing clients of the change and informing the client's option to not participate in the Transition Bonus Program.
3A. Can an SSI recipient be eligible for Transition Bonus if they are working 30 hours per week?	No, has to be otherwise eligible for TANF or a spouse on the case who is eligible.
4A. What if a spouse of a SSI recipient?	Same principals as TANF apply so this person would be considered a non-member on the case. Depending on further factors of eligibility this case could receive Transition Bonus.
5A. If you have a 2 parent household; 1 person that works 30 hours per week and the other person is not working 30 hours per week is the household eligible?	Yes, but every attempt should be made to get the second individual into compliance and into an approved activity.
6A. Can the hours be equivalent to the 30 hours or must they work the 30 hours per week?	It can be averaged over the month.
7A. If a household TANF closed because a spouse moved in the home and his income closed the TANF. Are they eligible for Transition Bonus? What if the spouse never received any TANF before? Would the household be eligible?	Only if the initial eligibilities are met. i.e. 30 hours per week averaged, 3 months TANF, 1 in the last 3 months, and non financial TANF rules.
8A. If a client received TANF a year ago for 3 months and closed out due to income, will they still be eligible if they have not received TANF in the last 3 months?	They must have received TANF in 1 of the last three months to be eligible. For example,
9A. Single parent not working is receiving TANF, the AP moves in and it becomes a 2 parent HH. He is working 30 hours per week. He has never been on TANF. Does he have to have received TANF for at least 3 months in his lifetime and one of the past 3 months before they can be on TB or do we only consider the Head of HH when evaluating the number of months on TANF?	The working individual must meet the eligibility requirements as set forth at 8.102.501.8E NMAC. This case should remain on TANF for at least three months.

<i>QUESTION</i>	<i>ANSWER</i>
10A. Can weekly work hours be calculated minimum of thirty (30) hours a week or receiving weekly earnings at least equal to the federal minimum wage multiplied by thirty (30) hours?	The actual hours worked in a month should be used to determine the 30 weekly hours required. As long as the actual hours average 30 per week and pay is at least federal minimum wage.
11A. If a household TANF closed because a spouse moved in the home and his income closed the TANF. Are they eligible for TB? What if the spouse never received any TANF before? Would the household be eligible?	The working individual must meet the initial eligibility requirements to qualify for the Transition Bonus Program.
12A. Are child only cases eligible for unlimited months as they are in TANF? For example, cases where the adult applicants are non-members or ineligible aliens.	These cases would not be eligible for the program as the employed adult member(s) is not otherwise eligible for TANF/NMW.
13A. If a client was new to NM and received benefits in TX, (1) in the last (3) months and 24 months total, would the client be eligible if they met all other requirements?	Yes, the client is eligible as long as verification from the state they received Federal TANF benefits has been received.
14A. You have a 2 parent HH; one is on wage subsidy. They have already received 56 months of benefits, would they be eligible?	Participants can not simultaneously participate in any other cash program such as Education Works or NMW. It is advised the client choose assistance based on what is most advantageous to them.
15A. Where are they going to keep track of the hours; the workers on the EII screen or the contractors on screen 3 or 4?	Tracking hours monthly is not necessary as hours are projected for 6 months. Verification should only be verified at initial application and 6-month reviews. The work contractor should continue to enter data in the Works+ system for reporting purposes. Field offices will be notified regarding updates to work program screens on ISD2.
16A. What if a TANF recipient wins \$3000.00 at the casino are they still eligible?	There is no asset test/resource limit for the Transition Bonus Program. Applicants who meet all initial eligibility requirements are eligible.

B. 6-month Report

<i>QUESTION</i>		<i>ANSWER</i>	
1B.	Will failure to return application for sixth month review auto-close in ISD2?	Yes, ISD2 will close at the end of the month the sixth month report is due similar to SR or PR.	
2B.	Are they on regular reporting or SAR? Do they have to report that they have stopped working or to we just leave it until the 6 month certification period?	Participants are on a 6-month reporting requirement and SR policy applies with the exception of reporting earnings in excess of 85% FPG (transition Bonus Program participants must report earnings of over 150%). If a participant loses employment and reports this between reporting periods they can opt out of the Transition Bonus Program and re-enter the TANF program.	
3B.	Will 039 SR & Transition Bonus have the same 6 month certification period, or will they be in different months? Example: 039 recertification is from 04/08 – 03/09 with SR due on 09/08. Client was transition to Transition Bonus on 07/08 therefore Transition Bonus certification date is 07/08 – 12/09 with SR due 12/08. There are 2 different certification dates how will this affect the case? Do we have to distinguish FS amount and FA amount or do we just enter EI amount?	The earned income may need to be treated as category specific on the EI screen of ISD2 depending on how FS benefit amount may be affected. Remember SR policy still applies!!! The certification periods will not affect the cases and SR and PR case management should remain the same.	

C. Changes During Reporting Periods & Claims

<i>QUESTION</i>		<i>ANSWER</i>	
1C.	Since Transition Bonus works like semi-annual reporting, if a child is removed from the case will the case still be eligible for Transition Bonus or do we manually close it or wait till the reporting period to make that change.	Transition Bonus follows semi-annual policy with the exception of the 150% FPG. The only required change in between reporting periods is if the client is over the 150% of FPL or they move out of the State.	
2C.	If a worker finds out that a client lost their job a few months ago and failed to report it, they no longer are eligible for Transition Bonus, do we go back and file claims?	No, they need to inform clients that if they lose employment they need to come back into the office and reapply for TANF benefits, if they meet initial eligibility requirements.	

<i>QUESTION</i>		<i>ANSWER</i>	
3C.	If a client received Transition Bonus for 07/08 – 09/08 and received an increase in pay which put them over the 150% what action should be taken?	Since Transition Bonus follows SR policy a client needs to report when income is received in excess of 150% FPG, the income would be entered in ISD2 and the case would close due to excess income, making the case eligible for TFS. Should the client not report the change timely claims may need to be processed.	

D. ISD2

<i>QUESTION</i>		<i>ANSWER</i>	
1D.	Are there automatic closure codes when a case closes on TANF and switched to Transition Bonus?	No, but closure codes of 320 and 301 are income based closures that workers would need to evaluate for Transition Bonus. Clients will receive approval notice to client for the Transition Bonus Program.	
2D.	Where are the 30 hrs per week tracked? Participation rates and supporting documents are tracked on screen 4 attendance screen. If they don't go to the contractor, how will they be tracked?	Tracking hours monthly is not necessary as hours are projected for 6 months. The work contractor should continue to enter data in the Works+ system, for reporting purposes. Field offices will be notified regarding updates to work program screens on ISD2.	
3D.	For the 6 month recertification, what function is used in ISD2?	The "E" function should be used for the 6-month review of the Transition Bonus Program.	
4D.	If an R is placed on the FACL screen and the case is not eligible for the program <u>always</u> F3 out of the case to reset PR dates on the FAMMS screen. Why? F3 out if they are not eligible? Why not take it all the way through and let it deny? Will there be a code?	This is only if workers are just checking to see if they are eligible. Once an "R" is placed on the FACL screen or taken off, the PR end dates on the FAMMS are adjusted to new dates. We are currently working on a fix for this in phase II of our programming. So if a worker is "fishing" for eligibility always F3 out.	
5D.	If clients use the Transition Bonus for 4 months and are not eligible and the Transition Bonus is closed, will it reset the Transition Bonus certification period for 14 months?	If the R is removed the PR end date will be set for the current month, the worker will have to perform a recertification (C and F) to extend the now TANF case to a new reporting period. If a C and F function is not performed the case will close at the end of the month.	

<i>QUESTION</i>		<i>ANSWER</i>	
6D.	An applicant with a closed TANF case and active TFS applies for Transition Bonus are they eligible? If so how is the case processed?	Since the client will lose the TFS due to approval of Transition Bonus the "T" indicator for the food stamps must be removed by a supervisor prior to approval.	

E. LIFETIME LIMITS

<i>QUESTION</i>		<i>ANSWER</i>	
1E.	How are the lifetime limits counted?	If a client has received 30 or less months of TANF, the receipt of Transition Bonus <i>will</i> count towards a clients' 60 month lifetime TANF limit. If a client has received 31 or more months of TANF, receipt of Transition Bonus <i>will</i> count toward the 18 month Transition Bonus lifetime limit only.	
2E.	If there are 2 parents in the home, how are lifetime limits being tracked?	The receipt of Transition Bonus will be counted toward both parents regardless if only one is employed.	
3E.	If (1) person on Transition Bonus moved in with another person on Transition Bonus because they now have a common child; how would this be tracked?	It is the same as TANF. It also depends on where they are in the 60 month TANF lifetime limit.	

F. OTHER CATEGORIES

<i>QUESTION</i>		<i>ANSWER</i>	
1F.	How is the \$200.00 Transition Bonus treated for other categories of assistance?	The \$200.00 monthly payment should be considered as unearned income for all other categories of assistance.	
2F.	If the TANF closes due to income. Shouldn't the food stamps go to transitional food stamps for 5 months rather than receive Transition Bonus and potentially 0 food stamps?	No, they are now categorically eligible to receive 039. They cannot receive TFS and Transition Bonus at the same time. The client needs to decide if they want the \$200.00 or TFS. The worker should inform the client of both programs.	
3F.	Once the Transition Bonus closes, will the food stamps be entitled to Transition Food Stamps?	Yes, the Transition Bonus Program will receive TFS based on policy as it stands now at 8.139.501.8 NMAC.	

QUESTION		ANSWER	
4F.	How will clients be categorically eligible for food stamps? 130% of FPL for FS and 150% of FPL for Transition Bonus?	We are extending our definition of categorical eligibility (CE) to those who are receiving Transition Bonus. CE households are subject to all other food stamp eligibility requirements, including, but not limited to, verification of household composition, if questionable; benefit determination (income and deductions); disqualification for any reason; claims recovery and restored benefits; notices and fair hearings; and all reporting requirements.	
5F.	If a client was eligible to receive JUL Medicaid, category 072, in the months of 05/08 & 06/08, but not eligible in 07/08 due to the elimination of excess work hours; would this client be eligible for Transitional Medicaid, category 028?	Yes, the case is entitled to receive category 028. Central Office has identified TANF/NMW cash assistance and JUL Medicaid households affected by the change after Misc. 1 & 2 in June 2008. Please refer to ISD2 Program Update: <i>Transition Bonus Program and Removal of the Excess Hours Disregard</i> issued on June 9, 2008. Affected JUL Medicaid cases will be eligible to receive Transitional Medicaid, category 028, due to an increase in the "countable" earnings.	

G. Miscellaneous

QUESTION		ANSWER	
1G.	How will the sanctions affect the case?	It won't affect the case until the case is no longer Transition Bonus. Once the "R" is removed from ISD2 the sanction and level of sanction will remain in effect.	
2G.	When will benefits start? Example: Client applies on July 27 and the case is not processed until August 5, will the client receive \$200.00 bonus for July and August?	A client cannot receive TANF and Transition Bonus in the same month. So Transition Bonus will usually be approved in the ongoing month depending on the month the client stops receiving TANF.	
3G.	If a client moved out of state, do we let the other state know that they were on Transition Bonus or just let them know of the TANF?	If they are on the Federal side of Transition Bonus they are receiving TANF benefits.	
4G.	If a case closed due to 3 rd sanction, will they be eligible for Transition Bonus?	Yes, but only in the first three months of the sanction due to the requirement of having received TANF within 1 of the last 3 months.	

5G.	If they are sanctioned, do they have to comply before they can be placed on the Transition Bonus Program?	No, but there needs to be an attempt to put them into compliance. A client who is working 30 hours a week should not be in sanction status. ISD and the work contractor need to start contracting employers to get initial hours verification and then project them prospectively. Assessment and placement should be done due to their employed status.
6G.	Is school attendance for the dependents a factor of eligibility?	There is no school attendance requirement for this program.