

Xochitl Esparza, Interim TANF Program Manager
Authorized Signature

Number: SS-PT-08-030
Issue Date: 09/29/08

Topic: Other

Transmitting (check the box that best applies):

- New Policy
 Policy Change
 Policy Clarification
 Executive Letter
 Administrative Rule
 Manual Update
 Other: _____

Applies to (check all that apply):

- All DHS employees
 County Mental Health Directors
 Area Agencies on Aging
 Health Services
 Children, Adults and Families
 Seniors and People with Disabilities
 County DD Program Managers
 Other (please specify):

Policy/Rule Title:	Child Support Pass-Through and Disregard		
Policy/Rule Number(s):	OAR 461-145-0080 (Child Support and Cash Medical Support)	Release No:	
	FSM, Child Support H (Child Support Pass-Through and Disregard)		
Effective Date:	October 1, 2008	Expiration:	
References:			
Web Address:	OAR 461-145-0080: http://dhsmanuals.hr.state.or.us/A/461-145-0080.htm FSM, Child Support H: http://www.dhs.state.or.us/policy/selfsufficiency/em_firstpage.htm		

Discussion/Interpretation:

OAR 461-145-0080 is being amended and FSM, Child Support H, is being updated to add language implementing child support pass-through disregard. In addition, there have been other minor changes to the FSM child support sections to implement child support pass-through disregard.

“Pass-through” means child support (up to \$50 per dependent child or minor parent per financial group per month and not to exceed \$200 per financial group per month) that is sent to the client before any remaining amount of current child support is withheld by the state.

“Disregard” means child support (up to \$50 per dependent child or minor parent per financial group per month and not to exceed \$200 per financial group per month) that is not counted as income of the client.

1) TANF and TANF Related Programs

Pass-Through and Disregard – Clients getting on-going TANF who are not in SFPSS or in a two-parent family where deprivation is based on the unemployment or underemployment of the primary wage earner will get both a pass-through and disregard of their child support. The following Need/Resource (N/R) items will be coded on these cases:

- **Need/Resource CSP** – The amount of a child support payment that is passed through to the client and disregarded for the purposes of eligibility determination and grant calculation. At the end of the month, DCS sends the CM system collection files with total support collected for the month. The CM system will calculate the pass through amount and automatically add the CSP N/R item, amount and date. The CSP coding will be attached to the child for whom the payment was made. The CSP N/R date will be the month/year in which the support was collected. The CSP amount is used only to track the pass-through amount and will not reduce the grant.
- **Need/Resource PSP** – The amount of a child support payment remaining after CSP is applied. A new N/R PSP has been created to track this amount. The system will add the PSP N/R, amount, and month/year in which the support was collected. The system will add the PSP coding to the child for whom the payment was intended. DSP is used only for tracking. PSP will not be used in the calculation and will not reduce the grant.
 - To get to total amount of support, add PSP and CSP.
 - CSP and PSP will be added by the system.
 - When the client is paid support directly by the obligor and the client turns the support over to DHS, the branch should receipt the support and send to DCS. DCS will then send the appropriate amount of support to the obligee (TANF client) and the system will add the appropriate amount of CSP and PSP.

Disregard Only – Clients who are in Pre-TANF or the State Family Pre-SSI/SSDI (SFPSS) program or in a two-parent family where deprivation is based on the

unemployment or underemployment of the primary wage earner (Program 82) will get a disregard only of their child support. The reason these clients get a disregard only is because their child support is not generally kept by the state; rather, it is sent to these clients. The following Need/Resource items apply to disregard on cases coded Pre-TANF, SFP or Program 82:

- **Need/resource DSP** = The amount of a child support payment that is disregarded. A new N/R DSP has been created to identify the disregarded child support. The DSP N/R item and amount will be added by the worker. The N/R date is the month/year in which the support payment was received. DSP can only be added to Pre-TANF, SFP and Program 82 cases.
- **Need/resource SUP** = The amount of a child support payment after DSP is applied. The SUP N/R date is the benefit month/year to which the support applies. Use SUP as you would for any countable child support received by a family. SUP will still reduce the grant amount dollar for dollar.
 - To get the total amount of support paid on a case coded SFP or Program 82, add the amount of SUP plus the amount of DSP.
 - SUP and DSP must be added manually by the worker.

2) Medical Programs

- MAA, MAF and SAC recipients are eligible for the disregard. OHP clients will not have the disregard.
- MAA, MAF and SAC clients continue to receive all their cash child support, but some of it is excluded (disregarded) for the countable income test:
- For MAA, MAF and SAC, exclude (disregard) the first \$50 current child support per child, per month up to \$200 per financial group.
- A new DHS 420A will be implemented October 1 to support the new policy for MAF. The DHS 420 will do some of the calculations, but it cannot calculate the cash support disregard or the cash medical support exclusion.

Note: The Children's Medical Project team at the OHP Statewide Processing Center carries the SAC (Program C5 cases).

3) Food Stamps

Child support will continue to count as income. There are no plans to generate a list of affected households. Workers are to add the child support income to the food stamp case as it is discovered. This typically would be at recertification or when processing the Interim Report form. If the client reports the income outside of these time periods, the agency will send proper notice to the client and act on the change when reported.

4) Employment Related Daycare

Child support will continue to count as unearned income.

Implementation/Transition Instructions:

- Please review the administrative rule and the policy in FSM, Child Support H.
- Please review the Child Support Pass-Through and Disregard training if you have been identified by local management as appropriate to do so. The link to the PowerPoint presentation follows:

<http://www.dhs.state.or.us/policy/selfsufficiency/publications/ss-pt-08-030-cs-pass-9-26.ppt>

- Please review the use pages for two new DCS screens: SPTH (State Pass-Through History) and SPTD (State Pass-Through Detail). SSP staff should have access to these two screens beginning the afternoon of 10/1/08. Screen shots of these screens are included in the Child Support Pass-Through and Disregard training. The links to these screen-shots follow:

<http://www.dhs.state.or.us/policy/selfsufficiency/publications/ss-pt-08-030-sptd-9-29-08.pdf>

<http://www.dhs.state.or.us/policy/selfsufficiency/publications/ss-pt-08-030-spth-9-29-08.pdf>

- Please review the letter that was sent on 9/29/08 to clients applying for or getting TANF to inform them about child support pass-through and disregard. The link to the letter follows:

<http://www.dhs.state.or.us/policy/selfsufficiency/publications/ss-pt-08-030-tanf.cs.noticemailing.9.08.pdf>

- Please review the letter the Division of Child Support is making available in the local child support offices regarding child support pass-through.

The direct link to the Oregon Child Support Program Pass-Through Fact Sheet follows:

http://www.dhs.state.or.us/policy/selfsufficiency/publications/ss-pt-08-030-pass-through_DCS_flyer_1.doc

Training/Communication Plan:

- Self-Sufficiency Program Managers updated monthly on development of pass-through and disregard policy and implementation process.
- Line managers updated quarterly.
- Transmittal to the field, with the Child Support Pass-Through and Disregard Powerpoint file attached.

Local/Branch Action Required:

- Please review the administrative rule and the policy in FSM, Child Support H.
- Please review the Child Support Pass-Through and Disregard training if you have been identified by local management as appropriate to do so.

- Please review the use pages for two new DCS screens: SPTH (State Pass-Through History) and SPTD (State Pass-Through Detail). SSP staff should have access to these two screens beginning the afternoon of 10/1/08. Screen shots of these screens are included in the Child Support Pass-Through and Disregard training.
- Please review the letter that was sent on 9/29/08 to clients applying for or getting TANF to inform them about child support pass-through and disregard.
- Please review the letter the Division of Child Support is making available in the local child support offices regarding child support pass-through.

Central Office Action Required:

- Amended OAR 461-145-0080
- Added new FSM Child Support H and updated other relevant FSM sections
- Mass mailing to TANF applicants and recipients informing them about pass-through and disregard sent on 9/29/2008.
- Updated DHS 415F to add language regarding pass-through and disregard.
- Developed training on pass-through and disregard.

Field/Stakeholder review: Yes No

If yes, reviewed by: TANF Rules Advisory Committee

Filing Instructions: None

If you have any questions about this policy, contact:

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