

What should the CWD do if the client reports two different changes on a voluntary report where one change would result in increased benefits and the other would result in decrease benefits? Should the net action be taken or should each change be evaluated independently?

Response: The CWD must determine if the changes are two separate changes independent of each other or if they are two events that are part of one change.

- If the changes are separate, the CWD must act on them individually, in the sequence in which they occurred, and in accordance with the QR/PB rules. The CWD would act on changes that result in an increase, but not on changes that could result in decreased benefits.
- If the changes are two events that are part of one change (e.g. new person reported in the home who has income or who starts getting income), the required action would depend on the timing of the changes.
- The CWD should follow the general rules of QR/PB:
 1. Do not decrease benefits mid-quarter unless it is as a result of a change that is mandatorily required to be reported or a county-initiated action that is listed in ACL 03-18; and
 2. Only act on "known-to-county" changes if the recipient was required to report the change.

NOTE: For Quality Control purposes, it is critical in each of these types of situations for the Eligibility Worker to document the rationale/justification for the action taken. The documentation/narrative should include a discussion about the sequence of the changes, the action taken, and the reason for the action.

The following are examples of various situations involving multiple mid-quarter changes.

- **Example 1:** In a January/February/March quarter, Mom reports dad (who has no income) in the home in February. The CWD adds him to the AU effective March 1. Dad begins getting income that does not exceed the Income Reporting Threshold (IRT) on March 5. How should this be handled?

Response: Dad has become a member of the AU. The CWD should not consider Dad's income until it is required to be reported on the next QR 7, due in April. His income should be included in the budget for the May/June/July quarter.

- **Example 2:** Jan/Feb/Mar quarter. Dad moves back in the home February 4 without income. The AU/HH voluntarily reports Dad in the home that day. The add-on application is still pending as of Feb. 20. Dad begins getting income February 10. Should the CWD use this new income when taking action to add Dad to the AU?

Response: If the request for add-on has not been finalized/approved, the CWD must use his income and treat it as part of the voluntary report to add Dad. If his income and adding him would result in decreased benefits to the AU, the CWD should not act to add him to the AU until the first of the next QR Payment Quarter. If adding Dad and his income would result in financial ineligibility, the CWD cannot add him to the AU, but must discontinue the AU/HH at the end of the current quarter, after the AU reports his income on the QR 7 for February, submitted in March.

- **Example 3:** Dad moves in to the home and has income. Mom has a decrease in earnings. Should the CWD act on both changes at the same time?

Response: No, the CWD should not act on both changes at the same time. The CWD shall act on each change separately and according to the sequence in which the changes occur. The CWD must ask what the sequence of events was. If the events occurred in this order, the CWD should not act to add dad, who has income, to the AU since that would result in decreased benefits for the AU. The CWD should act to increase the grant due to mom's decreased income. The CWD shall not reevaluate the net result by trying to add dad and his income again when increasing the grant based on Mom's decreased income. Dad should not be added to the AU/HH until the next quarter, after the AU/HH reports him being in the home on the QR 7.

- **Example 4:** The client reports that income for one parent in the home increased, while income for the other parent in the home decreased. Should the CWD evaluate the net result of the two changes?

Response: No. The CWD would not evaluate the net result of the two changes. Each change must be acted upon separately and in the sequence of occurrence. The CWD must determine the sequence of events and act separately on these changes. Following the general QR rule - act only to increase benefits, not to decrease benefits. In this scenario, if the sequence occurred in the order written above, the CWD would not act to decrease benefits based on the parent's increased income, but would act to increase benefits based on the other parent's income decreasing. However, the

county would need to look for this information to be reported on the next QR 7 and would take action on the increased income the following QR Payment Quarter.

- **Example 5: (FSP only)** A child in the FS household turns 2, which would cause the child care deduction for the FS HH to be reduced from \$200 to \$175. At the same time, mom's income also decreases. Should the CWD evaluate the net result of these two changes?

Response: No, the CWD would not evaluate the net result of the two changes. The CWD must act to increase FS benefits based on mom's decreased income, but cannot act to decrease child care expenses resulting from the child turning two, because that would result in decreased FS benefits. The child turning two is "known to the county," but no action to decrease benefits should be taken based on this change, because it was not a change that the mother was required to report mid-quarter. However, the county would need to take action the next QR Payment Quarter to decrease FS benefits based on the decreased child care expense due to the child turning two.

- **Example 6:** An AU reports that Dad moved into the home with earnings in the first month of the quarter. The CWD does not take action to add Dad, because this would result in a decrease in benefits. In month two, Mom loses her job. Should the CWD only act on the loss of Mom's income, or should the CWD reevaluate adding Dad and his income and act to change benefits only if the combination of changes results in a net increase?

Response: The CWD must determine the sequence of the changes and act on each change separately. In this scenario, if the sequence occurred as described above, the CWD would act only to increase benefits based on mom's decreased income. The CWD should not reevaluate adding Dad and his income when calculating benefits based on Mom's job loss, regardless of whether the two events would result in a net increase. Adding Dad and his income would serve only to reduce the level of increased benefits Mom would have gotten based solely on her decreased income. However, the county need to look for the new information regarding Dad and his income on the next QR 7 and would act to reduce the AU/HH's benefits based on this information the following QR Payment Quarter.

- **Example 7:** An AU/HH voluntarily reports a change that would decrease benefits. The CWD does not act to change benefits based on the reported change, because it would result in decreased benefits. Later in the same quarter, a change occurs that the

recipient is mandatorily required to report mid-quarter (e.g. another AU/HH member is convicted of a drug felony and the AU/HH reports it). Should the CWD recalculate the current quarter's benefits using all known information, including the previously reported change?

Response: The CWD must not act on the mandatory mid-quarter change using the previously reported information that would have resulted in decreased benefits. The CWD must act on each change separately and as each change occurs. In the above example, the CWD would not decrease benefits based on the voluntarily reported change. When the AU/HH later reports the new drug felony conviction, the benefits must be decreased to reflect the removal of the drug felon from the AU/HH, without reconsideration of the previous report. The CWD would act on the previous voluntarily reported information when computing the following quarter's benefits.