NAPA COUNTY HEALTH AND HUMAN SERVICES AGENCY
Self Sufficiency Services Division

A Tradition of Stewardship
A Commitment to Service

POLICY AND PROCEDURE:	EFFECTIVE DATE:	January 1, 1998
	ORIGINAL DATE OF ISSUE:	June 11, 2008
Child Support Reimbursement	LAST REVISION DATE:	July 17, 2020

REVIEW FREQUENCY:
Every two years

POLICY # 2000601-3013-20

APPROVAL: _Juan Bautista_ 7/23/20
Eligibility Services Manager   Date

APPROVAL: _Lynn Perez_ 7/23/20
SSSD Deputy Director   Date

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APPROVAL: _____ 7-24-2020
HHSA Director   Date

POLICY STATEMENT:

It is the policy of the Napa County Health and Human Services Agency (NCHHSA) to track the participant's time clocks in accordance with state and federal regulations set forth in AB 1542 Section 11454.

ADMINISTRATION:

Eligibility Specialist (EW)

DEFINITIONS:

WDTIP – Welfare Data Tracking Implementation Project – The system in which time on aid for cash aid recipients is tracked among California counties. Other state time on aid can be input into this system as well.

END OF POLICY

PROCEDURE

I. **Tracking Months Exempt by Child Support Recoupment**
   A. Child support collection can remove a month from the CalWORKs (CW) 48-month time limit when the entire amount of aid paid, including special needs such as homeless assistance or a special diet need, is fully reimbursed as a result of child support collection, whether collected in that month or any subsequent month. (MPP 42-302.21(g))
   B. All assigned child support payments, including collections in a current month, arrears, and lump sum payments collected to reimburse aid in California from January 1998 forward, shall be applied cumulatively to repay aid payments in the following order:
      1. The cumulative child support recoupment (i.e., child support that has been assigned and collected to repay aid) will be applied to each month of aid, beginning with the earliest unreimbursed month of aid in Napa County, on or after January 1998, and moving forward as each month of aid is fully reimbursed.
      2. Recoupment, as provided by the local child support agency (LCSA), is all child support that has been assigned and collected to repay aid. Beginning October 1998, this includes the disregard payments. (MPP 12-425(c)(1)(B))
      3. Each month of aid that is fully reimbursed by child support shall be exempt and not counted toward the CW 48-month time limit of parents, aided stepparents, and/or aided caretaker relatives residing in the home of the child(ren).
      4. The child support recoupment shall be applied to all months of aid whether or not the month has been previously exempted for any reason, including any month(s) exempt because the individual was unaided for any reason, including a sanction.
      5. The child support recoupment will be reviewed to determine if the cumulative amount is sufficient to reimburse and exempt a monthly grant amount. Any child support that remains but is insufficient to fully reimburse a monthly grant, whether collected in the current month or for a previous period of time, shall be carried forward and used for any subsequent unreimbursed month(s) of aid.
      6. The recipient shall be informed of the exempt months due to child support recoupment. (MPP 40-107(a)(4)(A) through (a)(4)(1))

II. **"Unticking" clocks**
   A. A month is unticked when child support fully reimburses the aid paid for the month.
      1. "Aid paid" for the month includes the grant plus any special needs or Reduced Income Supplemental Payments (RISPs) that have been paid during the month. All special needs paid during the month, including Homeless Assistance, must be included. (NOTE: Even though the Homeless Assistance is fully reimbursed by child support, it is not one of the State's exception criteria to the lifetime limit so the family would not be eligible to receive it again based on the reimbursement.)
      2. To determine how much child support has been paid monthly in an individual case, the EW will total the "Assigned Support Collection" column from the child support report. (Refer to Section III.)
         a. Child Support Information comes in an Excel Document and may have more than one tab on the bottom with information.
      3. Child support is used cumulatively to untick months of aid. That is, months of child support paid since 1/1/98 are added together to create a pool of child support (it doesn't matter what

month the child support was paid for, only that it was paid after 1/1/98). Round off any cents to the nearest dollar (49 cents and below, round down; 50 cents and above, round up).

    a. Only child support paid for and on behalf of aided children can be used in the process.

    b. The amount of child support that remained with the county, including the $50 disregard, can be used in this process.

       1) All other pass-on amounts sent to the family are excluded from the process.

    c. Begin with the earliest month of aid paid in Napa County.

    d. Deduct the total amount of aid paid in that month from the child support that has been added together.

    e. If the child support fully reimburses the month of aid, the month must be unticked in C-IV and in WDTIP.

       1) Updates to C-IV are made on the "Cash Aid Time Limit Month List" from the Time Limit Summary Page

          i. Locate the month of aid that will be fully reimbursed and click "Edit"

          ii. Under Exceptions click "add"

             1. Type = Exempt

             2. Reason = 376 – Reimbursed Child Support

             3. Amount = Amount of grant that was reimbursed

       2) EW will review WDTIP two (2) business days following the updated to C-IV to determine if WDTIP was updated. If not, a request to update WDTIP shall be made.

          i. Updates to WDTIP are completed by submitting the information to the WDTIP System Administrator following the "WDTIP Update Request" sheet

    f. Take the remainder of the child support and go on to the next month of aid paid. Deduct the total amount of aid from the child support. Repeat this process until all full months of aid that can be unticked have been.

    g. If there is a remainder of the child support after the last full month is unticked, it is held in a child support pool until additional child support is paid. Any additional child support paid is added to the remainder and the process of unticking months begins with the first month that has not been unticked.

    h. The child support pool must be applied to each month in succession, even if in that month the adult was unaided or exempted. If the adult(s) in the case was (were) unaided or exempt during the month, the month would not be unticked; the child support must still be applied to the grant amount for that month before moving on to the next month.

    i. Workers may use the NW 848 - Calculation Grid to track months that are being unticked.

4. When there is an overpayment in a given month, the EW must determine if the amount issued in that month is all overpayment or partial overpayment.

    a. If the full month of aid is an overpayment, child support reimbursement would skip this month and aid would not be "unticked" until the overpayment is fully repaid. Child support reimbursement cannot be used to reimburse a CalWORKs overpayment. (See Attachment A, Example #3).

    b. If a partial month of aid is an overpayment, child support collected can be used only to repay the portion of the grant the recipient was entitled to receive. Time on aid for that month cannot be unticked until the overpayment was repaid and the child support collected repaid the portion of the grant the recipient was entitled to receive. (See Attachment A, Example #4).

    c.   If an overpayment is found for a month that was previously reimbursed by child support collection, the EW shall exclude the previously reimbursed child support from the overpayment month and instead apply it to the next eligible month of aid. (See Attachment A, Example #5).

III.   Initial Calculation of Child Support Collections

A. To properly calculate and apply amounts to the reimbursement of aid for non-timed out participants, the EW should:

    1. Request a "Complete Recoupment History" from the Department of Child Support Services by sending an email to CSS –HHS Inquiry with the subject line to read "Child Support Reimbursement" and include the participant's name and date of birth at the following times:

        a.   At intake if case is at 40 CW months or more

        b.   At 42nd and 48th months of aid

        c.   Participant requests time on aid information

        d.   Prior to completing an inter-county transfer (ICT)

        e.   When another county requests time on aid verification

        f.   When the CW case discontinues

    2. Determine grant amounts issued to the AU in each month from January 1998 forward, including supplements, RISPs, Special Needs, Cal-Learn bonuses, and/or Homeless Assistance.

        a.   In C-IV this information can be located on the "Issuance History" screen.

        b.   In ISAWS go to the warrant issued screen (Option 8 from the INMENU screen)

        c.   Write down each month's aid issued on the NW 848 under "Grant Amount" in its corresponding month.

    3. Identify any overpayment and overpayment recoupment amounts

        a.   In C-IV this information is located on the "Recovery Account Search" screen.

           1)   Global Navigation Bar = Fiscal

           2)   Local Navigation Bar = Collections

           3)   Task Navigation Bar = Recovery Account Search

        b.   In ISAWS go to BVMENU and identify any overpayment and overpayment recoupment amounts.

        c.   Write down the O/P recoupment information on the NW 848 under "OP Recoup Amount" in its corresponding month.

    4. Once the EW receives the child support printout the EW will:

        a.   Review the case file for prior months that child support reimbursement has already been calculated and any remainder child support.

           1)   This information can be obtained by reviewing WDTIP for child support reimbursement as well as locating and reviewing a previous NW 848 (if on file).

              i.   Physical case file may need to be pulled.

                 1.   If previous information is located, this information should be imaged and indexed into current C-IV case

        b.   Total the amount of child support reimbursement for the remaining months back to January 1, 1998.

           1)   This information is located in the "Assigned Support Collections" column on the child support printout.

      i. Child Support Information comes in an Excel Document and may have more than one tab on the bottom with information.

  c. Write down the total calculated child support reimbursement in the NW 848 under "Child Support Balance" in the first month cash aid was received since January 1998.

  d. Identify if there are any overpayments in the month and if any has been recouped.

  e. Take the final grant amount for the month and subtract it from the cumulative child support balance since January 1998.

  f. If the child support balance is greater than the final grant amount then you would enter a "C" in "Exempt Months" and that month of cash aid has been exempted.

    1) The EW would then take any remaining child support balance and enter it into the next month cash aid was received.

    2) This process will continue until there is no longer enough child support to reimburse a total month of cash assistance.

  g. If the child support balance is less than the final grant amount then you would leave the child support balance in the NW 848 under that month and a month of aid will not be exempted. This is the remainder.

    1) This remaining child support balance will be used in the future once additional child support has been received.

5. Update C-IV the "Cash Aid Time Limit Month List" from the Time Limit Summary Page with full months that are reimbursed

  a. Locate the month of aid that will be fully reimbursed and click "Edit"

  b. Under Exceptions click "add"

    1) Type = Exempt

    2) Reason = 376 – Reimbursed Child Support

    3) Amount = Amount of grant that was reimbursed

6. If WDTIP does not update accordingly within two (2) business days, notify the WDTIP System Administrator of all months of aid that are exempt due to child support reimbursement.

  a. Provide this information following the WDTIP Update Request Process.

7. Image and index the NW 848

8. Make a journal Entry

  a. Journal Category = Eligibility

  b. Journal Type = Narrative

  c. Short Description = Child Support Reimbursement Calculated

  d. Long Description should include but is not limited to:

    1) Amount of child support collected

    2) # of months and which months were fully reimbursed by child support

    3) WDTIP updated

    4) Time Limit Summary Updated

    5) NW 848 imaged and indexed

IV. Continuing Actions

A. Continuing case management on cases w/an initial calculation completed (after each time the person receives CW after a break in aid of more than 30 days) includes the following:

1. Reviewing and recalculating child support reimbursement at:

  a. 48th month of aid

  b. Annual Renewal

       c.   Prior to sending the case as an ICT to another county
       d.   At the time the CW case discontinues.
    2.   This includes all cases that are subject to time limits as well as timed out cases.
       a.   Timed out cases can earn back months of aid based on child support reimbursement.
       b.   Cases that move to aid code K1 or 3F will not continue to receive current child support, however can still receive child support arrears that may be used in this calculation.

B.   Reviewing and recalculating child support reimbursement consists of:
    1.   Identifying grant amounts for all months aided since last calculation
    2.   Checking for additional child support received on the "Child Support Collections List" in C-IV
       a.   Global Navigation Bar = Eligibility
       b.   Local Navigation Bar = Case Summary
       c.   Task Navigation Bar = Child Support Collections
    3.   Reviewing for any additional overpayments created and overpayment recoupments received.
    4.   Reviewing for any supplements issued to grant amounts used in previous child support reimbursement calculations.
    5.   Updating the NW 848 with the new grant amounts, child support collected, overpayments and overpayment recoupments, as well as supplements and recalculating the child support reimbursement to determine if any additional months of aid have been reimbursed.
       a.   Utilizing a new NW 848 may make calculations easier; however information should be taken from the previous NW 848.
       b.   Please note that previous months already reimbursed with child support may change based on any supplements or overpayment recoupment received.
    6.   Complete a journal entry.

V.   Informing the Participant

A.   The EW shall send an informing Notice of Action (NOA) to the participant if a month(s) aid was exempted due to child support reimbursement and the NOA was not sent automatically from C-IV.
    1.   The EW sends out the appropriate Time on Aid (TOA) notice following the "CW 48-Month Time Limit" procedure.
    2.   The EW attaches the Child Support Time Limit Exemption Addendum to the appropriate TOA NOA.
       a.   This addendum is used to inform the adult recipient of the method used to determine the number of months that are exempt due to child support collection. The NOA message explains how the child support collected and the month(s) of aid for the exemption.

REFERENCES:

ACIN I-40-03 – Questions and Answers
ACL 97-65 – Implementation of Certain Eligibility Requirements in CW
ACL 98-44 – CW 60-Month Time Limit Regulations
ACL 02-74 – Tracking Child Support Collection & Overpayments for CW 60-Month Time Limit
ACL 03-21 – CW Revised Regulations for 60-month Time Limit Procedures

ACL [18-123](#) – Child Support Recoupment, CW overpayments, and the 48-Month time clock
[ACIN I-52-99](#) – CW 60-Month Time Limit Regulations
C-IV Job Aid – Child Support Collection Detail
CW 48-Month Time Limits Procedure
[MPP 40-107(a)(4)(A) through (a)(4)(1)](#)
[MPP 42-302.21(g)](#)
WDTIP Update Request

FORMS

NW 848 – Calculation Grid

CONTACT PERSON(S):

Shanna Gardner, Staff Services Analyst

END OF PROCEDURE

REVISION HISTORY:

Revision	Date	Description of Change	Requested By
1.0	06-22-11	Biennial Review. Updated to reflect changes with C-IV as well as new printout from Child Support. Also changed to reflect changes based on 48-month time clock	S. Gardner, SSA
1.1	08-23-12	Updated when calculation should be completed.	S. Gardner, SSA
2.0	04-07-15	Biennial Review. Updated to add K1/3F aid code information.	S. Gardner, SSA
3.0	09-26-17	Biennial Review. Addition of time when clock needs to be calculated.	S. Gardner, SSA
4.0	07-17-20	Biennial Review. Included ACL 18-123	S. Gardner, SSA

Examples:

1. A mother and father are absent from the home in 1/98 through 5/98 and paid child support for this period. The mother returned to the home in 6/98, and the father continued to pay child support as an absent parent. The child support paid from 1/98 through the present is added together. The worker would first deduct the aid paid to the caretaker in 1/98 from the child support. Any remaining child support would be applied against the aid paid in 2/98, and so on. If enough child support has been paid to reimburse 6/98 and subsequent months, those months would be unticked for the mother.

2. The worker is able to untick the months of 1/98 through 3/98 with cumulative child support paid. In 4/98, there was a partial-month overpayment that was fully recouped through grant adjustment. The worker would apply the child support only to the eligible grant amount for that month to untick the month.

3. An eligible adult received a CalWORKs grant in January, February, March, April, May and June 2016. At a later point in time, the county determined the recipient should not have received a grant for February and March of 2016, and an overpayment was established for these two months. An overpayment notice of action was sent to the recipient and the grant reduction began in August 2016. Child support was later collected for April through July and it was enough to fully repay January, April, and May but not enough to fully repay June. The county would apply the child support in the following manner:

	January	February	March	April	May	June
Grant	Eligible	OP – Not Eligible	OP – Not Eligible	Eligible	Eligible	Eligible
Action	Apply child support and untick month	Child support not applied – collect on OP	Child support not applied – collect on OP	Apply child support and untick month	Apply child support and untick month	Tick month

4. An eligible adult received a CalWORKs grant in January, February, March, April, May and June 2016. At a later point in time, the county determined the recipient was not eligible for the full grant in February and March of 2016, and a **partial** overpayment was established for these two months. An overpayment notice of action was sent to the recipient and the grant reduction began in August 2016. Child support was later collected for April through July. The county did not have enough child support recoupment to repay May and June 2016. The county would apply the child support in the following manner:

	January	February	March	April	May	June
Grant	Eligible	Partial Eligibility / Partial OP Month	Partial Eligibility/Partial OP Month	Eligible	Eligible	Eligible
Action	Apply child support and untick month	Child support applied to eligible portion of grant. OP recoupment applied to OP portion. Untick month once county is fully reimbursed	Child support applied to eligible portion of grant. OP recoupment applied to OP portion. Untick month once county is fully reimbursed.	Apply child support and untick month	Tick month	Tick month

5. An eligible adult received a CalWORKs grant in January, February, March, April, May and June 2016. Child support was later collected for April through July and the county applied it to January, February, March, and April 2016, and these months' time-on-aid were unticked. The county did not have enough child support reimbursement to repay May and June 2016. At a later point in time, the county determined the recipient should not have received a grant in February and March of 2016, and an overpayment was established for these two months. An overpayment notice of action was sent to the recipient and the grant reduction began in August 2016. The county would apply the child support in the following manner:

	January	February	March	April	May	June
Grant	Eligible	OP Month (determined after Child Support Applied)	OP Month (determined after Child Support Applied)	Eligible	Eligible	Eligible
Action	Unticked by Child Support	Remove child support and pursue OP collection. Tick month. Apply child support to the next available eligible month.	Remove child support and pursue OP collection. Tick month. Apply child support to the next available eligible month.	Unticked by child support	Apply child support and untick month	Apply child support and untick month

Sample Child Support Collection Detail Report

Microsoft Excel - PublicAssitancePayments.xlsx

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	A	B	C	D	E	F	G	H	I	J
1	Name:		DOB:							
2	DSS Case#:									
3										
4	Month	Assigned Support Collections ($)	Grant ($)	Disregard ($)	Pass-On ($)	Excess ($)	Current Recoupment ($)	Arrears Recoupment ($)	Other ($)	UAP Balance ($)
59	09-2006	$ -	$ 770.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,757.13
60	08-2006	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,987.13
61	07-2006	$ 206.87	$ 723.00	$ 50.00	$ -	$ -	$ 156.87	$ -	$ -	$ 10,264.13
62	06-2006	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,748.00
63	05-2006	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,025.00
64	04-2006	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,302.00
65	03-2006	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,579.00
66	02-2006	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,856.00
67	01-2006	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,133.00
68	12-2005	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,410.00
69	11-2005	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,687.00
70	10-2005	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,964.00
71	09-2005	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,241.00
72	08-2005	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,518.00
73	07-2005	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,795.00
74	06-2005	$ -	$ 723.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,072.00
75	05-2005	$ -	$ 349.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 349.00
76										
77		$ 206.87	$ 49,936.00	$ 50.00	$ -	$ -	$ 156.87	$ -	$ (694.00)	
78										

Questions and Answers

1. **Can the child support collected be applied to aid when the child support was paid on behalf of an unaided child?**

No. Children who are <u>not</u> part of the AU (e.g. a SSI recipient) are to receive their child support directly. Pursuant to W&I Code 11477, a recipient of aid assigns their rights to support as a condition of receiving aid. If the child is not part of the AU, there is no requirement that the child assign their rights to support. The child support that is received on behalf of the child who is not part of the AU is forwarded to the family. Since the child support is provided directly to the family, it is not considered child support recoupment used to reimburse the grant and therefore, LCSAs will not report it to counties as child support recoupment.

2. **Are counties obligated to apply the entire amount of the child support recoupment (including cents) to the grant amounts or may the counties round off the child support recoupment prior to applying it to the grant amounts?**

In order to simplify the process of abating monthly aid by the child support recoupment, counties can round off the child support recoupment to the nearest dollar, (i.e. 50 cents and above, is rounded up, 49 cents and below is rounded down) prior to applying the recoupment to exempt months of aid.

3. **If the child support recoupment was intended for a previous period of time (a previously assigned arrearage payment) prior to January 1998, can that amount be used to reimburse months of aid beginning January 1998?**

Yes. Permanently assigned arrearage payments are <u>not</u> assigned to a specific period of time. The policy for the child support time limit exemption requires counties to apply any child support recoupment <u>collected</u> from January 1998 forward whether it is current or arrears.

4. **If a needy non-parent caretaker relative has custody of the child, is the child support recoupment used to "untick" their months of aid?**

Yes. The amount of child support recoupment for the child who is living in the needy caretaker relative's household should be applied to the caretaker relative's monthly grant amounts. The child support (IV-D) case is established for the needy caretaker relative and the child support recoupment will be reported on her/his case. When the monthly grant amount is repaid, the month is exempt from her/his CW 60-month time clock.

5. **Are optional persons in the AU (e.g. stepparents) given the benefit of the child support recoupment to exempt a month of aid?**

No. A stepparent is an optional person in the AU and is not the custodial parent of the child for whom the child support is collected. Therefore, when months of aid are reimbursed by the child support recoupment, only the mandatory adults in the AU, (parent and/or need caretaker relative) shall receive the exempt months of aid.

6. **Does the LCSA staff combine child support payments together if the CP is receiving several payments from multiple NCPs for the children in the AU, or are the amounts reported separately?**

Each child support collection case is set up for a mother, father, and their children in common. If there are multiple NCPs, there will be multiple cases. If all children are residing with the CP, then the child support amounts that are collected from each of the NCPs for the collection month are combined and reported based on the AU. However, if one of the children is residing with a needy caretaker relative (e.g. grandmother), a separate child support case is set up for the grandmother, NCP and child. The child support amount that is collected from the NCP for the child living with the grandmother is reported based on the grandmother's AU.

7. **Case Scenario – Child support is collected for two children in a Zero Parent case, (the children live with their grandmother who is a non-needy caretaker relative). At a later point in time, the mother returns to the home and is aided and the case becomes an All Families case.**

   a) **Will the child support recoupment for the children in a Zero Parent case be applied to a month of aid?**

   Yes. If the LCSA is aware that the grandmother has custody, the child support is retained by the LCSA for recoupment for the grandmother's case because the children are aided and therefore their support is assigned to the State for reimbursement. The child support recoupment will be applied to the months of aid of the Zero Parent case. However, since there is no aided adult in the AU because the grandmother is a non-needy caretaker relative, no month of aid will be counted for the grandmother, so there will be no months to exempt from the CW 60-month time limit.

   b) **Will the child support arrearage be used to "untick" the 60-month time clock on the All Families case?**

   Any arrearage amount that is collected to recoup the unreimbursed assistance will be reported to the county welfare department. The amount that is available to reimburse the grant should be accumulated and used to "untick" the months of aid for the adult who has custody of the child, if that adult is part of the AU. Because the policy requires that child support recoupment be applied to the earliest month of aid, the mother may or may not have been included in the month(s) of aid that were reimbursed by the child support recoupment and therefore the customer may or may not have month(s) "unticked".

8. **If child support is collected during the period that the recipient is not receiving cash aid, is the child support amount sent directly to the CP?**

Current child support collected will be sent to the family once they are no longer aided. However, if the parent is no longer receiving aid, but the children are, the child support is assigned to the State and child support collections will be used to recoup the amount of public assistance allocated to the family.

9. Do child support arrearages become part of the recoupment when a case is no longer a welfare case?

All <u>arrearage</u> payments that are due to be paid to the family must be satisfied before the collection is given to the county for recoupment.

10. <u>Case Scenario:</u> A family is discontinued from CW aid, but continues to receive MC while residing in County A. The family then relocates to another county (County B) and applies for CW aid in county B. Is the child support that is collected reported to the original county (County A) where the case was opened or is that child support amount reported to the County B where the custodial party is now receiving CW aid?

Although the family's CW assistance is discontinued, the LCSA in County A will continue to enforce the child support order. Therefore, if during the time the family is residing in County A, the LCSA obtains a child support collection that is used as recoupment, it will be reported to the County A welfare department. Once the family moves to County B and the county welfare department refers the case, County B LCSA will open a case and request the transfer of the family's County A case. Once the case has been transferred, the County B LCSA assumes case management responsibility of the case.

However, each county is responsible for maintaining its own Unreimbursed Assistance Pools (UAPs). When County B LCSA receives a child support recoupment, it will be reported to County B welfare deparment. If County B LCSA collects as sufficient amount of child support to repay both County A's and B's UAPs, the County B LCSA will reimburse their UAP and forward the money owing to County A LCSA to reimburse their UAP. Both LCSAs will report this as recoupment to their respective county welfare departments.

11. Are counties required to apply the total amount of child support that was specifically used to repay the aid? Is the disregard or the interest income included in the child support recoupment that reimburses cash aid?

Yes. In order to apply the time limit exemption, counties must apply the total amount of child support recoupment (which includes the disregard and interest) that reimburses the monthly cash aid. Beginning October 1998, the $50 disregard payments are considered as part of the collection to repay the cash grant.

Prior to October 1998, the disregard and the pass-on amounts were <u>not</u> considered part of the collection to reimburse cash aid. Therefore, prior to October 1998, counties should <u>not</u> include the disregard and pass-on amounts for reimbursement of the cash aid.

12. Will child support that is provided directly to the family (excluding the disregard payments) be used to "untick" the adult recipient's clock?

No. Child support that is provided directly to the family is not considered part of the reimbursement for cash aid. The child support amount received by a family is regarded as income for the AU.

13. How is the child support time limit exemption applied when a child support is collected for an AU with a Maximum Family Grant (MFG) child?

Child support that is received for a MFG child is <u>not</u> considered part of the collection to reimburse a month of aid for the child support time limit exemption. The following examples demonstrate the application of the child support time limit exemption for an AU including a MFG child.

    a) **An AU of 2 consists of the mother and her two children, one of which is a MFG child. The monthly grant amount is $548. The child support for the two children is collected monthly in the amount of $100. The $50 portion that is collected for the MFG child is provided directly to the family.**

The $50 for the MFG child would <u>not</u> be applied to exempt the AU's grant amount of $548. It is not assigned and, therefore, not considered child support recoupment. However, the $50 portion for the non-MFG child would be applied to the AU's grant amount. When the monthly child support that is collected has been accumulated to fully reimburse a month of aid ($548) then the month would be exempt from the mother's CW 60-month time clock.

    b) **An AU of 5 consists of the senior mom, minor parent with the MFG child, and her 3 siblings. The monthly grant amount is $920. The child support for the minor parent and her siblings is collected monthly, in the amount of $200, but no child support is collected for the MFG child.**

The $200 would be applied to the AU's grant amount of $920. When the monthly child support has been accumulated to fully reimburse a month of aid ($920) then the month would be exempt from the senior Mom's CW 60-month time clock.

    c) **An AU of 3 consists of the senior Mom, minor parent with the MFG child, and the minor parent's sibling. The monthly grant amount is $679. The child support for the MFG child is collected monthly in the amount of $100 and is provided directly to the family. The child support for the minor parent and her sibling is collected monthly in the amount of $125.**

Only the child support amount of $125 that is collected for the minor parent and the sibling would be applied to the AU's grant amount of $679. Any child support that is provided directly to the family for the MFG child is <u>not</u> considered part of the collection to repay the cash grant, because it does not reimburse the aid payment.

14. <u>Case Scenario:</u> - **Case is discontinued. The NCP continues to pay arrearages for child support. Will the arrearages be used to "untick" the clock?**

Yes. The LCSA will provide the county welfare department with the amounts of child support payments that are used to recoup the cumulative unreimbursed assistance. The county welfare agency will determine whether the amount (collected in and after 1998) is sufficient to "untick" the month(s) of aid.

15. <u>Case Scenario:</u> - **The clock is "unticked" as the child support recoupment equals the aid payment for the month. A couple of months later, it is discovered that there is an underpayment and a retroactive payment is issued. Is the clock reticked?**

Yes. The exemption must be applied when the month of aid is <u>fully</u> reimbursed by child support recoupment. Based upon the case scenario provided, when the retroactive payment was issued, the month was no longer

considered fully reimbursed. Therefore, the month cannot be exempt from the CW 60-month time limit until additional child support recoupment can be applied to reimburse the retroactive payment. If the county knows of this circumstance in advance, it can allow the recipient to choose whether to receive the underpayment and have the clock re-ticked or waive the underpayment and use the additional month of aid.

16. <u>Case Scenario:</u> - **An adult has been discontinued from aid because they reached the CW 60-month time limit but the children continue to be aided as part of the safety net. Several months later the county is notified of a large child support recoupment amount, which results in months of aid exempted from the 60-month time limit.**

    a) **Is the county required to add the adult back into the AU? If yes, at what point should the adult be added back into the AU?**

    The county is required to add the adult into the AU, if the family is otherwise eligible. The adult received the cumulative 60 months of CW cash aid, but the subsequent child support recoupment credited back some months that were used. The adult is therefore entitled to the additional months of aid. Since the child support recoupment occurred after the adult was discontinued from aid due to reaching the time limit, the county cannot retroactively add the adult back into the AU and provide a retroactive payment to the family. The county shall add the adult into the AU when the county is notified of the child support recoupment and it is determined that the adult is eligible for additional months of aid due to the exemption. The adult shall be mandatorily included as of the first of the month in which additional months become available. The county will be required to send a NOA informing the recipient of the exempt months due to child support recoupment and the increase in the cash aid payment. When the recipient reaches redetermination, the county will send a time limit NOA (M40-107b) to inform them of the number of months of aid that were used, the specific exempt months, and the remaining months on aid.

    b) **If the adult is added back into the AU, is the individual subject to CW WTW Requirements? If yes, in what WTW activities must the person participate?**

    Because the adult is added back to the AU, and is an aid recipient again, the adult is subject to applicable CW WTW requirements, including those regarding hours of participation, satisfactory participation, and sanction.

17. <u>Case Scenario:</u> - **An adult is discontinued from aid because they reached the CW 60-month time limit but the children continue to be aided as part of the safety net. After a period of 6 months, the adult's earnings increase, which causes the family to be ineligible and the entire AU is discontinued from aid. After the AU is discontinued, an assigned arrearage is collected from the NCP and is reported as recoupment to the county, which resulted in months of aid exempted from the 60-month time limit. Since the family is now ineligible for aid due to an increase in income, how will the adult receive the aid for the months that had been exempt?**

The county made the determination to discontinue the adult from aid because they received a cumulative total of 60 months of CW aid. The child support recoupment occurred after the family became ineligible for aid. Although the adult must be granted the exempt months for which they are entitled, the family is no longer eligible for aid, therefore the county cannot grant aid to the AU.

The county must apply the child support recoupment amount to the months of aid to determine if any additional months can be exempt from her CW 60-month time limit. The county must "untick" and record the exempt months. If the adult reapplies for aid and is determined to be eligible, then they are entitled to the remaining number of months of aid until they reach the cumulative total of 60 months. At the time of application, the county is required to send a time limit NOA (M40-107b) to inform of the number of months of aid that were used, the specific exempt months, and the remaining months on aid.

18. **When applying a child support recoupment, should counties apply it to months in which the recipient is sanctioned?**

Yes. County welfare departments must apply child support recoupment amounts reported by the LCSAs to all months of aid chronologically whether or not the recipient is sanctioned. Although a sanctioned recipient is excluded from the AU and the month is not counted toward the recipient's "time clock" because the recipient is unaided, aid is still provided to the AU and the child support recoupment amount is distributed to the county to reimburse the month(s) of aid. Since a month of aid is <u>not</u> counted toward the recipient's CW 60-month time clock because the recipient was previously excluded from the AU, the child support recoupment will have no effect to the recipient's 60-month time clock for that month.

19. <u>Case Scenario:</u> **- A dad and his two children begin receiving CW in May 1998. The case is discontinued for lack of cooperation in July 1998. Mom now has custody of the two children in the case, applies and is approved for cash aid in September 1998. This case is subsequently discontinued effective September 30, 2000. Child support was received from dad from April 2000 – September 2000.**

   How is the child support applied to the aid paid and whose time clock would be "unticked", Mom or Dad's?

The policy for application of child support recoupment requires that the child support recoupment collected from January 1998 forward shall be cumulatively applied to repay aid payments beginning with the earliest unreimbursed month(s) of aid, on or after January 1998 for the case. The child support recoupment must follow the aided children in the AU as intended. Therefore, any child support that fully reimburses month(s) of aid, will exempt months for all aided adults in the AU beginning with the first month of aid for the case – 5/98.

In the scenario described above, the child support is applied to the first month of aid for the case which included the father. Therefore his 60-month time clock would be unticked for May and June 1998. The recoupment for the children would then continue to be applied to the case in September 1998 and onward so the mother's time clock would be unticked as each month of aid is reimbursed.