

DATE: July 21, 2015

OPERATIONS MEMORANDUM #15-07-01

SUBJECT: Amended PA 1745.1 for Title IV-E Placement Maintenance Eligibility

TO: Executive Directors

FROM: Inez Titus
Acting Director
Bureau of Operations

PURPOSE

To inform County Assistance Offices (CAOs) of the changes to the Title IV-E Income Calculation Worksheet (PA 1745.1) used for determining Aid to Families with Dependent Children (AFDC) relatedness as a basis for Title IV-E Placement Maintenance eligibility. These changes are effective immediately.

BACKGROUND

Initial Title IV-E Placement Maintenance eligibility is determined based on family circumstances when the child first enters placement care and responsibility of the County Children and Youth agency (CCYA). Title IV-E eligibility is based on certain eligibility requirements of AFDC (as it existed in the State Plan on July 16, 1996). The CAO determines the AFDC relatedness based on information provided by the CCYA on the Application for Initial Determination for Title IV-E Placement Maintenance and Medicaid (CY 61), including the eligibility month and the income of family members during that month.

DISCUSSION

In 2002, the PA 1745.1 was introduced to assist the worker in determining eligibility for IV-E Placement Maintenance with regard to AFDC financial need in using the 100 percent Standard of Need (applicant net income test) rather than its current 185 percent Standard of Need (applicant gross income test). In doing so, OCYF wanted to ensure that those most in need would receive necessary benefits.

A recent audit by the Administration for Children and Families (ACF) identified that the PA 1745.1 does not comply with the two step income test and eligibility determination process as specified in the State Plan on July 16, 1996.

As such, the PA 1745.1 has been amended to ensure that the two step process complies with recommendations set forth by ACF. The PA 1745.1 now includes the 185 percent Standard of Need (applicant gross income test) and the 100 percent Standard of Need (applicant net income test).

Additionally, the 30 and 1/3 disregard will no longer be applied to the household's earned income in recognition of the stricter application of AFDC rules as they existed on July 16, 1996.

Updates will be made to Supplemental Handbook Chapter 850, Foster Care and Adoption, in response to the changes required by the OCYF audit.

NEXT STEPS

1. Direct all questions to your Area Manager.
2. Share and review this information with appropriate staff members and personnel.
3. Begin using the new PA 1745.1 effective immediately to compute eligibility for Title IV-E AFDC relatedness.

[Attachment](#)
[PA 1745.1](#)