

NLWJC - Kagan

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Welfare - Food Stamps Waivers

Wp - food stamp waivers

Michigan's Proposal

Michigan's demonstration project proposal includes fifteen waivers, two of which were previously approved. FNS plans to deny the first five waiver proposals identified in the following chart.

- These 6 waivers are new waivers that have not been implemented by any other state.
- While the Act currently allows us to approve waivers that include a new eligibility criteria related to behavior or conduct (the first five in the chart), the Administration needs to be aware that the affect of these waivers will be that food stamp households will lose benefits.
- Michigan has also proposed a notice of adverse action waiver (the sixth waiver in the chart) which, if approved, would provide major savings to offset the costs associated with some of their waivers. We are working with the USDA OGC to ensure that the waiver would not violate clients' constitutional due process rights. Even if the adverse action waiver is approved, Michigan will likely need to scale back on some of the waivers that increase costs that were part of their original plan.
- There are nine other waivers that we may or may not be able to approve (we are currently reviewing cost neutrality issues).

Michigan's Proposal	Current Policy	Analysis
<p>Joint Orientation Requirement</p> <p>Would require joint TANF/food stamp applicants to attend an orientation. If the household does not attend, the joint application is denied. Even if the household reapplies immediately for food stamps only, the household loses one month of food stamp benefits.</p>	<p>This would be a new eligibility criteria. Currently, when a joint TANF/food stamp application is filed, if a TANF requirement is not met, the TANF portion is denied, and the joint application is treated as a regular food stamp application. If the application is approved, benefits are issued from the date of the joint application.</p>	<ul style="list-style-type: none"> • MI would like the food stamp policy to support and reinforce their TANF orientation requirement. • The Act allows new eligibility criteria that relate to behavior or conduct, but it is not clear that USDA would want to deny food stamps to children for their parents' failure to attend a meeting.
<p>Minor Parents' Living Arrangements</p> <p>Would require minor parents to live in an adult supervised living arrangement and attend school to be eligible for TANF and food stamps. If the minor parent does not comply, the joint application is denied. Even if the minor parent reapplies immediately for food stamps only, the household loses one month of food stamps.</p>	<p>As with the joint orientation requirement, there is currently no comparable food stamp requirement. When a joint TANF/food stamp application is filed, if a TANF requirement is not met, the TANF portion is denied, and the joint application is treated as a regular food stamp application. If the application is approved, benefits are issued from the date of the joint application..</p>	<ul style="list-style-type: none"> • MI would like food stamp policy to reinforce its TANF policy that minor parents must live with adult supervision. • The Act allows new eligibility criteria that relate to behavior or conduct, but it is not clear that an individual's living situation is under their control • Approval could result in minors living in situations that may not be safe or healthy and otherwise eligible children will be denied benefits for one month. • It may be difficult for minor parents to come up with acceptable living arrangements within 30 days (7 days for expedited service).

<p>Household Disqualification for Failure to Cooperate with Child Support</p> <p>After the fourth month of an individual's disqualification for failure to cooperate with child support enforcement, the entire household is also disqualified.</p>	<p>Current policy would allow an individual to be disqualified, but not the entire household.</p>	<ul style="list-style-type: none"> • The waiver may encourage some parents to cooperate, and some may ultimately receive child support, which benefits children in the long term. • It would decrease the food available to children during the sanction period (which does not currently have a limit). • If approved, the waiver would have to make allowance for households with good cause for not cooperating.
<p>Strikers' Ineligibility</p> <p>While an individual is on strike, the striker and the striker's spouse and children are not eligible for food stamps.</p>	<p>Current policy allows strikers to participate if the striker was either eligible for or receiving food stamps before the strike (i.e., income loss due to a strike cannot make a household eligible for food stamps; household would already have to have been eligible).</p>	<ul style="list-style-type: none"> • The Act allows new eligibility criteria that relate to behavior or conduct, but it is not clear that the individual's conduct is responsible for the sanction (e.g., the individual could have voted against the strike). • Approval would require strikers to either get a new job or cross the picket line in order to be eligible.
<p>Student Eligibility</p> <p>Post-secondary school students would not be eligible unless they are:</p> <ul style="list-style-type: none"> • working at least 20 hours per week • participating in a state or federal work study program • placed in the post-secondary program by an employment program • medically disabled, or • receiving TANF (TANF also requires students to work). 	<p>Current food stamp rules would also make the following post-secondary students eligible:</p> <ul style="list-style-type: none"> • those responsible for the care of a household member under 6 • those responsible for the care of a household member age 6 thru 11 when day care is not available to allow the student to both attend school and work • single parents of children under 12 who are attending school full time. 	<ul style="list-style-type: none"> • MI wants to encourage work, so post-secondary education is only allowed if the student is working. This may be too much for some households, especially those with young children and/or day care problems. • An alternative would be to impose work requirements on students, which would allow them to be exempt if they have good cause (e.g., day care problems).

Immediate Negative Action on changes

If a household reports a change that would decrease benefits, Michigan would make the change to effect the benefits immediately and send the household a notice for the negative action. If the household disagrees with the negative action, and requests a hearing within the 12 days, benefits will be restored back to the original benefit level until the fair hearing.

Currently when a household reports a change that would decrease benefits, the household must be given a notice of the adverse action 10 days before the negative action occurs. Because of the 10 day notice period, clients that report changes at the end of the month receive an additional month's benefits at the higher level.

- We are working with OGC to determine whether the proposed policy violates client constitutional due process rights
- Households can request a hearing in writing, in person, by phone or through their authorized representative
- If a hearing is requested, benefits will be restored the same day the hearing is requested
- Even if the change is reported a day or two before the end of the month, Michigan can act on it
- This waiver would provide major savings to offset costs of other proposed waivers