



New Mexico Human Services Department

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INCOME SUPPORT DIVISION INTRADEPARTMENTAL MEMORANDUM

ISD-MR 08 - 02
DATE: June 30, 2008

TO: All ISD Staff and Interested Parties
FROM: Helen Nelson, Deputy Director, Income Support Division
SUBJECT: Removal of Excess Hours Disregard and Transition Bonus Program

Beginning July 1, 2008, the Human Services Department Income Support Division will be implementing changes to the Temporary Assistance Needy Family (TANF) cash assistance programs. The first change is the removal of Excess hours work deduction for working recipients who qualify in the first 24 months of assistance. The second change is the beginning of the Transition Bonus Program effective July 1, 2008. This MR will explain the details of this change, ISD2 system changes and the affected policy citations.

Excess Hours Work Deduction Removal

The excess hours work deduction was removed from the ISD2 system at Misc. 1 & 2 in June 2008, to allow proper notice to all affected clients in July 2008. The excess hours work deduction will be granted to eligible clients who are active or pending prior to July 1, 2008, but will no longer be afforded after this date. Information populated on the earned income disregard field (EI-Disregard) on the FAEL screen of ISD2 will no longer include the excess hours work deduction. All other earned income deductions will remain intact.

The removal of the excess hours work deduction will affect the following categories of assistance:

- TANF/NMW
- Education Works
- Refugee Cash
- JUL Family Medicaid

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: *Transition Bonus Program and Removal of the Excess Hours Disregard* 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.

Transition Bonus Program

The Transition Bonus Program is an incentive to increase employment retention for existing or previous TANF/NMW households. The Transition Bonus Program provides a fixed \$200.00 monthly cash benefit to eligible existing or past TANF/NMW participants who are currently employed. Eligible participants will:

- receive a fixed \$200.00 monthly cash benefit;
- receive support services (For Example: child care, career counseling, help with work related expenses, clothing allowance);
- be subject to a 18 month lifetime limit;
- be categorically eligible for the Food Stamp Program; and
- be required to meet a six month eligibility requirement (similar to Semi-annual Reporting).

Applicants must meet initial eligibility in order to qualify for the Transition Bonus Program. Below is a bulleted list of these requirements.

- TANF/NMW non-financial eligibility (i.e. relationship, citizenship, etc)
- Cannot be simultaneously participating in another cash assistance program
- Have received at least 3 months of TANF/NMW of which one must have been within the past three months
- Currently working a minimum of 30 hours per week, averaged over a month
- Have not received more than 18 months of the Transition Bonus Program or 60 months of TANF/NMW in a lifetime
- Gross earnings less than 150% of FPG

Income Eligibility Guidelines 150% FPG October 2007 – September 2008	
Household Size	Monthly Gross Income
1	\$1,277
2	\$1,712
3	\$2,147
4	\$2,582
5	\$3,017
6	\$3,452
Each Additional Member Add	\$435

For applicants and recipients of the Transition Bonus Program there will not be an earned income or dependant care deduction. Households will not be subject to a resource or asset limit test. Households must only meet the gross income test of 150% of FPG.

Six Month Eligibility and Reporting Requirements

If a client remains eligible, a six month report (Transition Bonus Application, FAP 105) will be required to extend benefits for another six months. A six month report will be mailed in the fifth month to all Transitional Bonus Program recipients. All of the following requirements will need to be met in order to be eligible to receive another six months of benefits.

- Submit a completed 6-month report
- Continue to meet non-financial eligibility the same as TANF/NMW
- Participant engagement in paid employment for 30 or more hours per week averaged over a month
- Employed four (4) of the last (6) months
- Benefit group income remains less than 150% of FPG
- Benefit group has not reached the 18 month lifetime limit

Transition Bonus Program reporting requirements mirror Semi-annual Reporting with the exception of the 85% of federal poverty guidelines. Transition Bonus Program recipients must report earnings in excess of 150% of FPG.

Work Program Requirements

Transition Bonus participants are included in the TANF/NMW federal work participation sample selection. All applicants and participants will be referred to the NMW contractor for the following:

- screening and assessments;
- employment counseling;
- support service referrals;
- IRP and WPA development; and
- 6-month work participation tracking.

There will be no sanction process for Transition Bonus Participants clients in non-compliance but participation in the program should be encouraged.

Application Process

Eligibility determination for the Transition Bonus Program can occur during a TANF/NMW certification period, at time of recertification, or as a new application by a previous TANF/NMW recipient.

The Transition Bonus Program is a voluntary assistance program; active TANF/NMW recipients can request eligibility determination at any time without an application. Once eligibility for the

Transition Bonus Program has been reviewed the case worker should change the “002 Type:” field on the ISD2 system as indicated below. Should the Transition Bonus Program payment amount of \$200.00 be less than what is currently being received by the TANF/NMW recipient the client can choose which category of assistance best fits their needs.

TANF/NMW cases which are subject to closure at time of review due to exceeding income program limits should be evaluated for the Transition Bonus Program. Prior to denying ongoing TANF/NMW due to execs income the worker should proceed to change the “002 Type:” field on the ISD2 system as indicated below.

A new type code of “R” will be used to place the recipients/applicants into the Transition Bonus Program on the FACL screen.

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INQUIRY                * * *   F A / M A   * * *                002 FACL 01
MNTN: 0708            * * *   C A S E   P A R T I C I P A N T S   * * *                LIST

CASE-ID: 942632566   CAT: 002 TYPE: R           GEO: 26 ADMIN: 26 SUPV: 00 EW: 00
2-PARENT: N                MA-BEGIN-DATE:           MA-END-DATE:
STATUS: A REASONS:           STATUS-DATE: 080808           APPEAL-IND:
APPL-DATE: 070108   START-DATE: 073008           END-DATE:           LOCK-OUT:
RELATED-CASES:

---- CLIENT NAMES -- REL   HH STIN RSN STATUS  APPL  START  END  TANF
      SSN   FIRST LAST  V  BG CASE CD   DATE   DATE   DATE  DATE  NM  OS
942632566 TRANSI BON A Y  M  A           080808 070108 073008           00 00
942632567 BONUS  BON S Y  M  A           080808 070108 073008           00 00

VERIF-REMARKS: TRANSI BON 080808

"ENTER" KEY = CONTINUE   "PF3" = CANCEL
"PF4" = SKIP/HOLD       "PF5" = PAGE BACKWARD
                                                                    END
  
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A new type code of “R” will be used to indicate that the client is receiving Transition Bonus.

An application is required for TANF/NMW cases which are closed at the time of eligibility for the Transitional Bonus Program. Clients currently receiving Transitional Food Stamps need to be informed that they will no longer be qualified with receipt of the Transitional Bonus Program. In order to process the new application the following steps must be taken:

1. a supervisor must remove the “T” indicator from the Transitional Food Stamp case on the FSCL screen;
2. register a category 002;
3. place an “R” indicator for the “002 Type” on the FACL screen (as previously shown); lastly
4. complete the approval process for the Transitional Bonus Program on ISD2.

All recipients of the Transitional Bonus will be on a 6 month reporting requirement and have an 18 month end date.

ISD2 system changes

For changes to the coding and updates to screens on the ISD2 system please reference the training packet located in the Policy Clarification folder of the ISD Forms shared drive entitled Transition Bonus (3).

Instructions:

NEW MEXICO WORKS PROGRAMS

8.102 NMAC

Delete -	8.102.520 pages 4 - 5 - amended January 1, 2004
Insert -	8.102.520 pages 4 - 5 - effective July 1, 2008
Insert -	8.102.501 pages 1 - 4 - effective July 1, 2008

The revised rules may be found on the HSD website at: <http://www.state.nm.us/hsd/isd.html>

For any questions, please contact Samuel Peinado at 827-7233 or e-mail at Samuel.Peinado@state.nm.us.