

Operations Memorandum - Cash Assistance - Food Stamps Medical Assistance OPS080907

September 29, 2008

SUBJECT: Support Pass-Through Increase
TO: Executive Directors
FROM: Joanne Glover, Director, Bureau of Operations

Purpose

To announce changes to the Support Pass-Through (SPT) effective October 1, 2008.

Background/Discussion

The Deficit Reduction Act of 2005 provides an option for states to increase the amount of SPT for Temporary Assistance for Needy Families (TANF) families from the previous maximum of \$50 per month to up to \$100 for families with one child and up to \$200 for families with more than one child.

Pennsylvania implemented the option through Senate Bill 1278 of 2008 (Act 16 of 2008), which amended Title 23 of the Pennsylvania Consolidated Statutes §4374, effective October 1, 2008. SPT is paid based on current support collections and increases for TANF families up to \$100 for a family with one child or up to \$200 for a family with two or more children. The increase in the SPT provides additional income for TANF families who receive support. With this change, the federal government will waive its share of current support collected so that all current support collected will be passed through to the family up to the limit of \$100 or \$200.

Cash Assistance:

Old Policy	New Policy
<p>The federal share of 54.08 percent is deducted from current support collected and the state share of 45.92 percent is passed through up to \$50 per grant group.</p> <p>Up to \$50 of support received in the month of application is disregarded in determining eligibility for TANF</p>	<p>There is no federal share deducted from current support to determine the SPT amount. The SPT amount for TANF is increased to:</p> <p>· <u>actual</u> up to \$100 if there is one child in</p>

	<p>the family, or</p> <ul style="list-style-type: none"> · <u>actual</u> up to \$200 if there are two or more children in the family. <p>The TANF disregard in the month of application is increased to:</p> <ul style="list-style-type: none"> · actual up to \$100 if there is one child in the family, or · actual up to \$200 if there are two or more children in the family
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For all TANF cases with support income, all children under age 18, and children age 18 with eligibility status of EC, DS, DF, NA, or NX, are counted as children in the TANF budget to determine the SPT limit. Children receiving Supplemental Security Income (J category) are not counted for SPT purposes since support paid for the child is not assigned to the Department of Public Welfare and is paid directly to the child's caretaker.

Clients are notified of their SPT benefits on the PA/CS 763 Monthly Support Notice. SPT benefits for spousal support and for recipients of General Assistance have not changed and the amount of current support collected will be passed through to the client up to a maximum of \$50 per month. In no event may any grant group be paid more than one support pass-through payment per month.

EXAMPLE: A household receives child support for a child with an absent father and spousal support from a man who is not the father of the child. If current spousal support is received in a month but no child support is received that month, \$50 would be the maximum amount of SPT. If current spousal support and child support are collected in a month, only one SPT payment can be paid up to the maximum of \$100 (or \$200 if more than one child is in the household).

This change does not affect the current County Assistance Office (CAO) process for support in the month of application. CAO staff should inform cash assistance applicants of the new SPT amounts. The CAO staff enters actual amount of support received in the month of application prior to the authorization date. The Client Information System (CIS) will determine the SPT amount based on the number of children in the family.

Food Stamps (FS):

There is no change to the FS automated process of adjusting SPT for FS benefits. Households that receive an increase in the SPT amount will have their FS benefits decreased, and will receive a system-generated notice of reduction in benefits. ***Medical Assistance (MA):***

The change in the amount of SPT affects the amount of the support disregard for TANF–related categories of MA, including Healthy Beginnings, Non-money Payment (NMP) and Medically Needy Only spend-down (MNO) categories. The disregard amount is a maximum of \$100 or \$200, dependent on the amount of child support paid and the number of children in the family. This allows an additional support disregard when determining eligibility for MA. The CAO enters the actual amount of support received and CIS determines the support disregard based on the number of children in the family.

Low-Income Home Energy Assistance Program (LIHEAP):

There is no change to the LIHEAP policy of excluding the SPT amount received by the family during a given month.

Next Steps

1. Share this information with appropriate members of your staff.
2. Policy handbooks will be updated to reflect this change.
3. Contact your Area Manager with any questions.