

Xochitl Esparza, TANF Program Manager

**Authorized Signature**
**Number:** SS-PT-12-015

**Issue Date:** 06/15/2012

**Topic:** Cash Payments: Change in child support requirements for two-parent households eligible for cash assistance based on incapacity (program 2 INC).

**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:	<ul style="list-style-type: none"> <li>• Clients Required to Help Department Obtain Support from Noncustodial Parent; TANF</li> <li>• Child Support and Cash Medical Support</li> </ul>		
Policy/Rule Number(s):	<ul style="list-style-type: none"> <li>• OAR <a href="#">461-120-0340</a></li> <li>• OAR <a href="#">461-145-0080</a></li> <li>• <a href="#">FSM Child Support B, C, D, F and H and TANF D and F</a></li> </ul>	Release No:	
Effective Date:	July 1, 2012	Expiration:	None
References:			
Web Address:			

**Discussion/Interpretation:** On July 1, 2012, funding for two-parent families eligible for cash assistance based on incapacity is being changed from federal funding to state funding. Because of this change in funding, effective July 1, 2012, two-parent families eligible for cash assistance based on incapacity (program 2 INC):

- Are not required to assign their rights to child support to the state;
- Are not required to cooperate with DHS and the Division of Child Support (DCS) to establish paternity and pursue child support;

- Are not subject to disqualification for noncooperation with child support;
- Will continue to receive a disregard of current child support of \$50 up to \$200 per family per month. Current child support that is disregarded must be coded by the DHS worker as DSP (amount disregarded) and SUP (amount of support remaining after disregard is applied).

In addition, effective July 1, 2012:

- The parent who owes child support to a family coded program 2 INC is no longer required to pay support through DCS. However, the family getting cash assistance or the paying parent may choose to continue to have DCS enforce the child support case and continue to have support paid through DCS. If child support continues to be paid through DCS, DCS will no longer retain the child support; rather, DCS will generally send support to the family.

Note: Many of the families for whom deprivation is based incapacity also receive state medical assistance. While effective July 1, 2012, families eligible for cash assistance based on incapacity are no longer required to assign their rights to child support and cooperate with pursuit of child support, there is no change in the requirement to assign cash medical support and cooperate with pursuit of medical support unless there is good cause for noncooperation.

**Implementation/Transition Instructions:** These changes are effective July 1, 2012.

**Training/Communication Plan:**

- In mid-June, Central Office will send an informational letter to clients coded program 2 INC. This letter will inform clients that, beginning July 1, 2012, they are not required to assign child support or cooperate with DHS and DCS in pursuing child support;
- Coordinate with DCS on this change;
- Update TANF training.

**Local/Branch Action Required:**

- Review this transmittal with staff;
- *DHS 7845A* – A new form, *Two-Parent Families Getting Cash Help because of Incapacity: Child Support Requirements* (DHS 7845A), will be available on the DHS Forms Server beginning July 1, 2012. Please print this form and give a copy to each two-parent family applying for TANF who may be eligible based on incapacity (program 2 INC). This form should also be given at redetermination to two-parent families coded program 2 INC. Use this form until the [MSC 415F](#) is updated in August 2012.

- Child Support Disqualifications – Effective July 1, 2012, families coded program 2 INC are not required to cooperate with child support and may not be disqualified for TANF for not cooperating with child support. Any active child support disqualification on a program 2 INC case must be removed in July and the grant supplemented for July 1, 2011;

- Medical Assistance – No Changes

If a child is getting medical assistance, the family may be contacted by DCS. The requirement to cooperate with DCS did not change for children who are Medicaid clients. The family must agree to cooperate with DCS in establishing paternity and in pursuing **medical support** for their child, unless there is a good reason not to cooperate. In addition, if they get cash **medical support** for their child, they must assign it to DHS;

- Program 2 INC Coding Reminder

Two-parent households that should be coded program 2 INC are those eligible for TANF based on incapacity. Incapacity exists when one parent in the household is unable to work or has a physical or mental condition that is expected to last at least 30 days and substantially reduces the parent's ability to provide adequate care or support for the child. The condition must be verified by medical documentation.

When the incapacity status changes or the parent who is incapacitated leaves the household, it is important to remember to remove the INC case descriptor (and adjust the program code if needed).

**Central Office Action Required:**

- Amend OAR [461-120-0340](#) and OAR [461-145-0080](#) effective July 1;
- Update the [Family Services Manual](#) for July 1;
- Send an informational letter to clients coded program 2 INC in June;
- Revise the [MSC 415F](#), [DHS 415R](#) and [DHS 428A](#);
- Create an informational sheet (DHS 7845A) to be available on the Forms Server and to be given to two-parent families coded program 2 INC until the [MSC 415F](#) is updated in August 2012;
- Update the Pass-Through/Disregard Quick Reference Guide;
- Make needed systems changes to support this change in child support requirements;
- Partner with DCS on needed changes.

**Field/Stakeholder review:**     Yes     No

**If yes, reviewed by:** This change has been reviewed by DCS. The TANF Rules Advisory Committee (RAC) will review these rules changes at the September 2012 RAC meeting.

**Filing Instructions:** File updates following usual branch process.

*If you have any questions about this policy, contact:*

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