
**WORK FIRST
Sanctions**

Change #3-2011

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I. BACKGROUND

Work First participants may be sanctioned for a number of reasons related to non-compliance with program requirements.

The four categories of non-compliance are:

1. Failure to cooperate with Child Support Enforcement
2. Non-compliance with the provisions of the MRA
3. Failure to participate in required substance abuse treatment (See Section 104B)
4. Intentional Program Violation (IPV) (See Section 207)

While the goal of Work First is not to sanction families, sanctions are used to emphasize and promote the importance of personal responsibility. A family under sanction remains eligible for Work First services.

II. SANCTION FOR FAILURE TO COOPERATE WITH CHILD SUPPORT

Parents or caretakers must cooperate with Child Support Enforcement to establish paternity, if necessary, and to secure child support for the children in their care who receive WFFA. This includes giving all information known about an absent parent and going to the Child Support Office or court as required.

A. Sanction

Parents or caretakers who, without good cause, do not cooperate with Child Support Enforcement, lose Medicaid eligibility, unless they are eligible for MPW or receive Medicaid through SSI, and the entire family will be ineligible for a Work First Family Assistance payment for one month or until compliance, whichever is later.

NOTE: Apply the sanction for non-cooperation with Child Support Enforcement even if the parent/caretaker is not included in the WFFA case (such as a parent/caretaker who receives SSI). When an adult who is not included in the case has failed to cooperate, complete a name search in EIS to determine whether the person is receiving Medicaid coverage. If so, notify the Medicaid caseworker to take action to sanction the Medicaid benefits (except for MPW coverage).

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If the parent who fails to cooperate is exempt from the work requirement as the single parent of a child under one year of age, the parent loses this exemption.

NOTE: Refer to your local County Work First Plan to follow “S” code rules.

B. Applying the Sanction

The Child Support Enforcement agency determines non-cooperation and will notify you via the Caseworker IVD Work List when a sanction must be applied. Child Support Enforcement will also notify you when the parent/caretaker has begun to cooperate and a sanction should end.

Action to initiate a sanction must be taken within ten work days of receiving the work list item from ACTS.

Upon notification from Child Support Enforcement, apply the sanction by taking the following actions:

- Key a budget for the ongoing month and enter a begin date for a IV-D sanction. Include the needs of all in the family unit including the non-cooperating household member. The non-cooperating household member is still a member of the family unit for budgeting purposes.
- Key a DSS-8125 to change the payment type to S. Use change code 44 (timely). If the non-cooperating adult is included in the case, terminate that person from the case. This will generate an automated timely notice (DSS-8110).

For automated timely notices (DSS-8110), the notice register is available for inquiry and printing. Refer to Work First Policy Section 264 VIII. for additional information on the Notice Register Report.

1. Payment Type 1 (Child Only) Cases:

If the caretaker cooperates prior to the expiration of the timely notice (DSS-8110), do not impose the sanction. Delete the pending DSS-8125 on hold to rescind the timely change.

If the timely notice expires and the sanction processes, and the caretaker has not cooperated, the family must miss at least one payment. If the caretaker cooperates after the expiration of the timely notice, do not change the payment type back to 1 until at least one check has been missed.

When a parent/caretaker fails to comply and doesn't receive a Work First Family Assistance payment for three consecutive months, terminate the Work First Family Assistance case and evaluate for Medicaid.

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2. Payment Type 2 (Work First Benefits) Cases:

For Work First Benefits cases, the MRA agreements (DSS-6963A and DSS-6963B) serve as timely notice of termination of cash payments.

When a IVD work list item shows non-cooperation for an adult who is included in a Work First Benefits case, the caseworker will not issue the payment from the WB screen for the month of non-cooperation as shown in the "Date of Non-Cooperation" field in IMS information from ACTS. No additional checks will be issued until Child Support Enforcement verifies the adult's cooperation.

Key a DSS-8125 using sanction change code 44 (timely), as described above, to terminate the non-cooperating adult from the case and change the payment type to S for the ongoing month. This is to end the caretaker's Medicaid eligibility.

When the above action to change the pay type to S has processed (That is after the timely notice period.), key another DSS-8125 to transfer the case to MAF. A re-application will be required for the family to receive WFFA. See Section WF 119 for Work First Benefits policy.

Note: When a IVD work list item shows non-cooperation, unless the work list item is in error, do not issue the WFFA check for the month of non-cooperation even if the parent/caretaker cooperates within the timely notice period or within a few days of the work list item or within the same month. Once the child support agency has determined non-cooperation at least one assistance check must be missed.

C. Examples of Child Support Sanctions for Work First Benefits Cases

Example 1: (Parent never cooperates)

<u>January 7</u>	<u>Work list item shows non-coop. Date of non-coop is Jan. 4.</u>
<u>January 7</u>	<u>Worker keys a budget to apply a IVD sanction. Worker keys a DSS-8125 using timely change code 44 to impose a IVD sanction and to delete the parent from the case (Evaluate for MPW eligibility). System issues the DSS-8110 timely notice for termination of the adult's Medicaid.</u>
<u>January 24</u>	<u>Timely notice expires, and DSS-8125 processes in EIS. The case is now pay type S and the adult has been deleted.</u>
<u>January 25</u>	<u>Worker verifies that the participant still has a coop status of "No" in ACTS.</u>
<u>January 25</u>	<u>Worker evaluates and transfers the case to Medicaid effective February 1.</u>

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<u>February</u>	<u>Worker will not issue January payment due to failure to cooperate with Child Support.</u>
	<u>As of February, the case is MAF, and the adult is not included.</u>

Example 2: (Parent cooperates during timely notice period)

<u>January 7</u>	<u>Work list item shows non-coop. Date of non-coop is Jan. 4.</u>
<u>January 7</u>	<u>Worker keys a budget to apply a IVD sanction. Worker keys a DSS-8125 using timely change code 44 to impose a IVD sanction and to delete the parent from the case (Evaluate for MPW eligibility). System issues the DSS-8110 timely notice for termination of the adult's Medicaid.</u>
<u>January 14</u>	<u>Work list item shows client has cooperated. Date of cooperation is January 13.</u>
<u>January 14</u>	<u>Worker deletes the pending DSS-8125. No change to the case is processed. Medicaid coverage continues for the adult.</u>
<u>February</u>	<u>Worker evaluates compliance with MRAs for January and does not issue the January check due to non-cooperation with child support enforcement.</u>

Example 3: (Parent cooperates after case transfers)

<u>January 20</u>	<u>Work list item shows non-coop. Non-coop date is Jan. 17.</u>
<u>January 21</u>	<u>Worker keys a budget to apply a IVD sanction. Worker keys a DSS-8125 using timely change code 44 to impose a IVD sanction and to delete the parent from the case (Evaluate for MPW eligibility.). System issues the DSS-8110 timely notice.</u>
	<u>Worker will not issue January check because participant was non-coop in January.</u>
<u>February 7</u>	<u>Timely notice expires, and DSS-8125 processes in EIS. Case is now pay type S effective March 1, and the adult has been deleted.</u>
<u>February 8</u>	<u>Worker verifies that the participant's cooperation status continues to be "No" in ACTS.</u>
<u>February 8</u>	<u>Worker evaluates and transfers the case to Medicaid effective March 1.</u>
	<u>Worker will not issue February check because participant was non-coop in February. Additional WFFA benefits will require a re-application.</u>
<u>February 15</u>	<u>Work list item shows that parent has cooperated. Coop date is Feb. 14.</u>

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<u>March 1</u>	<u>Recipient wants to reapply for WFFA. Worker verifies that cooperation status is “yes” in ACTS, and recipient verifies that there are no other changes. Worker may complete an administrative reapplication within the first ten calendar days of March, as described in WF 203.</u>
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Example 4: (Notification from IVD after issuance of check)

<u>January 4</u>	<u>Worker issues December check because participant has submitted all time cards for December activities, and worker is not aware of any non-compliance.</u>
<u>January 5</u>	<u>Work list item shows non-coop. Non-coop date is Dec. 28.</u>
<u>January 5</u>	<u>Worker keys a budget to apply a IVD sanction. Worker keys a DSS-8125 using timely change code 44 to impose a IVD sanction and to delete the parent from the case (Evaluate for MPW eligibility). System issues the DSS-8110 timely notice.</u>
	<u>Participant is subject to missing at least one check. The check for the actual month of non-coop (December) was already issued. The IVD non-coop notice was received after a December check was properly issued based on knowledge at the time. Therefore, the participant must miss the January check, at a minimum. In this situation, the December check will not be regarded as an overpayment.</u>
<u>January 21</u>	<u>Timely notice expires, and DSS-8125 processes in EIS. Case is now pay type S effective February 1, and the adult has been deleted.</u>
<u>January 22</u>	<u>Worker verifies that the participant’s cooperation status continues to be “No” in ACTS. Worker evaluates and transfers the case to Medicaid effective March 1.</u>
<u>February</u>	<u>Worker will not issue January check because participant was non-coop in December and has not yet missed a payment.</u>
<u>February 15</u>	<u>Work list item shows that parent has cooperated. Coop date is Feb. 14.</u>
<u>March 1</u>	<u>Recipient wants to reapply for WFFA. Worker verifies that cooperation status is “yes” in ACTS, and recipient verifies that there are no other changes. Worker may complete an administrative reapplication within the first ten calendar days of March, as described in WF 203.</u>
	<u>Worker will not issue February check because participant becomes eligible again the month after the month of cooperation.</u>

D. Ending a Child Support Sanction

When ending an existing IVD sanction or deleting a pending sanction during the timely notice period, the Work First worker must verify using the Inquiry into Data Sent from ACTS or using OLV that the client cooperation status is Y, or "Yes."

1. Child-only Cases (Changing Payment Type S to 1):

When the caseworker receives a IVD Work List notification that the parent/caretaker has begun cooperating, the caseworker will key a budget ending the sanction and key an 8125 and change pay type to "1." Issue an adequate notice that the sanction has ended.

When ending a sanction, the Work First worker must evaluate whether or not the family has been sanctioned and missed at least one check. If the family has not missed the minimum of one (1) check, then the sanction has not been applied. **The sanction must be applied.** If the family has not missed at least one check, then delay keying the changes until one payment has been missed. Make the payment effective the month following the month of the missed payment.

2. WFB Cases (Changing Payment Type S to 2):

When the caseworker receives a IVD Work List notification that the parent/caretaker has begun cooperating, the caseworker will key an Administrative DSS-8124 to add the parent back to the case. Use approval code D1. This restores Medicaid coverage. Key a budget ending the sanction and key an 8125 and change pay type to 2. Issue an adequate notice that the sanction has ended. Make the parents' Medicaid effective the month the parent begins cooperating (See Family and Children's Medicaid Policy). The family is eligible for WFFA the month following the month of cooperation. (They have already missed at least one payment that was withheld the month of non-cooperation.)

E. Issuing Checks After Cutoff

If the cutoff deadline has passed and a payment for the current processing month needs to be issued, the caseworker must key a DMA-5022, and then key an 8125 to change the pay type to 1 or 2 for the ongoing month.

EXAMPLE: If on May 28 you want to issue a payment for June, you must key a DMA-5022 for June, because it is after cutoff and June is the current processing month. Key an 8125 to change the pay type for the ongoing month, which is July.

III. SANCTION FOR FAILURE TO MEET PROVISIONS OF THE MUTUAL RESPONSIBILITY AGREEMENT (CHILD-ONLY CASES)

A. Sanction

Parents or caretakers who, without good cause, do not comply with their MRA

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will make the entire family ineligible for a Work First Family Assistance payment for one month or until compliance, whichever is later.

Specific examples of non-compliance include, but are not limited to:

- Failure to report changes in situation within ten days of knowing of the change.
- Failure to keep all scheduled appointments with the Work First case worker
- Failure to obtain immunizations and regular medical exams for children receiving WFFA;
- Failure to ensure that children, including minor parents, are enrolled and regularly attending school;
- Failure to report information, such as income and family composition, that affects the payment;
- Failure to comply with the Minor Parent Rules, which requires the un-emancipated Minor Parent to be enrolled in and regularly attend school and live with their parent, legal guardian, or other appropriate adult; and

B. Good Cause:

Good cause is defined as:

- A significant family crisis or change including, but not limited to, the death of a spouse, parent, or child;
- Illness or disability of the caretaker or child, including participation in substance abuse treatment or attendance at a medical appointment;
- Civil leave, including jury duty, or a required court appearance;
- The loss or interruption of transportation or child care for parent and/or a minor parent in school, training, or other work activity; or
- Any other reason determined by the county director or the director's designee.

For example, unless there is good cause for not getting children immunized or regular medical check-ups, a sanction is applied. Similarly, unless the parent or caretaker has good cause, apply a sanction when a child does not regularly attend school.

Families are responsible for providing documentation if they believe that good cause exists to avoid a sanction.

The goal is to assist the parent or caretaker with ensuring the health, educational and safety needs of their children.

It is also important in determining good cause that the caseworker review the participant's case record and MRAs as well as discussing with the participant their reasons for failure to meet the MRA requirements. If there is an indication that existing or new disabilities are a factor in non compliance, the worker must

conduct a thorough assessment, and/or revise the MRAs and if appropriate release the Work First check.

C. Applying the Sanction

For non-compliance with the MRA, a sanction is applied to the Work First payment even though the caretaker is not included in the payment. A sanction should be applied only after attempts have been made to help the family meet the requirements of their MRA.

When a caretaker fails to comply with their MRA, the caseworker will apply the sanction by taking the following actions:

1. Key a budget for the ongoing month and enter a begin date for a MRA sanction.
2. Key a DSS-8125 to change the payment type to S. Use the appropriate timely sanction code (See Work First User's Manual Section WF 700.)

The family is expected to comply with their MRA during the sanction period.

D. Ending an MRA Sanction

1. When a family complies, the sanction ends, the caseworker will key a budget to end the sanction and key a DSS-8125 to change the pay type to "1". Issue an adequate notice that the sanction has ended. What constitutes compliance depends on the specific reason for the sanction, and is decided on a case by case basis. Make the payment effective the month following cooperation.
2. When ending a sanction, the Work First worker must evaluate whether or not the family has been sanctioned and missed at least one check. If the family has not missed the minimum of one (1) check, then the sanction has not been applied. **The sanction must be applied.** If the family has not missed at least one check, then delay keying the changes until one payment has been missed. Make the payment effective the month following the month of the missed payment.
3. When a family in a sanction fails to comply and does not receive a payment for three consecutive months, the county must terminate the Work First Family Assistance case and evaluate for Medicaid.
4. In order for an MRA sanction to end, compliance with the MRA must be verified. The parent or caretaker must meet with the worker, or provide necessary verification to the worker. At the meeting, discuss the MRA and the necessity of compliance.

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- 5, If the cutoff deadline has passed and the caseworker wants to issue a payment for the current processing month, key a DMA-5022 for the current processing month, and then key an 8125 to change the pay type to "1" for the ongoing month.

EXAMPLE: If on May 28 the caseworker wants to issue a payment for June, the caseworker must key a DMA-5022 for June, because it is after cutoff and June is the current processing month. Key an 8125 to change the pay type for the ongoing month, which is July.

IV. HOW DOES THE WORK FIRST SANCTION AFFECT THE FAMILY'S FOOD AND NUTRITION (FNS) BENEFITS?

The family's Food allotment is not increased when a family's *Work First* payment is reduced due to a sanction.

Notify FNS via a DSS-8194 that a *Work First* sanction is being imposed.

V. CHILD CARE EXCEPTION TO A MRA SANCTION FOR WORK-RELATED REASON (APPLICABLE ONLY TO SINGLE-PARENT FAMILIES)

While the lack of appropriate child care is, in general, good cause for a caretaker's failure to engage in work activities, sanctioning the single parents of children under age six for failure to engage in work activities when appropriate child care is not available is specifically prohibited.

Federal regulations require agencies to inform all families of this exception. Use a DSS-8221 for this purpose. Give a copy of the form to each applicant/recipient. Go over the form, and answer any questions they have.

The parent's ability to obtain childcare is determined only by the parent and the caseworker. The family must demonstrate that it cannot get childcare for one or more of the reasons defined below. The family must immediately inform the Work First worker of its inability to obtain childcare and identify the specific reason(s) why and provide documentation, if necessary.

A. Inappropriate Child Care

Appropriate childcare may be regarded as lacking if:

- Available child care is not in a regulated child care center or family child care home that has a license, or
- Available child care is in an informal child care arrangement that does not meet the minimal health, safety, and criminal record check standards required of informal providers for reimbursement through North Carolina's child care subsidy program, or
- The child care options have hours of operation that do not mesh with the participant's work schedule and do not meet the special needs of the child(ren).

B. Child Care is not Within a Reasonable Distance

In evaluating “reasonable distance,” the county must consider the total time it takes the parent or caretaker to travel one-way from home to the child care provider then to work or work-related activity. The county will also consider whether the parent or caretaker has a working vehicle or other transportation options.

As a guideline, the county must consider that it may not be reasonable to require the parent or caretaker to travel more than 80 minutes one-way to work and childcare.

C. Unsuitable Informal Child Care

The suitability of an informal childcare arrangement is determined on a case-by-case basis. An informal child care provider may be considered “unsuitable” for the family if:

- The informal child care arrangement does not meet the health, safety, and criminal record check standards required of informal providers to receive subsidy reimbursements from the State of North Carolina, or
- The parent or caretaker is not comfortable with having the child(ren) cared for by the informal child care provider.

D. Child Care Arrangement is not affordable

If a child care subsidy is available to a family; the childcare is considered affordable.

E. Impact on Time Limits

Explain to the family that even though the lack of appropriate childcare prevents them from being sanctioned, they continue to be subject to the 60-month time limit. When the parent or caretaker demonstrates, and the county determines, that the parent or caretaker cannot get child care for one or more of the reasons above, the Work First worker should continue to assist in identifying and developing child care resources.

VI. HOW SANCTIONS AFFECT TIME LIMITS AND SUPPORTIVE SERVICES

- A. When a family in sanction status does not receive a check, EIS does not update the eligibility tracking database to count the month against their 24 or 60 month time limits, and the family is not included in participation rate calculations or federal reporting.
- B. Supportive Services that are provided to families in sanction status must not meet the definition of assistance (See [WF 105 I. B.](#)). Therefore, any services that have cash value must be designed to address a specific, short-term episode of need and must not extend beyond four months.

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VII. SANCTIONS WHEN A FAMILY MOVES FROM ONE COUNTY TO ANOTHER

- A. When a family moves from a standard county to another standard county, the sanction follows the family.

- B. When a family under a MRA sanction in an electing county moves to a standard county, and then receives Work First in the standard county, the electing county sanction is not applied in the standard county. (This relieves the new, standard county of having to research the sanction policies of the electing county and of having to find out the specific reason for the sanction.)

IVD sanctions will remain in effect for families moving from county to county until cooperation is verified by Child Support Enforcement.

- C. When a family under a sanction in a standard county moves to an electing county and then receives Work First cash assistance in the electing county, the electing county determines, based on their electing county policy, whether or not to apply the sanction originally imposed in a standard county.

IVD sanctions will remain in effect for families moving from county to county until cooperation is verified by Child Support Enforcement.

VIII. RESPONSIBILITY OF WORK FIRST CASEWORKERS TO FAMILIES UNDER SANCTION

The Work First caseworker should continue to assist parents and caretakers with identifying and developing procedures and activities to achieve compliance, which, hopefully, will result in lifting the sanction. This should help the parent or caretaker participate in Work First and keep the family moving toward self-sufficiency.