

# Operations Memorandum

## Medical Assistance OPS120707

July 30, 2012

**SUBJECT:** Changes to General Assistance (GA)-related Medical Assistance (MA)  
**TO:** Executive Directors  
**FROM:** Richard Wallace, Acting Director, Bureau of Operations

### Purpose

To inform County Assistance Offices (CAOs) of the GA-related MA changes required due to new legislation. Changes will include:

1. Discontinuance of the GA cash assistance program.
2. Continuation of the MA budget.
3. New job search requirements as a condition of eligibility for GA-related Non-Money Payment (NMP) MA.
4. RESET sanctions for non-compliance for GA-related NMP recipients subject to work requirements.
5. Providing instructions on completing an Agreement of Mutual Responsibility (AMR/PA 1661) for GA-related NMP MA.
6. A new 100-hour-per-month work requirement for GA Medically Needy Only (MNO) custodial parents.

Additional Operations Memoranda have been issued to discuss prior changes:

- [OPS-12-07-01](#), PA Workwear (PAWW) Changes
- [OPS-12-07-02](#), Changes in Employment and Training Determination of RESET Program Participation Requirements
- [OPS-12-07-03](#), Elimination of the GA Cash Assistance Program and New Job Search Requirements
- [OPS-12-07-04](#), Changes to RESET Sanction Policy

This Operations Memorandum details the changes to GA-related MA and new applicant job search requirements as a condition of eligibility for those GA-related NMP applicants and recipients who are subject to the work requirements.

### Background

GA-related MA is state-funded MA for individuals who do not meet the requirements for Medicaid, which is federally funded. Specific changes have been made to GA-related

NMP as it relates to work and the AMR requirements. The new legislation also includes a new GA-related MNO requirement applicable to custodial parents of a dependent child under age 21. The new requirement for GA-related MNO for custodial parents of a dependent child under age 21 is that they must verify employment of at least 100 hours per month, earning at least minimum wage.

## **Discussion**

As a condition of eligibility for GA-related NMP, an applicant who is not employed in paid, unsubsidized employment for at least 20 hours per week is required to apply for three jobs each week, unless the applicant is exempt from work/work-related requirements or has established good cause. See CAH 135 for details on employment and training requirements. This change will not affect a GA-related NMP applicant who has an application date prior to August 1, 2012.

Individuals in the following groups are either exempt or meet good cause criteria and are not subject to the three job applications each week requirement or work and work-related requirements:

- An individual with a temporary or permanent disability that prevents employment (PD00D).
- An individual undergoing treatment in a Drug or Alcohol abuse program which does not allow employment during treatment (PD00A). **Reminder:** Individuals in this category have a nine-month lifetime limit.
- An individual who is a victim of domestic violence (PD00V). **Reminder:** Individuals in this category have a nine-month lifetime limit.
- Individuals in the health-sustaining medication group (PD00H).

An applicant who is not exempt or who does not meet good cause criteria must complete an AMR and meet the work/work-related requirements, including the three job applications per week requirement. The CAO worker and applicant will complete an AMR specifying what they are required to do. The CAO worker will review the work and job application requirements as well as the penalties for non-compliance. AMRs must be completed and signed by the CAO worker and the applicant before benefits can be authorized. AMRs may be mailed to the applicant and the interview can be completed by phone or face-to-face if requested. **Important Note:** Failure to comply with job application requirement (without good cause or exemption) will result in ineligibility for GA-related NMP. Failure to comply with work/work-related requirements (without good cause or exemption) will result in a sanction.

Special allowances (SPALs) will not be issued to GA-related NMP recipients. Recipients who state they are unable to participate without a SPAL should be reviewed and may receive good cause, if the CAO concludes that they need the SPAL to participate. CAOs should use [Operations Memorandum 120601](#) for guidance.

**Reminder:** An individual is eligible for GA-related NMP MA on the day all verification is provided, including proof of meeting the upfront job search requirements.

Mandatory applicants who are not working in paid employment for at least 20 hours a week must complete three job applications each week as a condition of eligibility for GA-related NMP. Unless the applicant establishes that he or she is exempt or has good cause, the applicant is ineligible for GA-related NMP.

If an individual who is exempt or has good cause volunteers to participate in a work-related activity, an AMR is to be completed. The CAO worker will update in the case comments that an AMR was completed and the individual is a volunteer. If an individual volunteers, they are not subject to sanction.

For two-parent households, both non-exempt parents are required to meet work requirements of at least 20 hours per week; however, one parent may be eligible for good cause to take care of the child(ren). If that occurs, the CAO worker is to discuss with the applicants which parent will meet the 20-hour per week work requirement and enroll that individual using the stand-alone project enrollment screen (CSPREN). The CAO worker will process the case, then complete the stand-alone enrollment process. The CSPREN screen WILL NOT be scheduled automatically. A CSPREN screen is required for both parents.

If the MA applicant is already open for Supplemental Nutrition Assistance Program (SNAP), and is enrolled in a project, the SNAP CSPREN screen will present during case authorization. Workers can pass through this screen. The SNAP project will count as the MA project.

### NMP Pending List (PA 253)

As a result of the new work-related requirements for GA-related NMP MA, applicants subject to the work requirements will be required to provide additional information not currently on the pending list. The CAO worker must add specific text to the pending list for these individuals:

“Applicants must apply for at least 3 jobs each week and provide proof on the Job Application Report;” and  
“Applicants must complete an Agreement of Mutual Responsibility (AMR).”

**NOTE:** A new Job Application Report ([Attachment 1](#)) will be provided to applicants. CAO workers must mail this form with the pending list.

### GA-related NMP Recipients

For existing non-exempt GA-related NMP recipients who do not meet good cause criteria, work requirements will be reviewed at the next Semi-Annual Review (SAR) or renewal. At this time, the CAO worker will send the Employment and Training Weekly

Activity Verification Form (PA 1895) ([Attachment 2](#)) and complete an AMR/PA 1661 with the recipient.

For GA-related NMP recipients, the CAO will complete an AMR/PA 1661 outlining work/work-related requirements. GA-related NMP recipients must participate in employment, ongoing job search of at least three job applications per week, community service or vocational-education/training for at least 20 hours per week. GA-related NMP recipients participating in RESET should be enrolled in a CAO-directed "A" project. A non-exempt recipient who willfully fails to comply with the work/work-related requirements without good cause must be sanctioned for non-compliance. New sanction policy is detailed in OPS-12-07-04, Changes to RESET Sanction Policy. However, because the system does not currently allow a sanction for GA-related NMP MA recipients, the CAO will need to manually close the individual who is not complying using the reason code/options below.

Recipients who are required to meet work/work-related requirements must follow the plan outlined on their AMR. If the recipient is non-compliant with one or more RESET requirements as outlined on their AMR/PA 1661, the CAO must schedule a compliance review (See CAH 135.71). Initially, sanctions are for the individual, but after a period of non-compliance, the entire GA-related MA budget group is ineligible. For two-parent GA-related MA households, the parents' MA will be closed based on specific periods (see sanction periods below). MA for the children and pregnant women (and anyone else receiving TANF-related or SSI-related MA) will not be affected because they receive MA in federally-funded categories (Medicaid).

1<sup>st</sup> sanction: A nonexempt individual who willfully and without good cause fails to comply with work/work-related requirements will be closed for a minimum of 30 days. The closure will continue until the individual has demonstrated and maintained compliance with work/work-related requirements (as approved on the AMR/PA 1661) for at least one week and thereafter. After 90 days, if the individual remains closed and the individual has not met the minimum one-week compliance requirement during that 90-day period, the entire budget group shall become ineligible and remain ineligible until the individual demonstrates and maintains compliance for at least a one-week period and thereafter, or until the individual establishes that he or she is exempt or has good cause.

2<sup>nd</sup> sanction: An individual not complying will be closed for a minimum of 60 days. The closure will continue until the individual has demonstrated and maintained compliance for at least one week and thereafter. After 60 days, if the individual remains closed and the individual has not met the minimum one-week compliance requirement during that 60-day period, the entire budget group shall become ineligible and remain ineligible until the individual demonstrates and maintains compliance for at least a one-week period and thereafter or until the individual establishes that he or she is exempt or has good cause.

3<sup>rd</sup> sanction: The GA-related NMP MA budget group will be permanently ineligible.

Individuals who have been sanctioned will be considered recipients during their sanction period, so a new application will not be needed when the individual demonstrates compliance.

The CAO worker must manually track the sanction period. CAO workers must set an alert and enter a detailed narrative of non-compliance, sanctions and compliance reviews. See CAH 135.71.

### **GA-Related NMP Non-Compliance Notices**

The closure will be completed using the new reason code 974 with appropriate option types:

Applicants will be rejected at application with:

- 974 – Option A Ineligible GA-related NMP MA Upfront Job Search Requirements Non-compliance
- 974 – Option B Ineligible GA-related NMP MA RESET Requirements Permanent Disqualification

Recipient's MA will close with the following options:

- 974 – Option C Disc GA-related NMP MA RESET Requirements Non-compliance - first occurrence (Individual)
- 974 – Option D Disc GA-related NMP MA RESET Requirements Non-compliance - second occurrence (Individual)
- 974 – Option E Disc GA-related NMP MA RESET Requirements Non-compliance - Permanent Disqualification (Individual)

Prior to moving from an individual to a budget group sanction, the CAO must issue the appropriate advance notice below.

- 974 – Option F Disc GA-related NMP MA RESET Requirements Non-compliance - first occurrence (Group)
- 974 – Option G Disc GA-related NMP MA RESET Requirements Non-compliance - second occurrence (Group)
- 974 – Option H Disc GA-related NMP MA RESET Requirements Non-compliance - Permanent Disqualification (Group)

### **GA-Related MNO**

Beginning with applications dated August 1, 2012, custodial parents of a child under 21 in a GA-related MNO budget must meet the 100-hour work requirement, earning at least minimum wage each month.

For applications received prior to August 1, but processed on or after August 1, the CAO worker must complete a Fail to Pass (900) override for individuals that should be eligible.

Recipients in this category will be reviewed at the next SAR or annual renewal. At that time, the CAO worker will explain the 100-hour/month work requirement. When the recipient turns in their SAR or renewal, they must show compliance with the 100-hour/month work requirement. If they have not shown compliance, the CAO worker will process the SAR or renewal by running SFU and the recipient will receive proper notice of ineligibility.

### **Next Steps**

1. Review this Operations Memorandum with all CAO staff.
2. Direct questions regarding this Operations Memorandum to your area manager.
3. This Operations Memorandum will become obsolete upon completion of this initiative and when all information is incorporated into the Cash Assistance and Medical Assistance Handbooks.