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## Informational Letter

### Section 1

<b>Transmittal:</b>	03 INF 4
<b>To:</b>	Local District Commissioners
<b>Issuing Division/Office:</b>	Division of Temporary Assistance
<b>Date:</b>	February 3, 2003
<b>Subject:</b>	Time Limit Counts and Family Assistance Payment Corrections
<b>Suggested Distribution:</b>	Temporary Assistance Directors Staff Development Coordinators Accounting Supervisors
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<b>Attachments:</b>	
<b>Attachment Available On – Line:</b>	<input type="checkbox"/>

### Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
01 ADM-17 01 ADM-3 99 ADM-7 97 ADM-24 97 ADM-23 97 ADM-21 97 ADM-20		350.4 351.2 351.20 351.21 369.4 370.4	PRWORA WRA	Source Book VIII-L	11/16/01 WMS Coordinator Letter 6/1/01- GIS 01 TA/DC019 8/30/01 - GIS 01 TA/DC032 2/14/01- WMS Coordinator Letter

## Section 2

### I. Purpose

This release is only for upstate districts. It explains how certain case processing situations can cause assistance payments to be improperly claimed and reported as Family Assistance after a case has reached the State sixty-month time limit. References are provided on how to make BICS adjustments on cases that have State sixty-month time limit counts of sixty-one months or greater and payments that are improperly identified as Family Assistance (FA).

### II. Background

The Federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 and the State Welfare Reform Act of 1997 (WRA) created the State sixty-month time limit. This imposed a lifetime sixty-month limit on cash assistance for adults and their families. Districts received instructions on processing cases reaching the time limit in 01-ADM-3 "Exemptions to the State Sixty-Month Time Limit/Evaluation for Safety Net Assistance" and 01-ADM-17 "Safety Net Assistance for Able-Bodied Adults at the State Sixty-Month Time Limit."

The first families reached the time limit on November 30, 2001. Because the number of families reaching the time limit in November and the succeeding four months would be the highest, OTDA created a WMS case conversion process. Cases that reached the time limit during this period (November 30, 2001 – March 31, 2002) which local districts were unable to take action on before the end of the time limit were converted to Safety Net Assistance. The conversion was instituted to protect districts from having cases inappropriately remaining in Family Assistance after the passage of the State sixty-month time limit. OTDA ended the conversion on April 1, 2002 because the monthly number of cases reaching the time limit in upstate districts was too small to justify an automated conversion process.

A review of cases reaching the State sixty-month time limit has found that despite local districts' and OTDA's best efforts, there are some cases that have payments which are identified as Family Assistance in the sixty-first month of assistance. This is happening primarily because of the following case processing situations:

- **Cases claimed in the same month for FA and SNA (MOE)**

This occurs when a worker sends a closing notice (for not applying for SNA or some other reason) late in the sixtieth month of the time limit. The recipient comes in just before the end of the time limit to comply. The worker stops the closing, but takes no other action. The first part of the sixty-first month benefit goes out as FA. The worker then reauthorizes the case early in the sixty-first month (10 days after the notice) as SNA and inputs State/Federal Charge code 63 for MOE credit. The case appears on both the TANF and SNA MOE reports

- **Cases with Delayed Vendor Payments**

Vendor payments for "Service Billings Periods" on FA cases within the State sixty-month time limit would be FA payments that would correctly increment a case time limit count. Late or delayed vendor billings can cause a month or more lag in a case time limit count. This is because the Tracking System will not increment at time limit count until the countable payment is processed by BICS. This lag in the case time count becomes significant when a case is reaching the end of time limit. It misleads districts into believing there is a month left to process the case, when in fact the case has reached

the time limit. The end result of these delayed vendor payments is for the case to inappropriately remain in FA beyond the State sixty-month time limit.

Cases that have only a restricted rent voucher are the most common example of cases with delayed vendor payments. These cases have no other temporary assistance payment made in the month other than restricted rent voucher. The voucher payment goes to the landlord late in the month, which causes the processing of the rent voucher to be delayed in BICS. The tracking function will show the case count at 59 when it really should be sixty. The BICS processing of voucher will cause the payment to be incorrectly reported as FA payment in the sixty-first month.

Delayed vendor payments are not limited to rent vouchers. Some utility companies bill for two-month cycles. Vendor bills for fuel, water and storage fees are other examples of vendor bills that may be submitted two or three months after the service-billing period.

For all of these occurrences local districts must make a BICS adjustment to correct the time limit counts on these cases. Cases claimed for TANF reimbursement after the State-sixty month time limit could result in a severe federal fiscal sanction for the State and local districts.

### **III. Program Implications**

In processing time limit cases, local districts should, as much as possible, complete case changes by the last day of the month the case reaches the time limit. In cases where a late vendor payment is the only payment being processed through BICS, i.e., restricted voucher rent, districts should consider the time limit count one month beyond the time limit count on the WINR 8113 (PA Caseload Tracking Report) because the vendor payment has not updated the time limit count. If the district must make a category change to SNA in the sixty-first month of assistance, a BICS adjustment must also be made to correct the payment issued on the first of the month as FA. BICS adjustments may also be necessary in these case situations:

- Cases that are only issued payments via a manual check - The Tracking System does not pick up manual payments. Once these payments are reconciled through BICS the time counts are updated. This can cause payments being reported in the sixty-first month as FA.
- Cases that have transportation payments that cover both FA and SNA - Districts issue transportation payments that cover multiple months and can extend into the sixty-first month of assistance. Because these payments were issued when the case was FA a transportation payment in the sixty-first one is reported as an FA payment.
- Back payments made as result of a fair hearing or underpayment adjustment - When these payments are made, WRTS looking at from and to dates, reports them as FA payments when in fact the case is now SNA because of the time limit.

Instructions for making BICS adjustments are found in the Payment Issuance Control Subsystem Manual, Chapter 3 and the Indirect Payment Processing Subsystem Manual, Chapter 5.

#### **IV. Fiscal Implications**

Supplemental claims to correct improper TANF reimbursement on time limit cases should be submitted to the OTDA Office of Finance. Please refer to claiming instructions in Fiscal Reference Manual Volume 1, Chapter 5, and Volume 2, Chapter 3 when completing supplemental claims.

**Issued By**

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**Title: Deputy Commissioner**

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