



*Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance*

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**Operations Memo 2013-48
September 12, 2013**

To: Department of Transitional Assistance Staff

From:  Lydia Conley, Deputy Assistant Commissioner for Policy, Program and External Relations

Re: TAFDC and EAEDC – BEACON Changes: Screening for Chronic Mismanagement of Funds

Overview

State law requires the Department to provide cash benefits in the form of vendor payments, with respect to housing and utility payments, when a determination is made that the grant has not been used in the best interest of the child or the assistance unit, or where other chronic misuse of benefits is occurring. The law provides that:

- mismanagement of benefits may be presumed whenever rent, mortgage, heat, fuel and/or utilities payments have not been *regularly* made for three or more months without reasonable cause;
- at application and redetermination, the Department must screen households to determine if rent and utilities have been chronically unpaid and if it is appropriate to institute or terminate vendor payments; and
- households must be referred to the Housing Consumer Education Centers (HCECs) and community-based resources for assistance in managing expenses.

Note: There are nine HCECs throughout the state, funded by the Department of Housing and Community Development (DHCD), as resources for housing stability and homelessness prevention.

Obsolete Memo This Operations Memo obsoletes Operations Memo 2013-42.

Purpose of Memo

The purpose of this Operations Memo is to advise TAO staff about:

- the screening process to determine potential cash mismanagement in BEACON;
 - the referral process to an HCEC in BEACON; and
 - when to place clients on vendor payments and when vendor payments may be terminated.
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Case Manager Responsibilities: Screening Process: Shelter Arrearage Page

Effective with BEACON Build 45.8 (scheduled for September 16, 2013), two new pages have been added after the Shelter Expenses page: Shelter Arrearage and Utility Arrearage.

The case manager must ask the questions on those pages for EAEDC and TAFDC clients at application and reevaluation to determine whether there is the possibility of cash mismanagement and whether the client must be placed on vendor payments. The pages will also be available at any time to enter/edit information. The questions on each page are available based on the previous questions' answers:

Shelter Arrearage page

- *Shelter Arrears*: "Are you behind in paying your rent/mortgage?" Click the Yes/No radio button based on the client's answer.
 - ✓ If No is selected, the remainder of the questions on the page will be greyed out. The option to generate an HCEC Referral will still be available.
 - ✓ If Yes is selected, the additional questions on the page must be answered.
 - *Months owed*: "How many months are owed?" Select the number of months from the dropdown field: 1 through >12 based on the client's answer. (Three or more months of arrearages without exception or reasonable cause would lead to mandatory vendor payments.)
 - *Means to pay*: "Do you have means to pay your shelter cost/arrears?" Click the Yes/No radio button depending on the client's answer.
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**Case Manager
Responsibilities:
Screening
Process:
Shelter Arrearage
Page (Continued)**

- *Reasonable Cause:* “Do you have reasonable cause?” The Reasonable Cause situations are: “Temporary setback/emergency” (such as a client who had to use such funds to pay for car repairs in order to maintain their transportation to work, and who otherwise would be up to date) or “Income does not meet basic needs” (basic needs include all household expenses such as rent, heat, electric as well as other basic needs such as, but not limited, to diapers, transportation, and medical bills). Click the Yes/No radio button based on the client’s answer.
 - ✓ If Yes to the “Reasonable Cause” question, then select a Reason from the drop-down box:
 - Temporary setback/emergency; or
 - Income does not meet basic needs.If a Reasonable Cause applies to the client no additional questions will require edit. An HCEC referral must be issued in order to move to the next page. The referral is generated by selecting the HCEC referral at the bottom of the page. The case manager will select the appropriate print location (Local or Central).
 - ✓ If No to the “Reasonable Cause” question, the following pop-up message will be displayed and must be read to the client: “The Department is presuming mismanagement of funds and may pay your cash benefits directly to your landlord.” Exception questions must be answered to determine if there is a reason why they should not be placed on vendor payments.

The exception questions are:

- *Right to withhold payment:* “Are you now, or are you planning to, withhold payment due to your rights as a tenant?” Click the Yes/No radio button based on the client’s answer.
- *Domestic Violence:* “Would putting you on vendor payments increase your risk of domestic abuse?” Click the Yes/No radio button based on the client’s answer.

Note: Due to safety concerns, DV is referred to as Vendor Exception for verification document purposes.
- *Increase risk of homelessness:* “Would putting you on vendor payments increase the risk of homelessness?” Click the Yes/No radio button based on the client’s answer.

Note: Increased risk of homelessness may apply if a client is living in a “doubled up” situation, is not the primary tenant, does not have a lease, landlord is likely to evict rather than agree to inspection or making repairs to the unit to make it pass inspection or other such instances that may increase risk.

Case Manager Responsibilities: Screening Process: Shelter Arrearage Page (Continued)

If Yes is answered for any of these questions, the client must verify the situation(s). Whether the verification has been received or not will be collected on the Shelter Arrearage page with the Verified Yes/No Radio Button. A Verification Notice and an HCEC referral must be issued in order to move to the next page.

The case manager will select the appropriate Print location (Local or Central).

Once Save is clicked for this tab, if there is at least one Yes answer to any of the exception questions a verification notice will be generated for the identified exception reason(s) with the following requests for verification(s):

- ✓ For *Right to withhold payment – Inspection Certificate for Residential Address*. Examples of proof: Copy of health and safety inspection report, statement from the local board of health that a health safety inspection report is pending or other acceptable verification. Due date: 10 days;
- ✓ For *Vendor Exception – Vendor Exception Referral*. Examples of proof: Referral from TAO Specialist. Due date: 10 days;
Note: The TAO Specialist will communicate in writing with the case manager to verify that putting a client on vendor payment would increase the risk of the client not being able to flee a domestic violence situation.
- ✓ For *Increase risk of homelessness – Increased risk of homelessness*. Examples of proof: Shared Living form, statement from landlord or person with whom you are residing, or other acceptable verification, that verifies how vendor payments would increase your risk of homelessness. Due date: 10 days.

When the verification(s) is returned, click the “Verified – Yes” radio button. This will prevent the case from closing for failure to provide verification. Then click the “Approved – Yes/No” Radio Button to indicate that the verification is acceptable. Clicking “No” will make the “Inspection Required” Radio Button default to “Yes.”

Note: Failure to provide any of the verifications listed above, by the due date, will result in the “Verified –No” radio button and the “Approved – No” radio button automatically populating. The “Inspection Required –Yes” radio button will automatically populate and will generate a verification notice to determine that the unit meets health and safety standards.

Reminder: Staff are reminded of their obligation to assist clients who have identified difficulty in obtaining the required proof(s).

Case Manager Responsibilities: Screening Process: Shelter Arrearage Page (Continued)

Once Save is clicked for this tab, if there is No Reasonable Cause and there are all No answers to the exception questions, a presumption of cash mismanagement will be made, the “Inspection Required – Yes/No” radio button will be set to “Yes” and a verification notice will be generated with the following request to begin vendor payments for rent:

- ✓ *Health and Safety - Inspection Certificate for Residential Address.*
Examples of proof: Copy of health and safety inspection report, written statement from the local board of health that a health safety inspection report is pending or other acceptable verification. Due date: 10 days.

Failure to provide this verification by the due date will result in the case being closed for failure to provide verification.

When the verification is returned, click the “Verified – Yes” radio button. The case manager must monitor the “Potential for Mismanagement” view to ensure that the inspection is completed. An ACTUATE report is being developed as an additional monitoring tool.

When the client returns the inspection report, the case manager will update the “Passed Inspection” field on the Shelter Arrearage page with a Yes/No response. Question: “Did your residence pass inspection?”

- ✓ If Yes is answered, the case manager would check the “Initiate vendor payment” check box. Vendor payments must be established according to existing procedures for clients who owe at least three months of shelter payments. The Vendor Payment page will be made Requires reedit once the residence passes inspection.
- ✓ If No is answered, then vendor payments cannot be established and a referral should be made to the Department of Children and Families (DCF), **if necessary**.

Case Manager Responsibilities: Housing Resource Referral Process

Once all questions have been completed, an HCEC Referral must be generated for the client based on answers given (a hard edit will prevent the case manager from leaving the page). The HCEC information listed on the referral will be based on the client’s residential zip code.

**Case Manager
Responsibilities:
Housing
Resource
Referral Process
(continued)**

If the client states that they do not have arrears, has Reasonable Cause or is otherwise not required to be issued an HCEC referral, then the HCEC Referral Question: “Would you like a referral to HCEC?” is available and optional. Click the Yes/No radio button based on the client’s answer. The HCEC information listed on the referral will be based on the client’s residential zip code.

The case manager will select the appropriate Print location (Local or Central).

The Shelter Arrearage page is now complete.

**Case Manager
Responsibilities:
Screening
Process
*Utility Arrearage
Page***

The case manager must ask the following questions on the Utility Arrearage page for EAEDC and TAFDC clients at application and reevaluation to determine if there is the possibility of cash mismanagement and if the client must be placed on vendor payments. The page will also be available at any time to enter/edit information. The questions on the tab are available based on the previous questions’ answers:

Utility Arrearage page

- *Utility Arrears:* “Are you behind in paying your utilities?” Click the Yes/No radio button based on the client’s answer.
 - ✓ If No is selected, the remainder of the questions on the tab will be greyed out. The option to generate an HCEC Referral will still be available.
 - ✓ If Yes is selected, the remainder of the questions on the tab need to be answered.
 - *Months owed:* “How many months are owed?” Select the number of months from the dropdown field: 1 through >12 based on the client’s answer.
 - *Means to pay:* “Do you have means to pay your utility costs/arrears?” Click the Yes/No radio button based on the client’s answer.
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**Case Manager
Responsibilities:
Screening
Process**
*Utility Arrearage
Page (continued)*

- *Reasonable Cause:* “Do you have reasonable cause?” The Reasonable Cause situations are: “Temporary setback/emergency” (such as a client who had to use such funds to pay for expenses related to a family member’s funeral and burial but who otherwise would be up to date) or “Income does not meet basic needs” (basic needs include all household expenses such as rent, heat, electric as well as other basic needs such as, but not limited, to diapers, transportation, and medical bills). Click the Yes/No radio button based on the client’s answer.
 - ✓ If Yes to the “Reasonable Cause” question, then select a reason:
 - Temporary setback/emergency; or
 - Income does not meet basic needs.If a Reasonable Cause applies to the client no additional questions will require edit. An HCEC referral must be issued in order to move to the next page. The referral is generated by selecting the HCEC referral at the bottom of the page. The case manager will select the appropriate print location (Local or Central).
 - ✓ If No to the “Reasonable Cause” question, the following pop-up message will be displayed and must be read to the client: “The Department is presuming mismanagement of funds and may pay your cash benefits directly to your utility company/companies.”
- *Utility Question:* “What utilities are you behind in?”

The case manager must click the check-box for the utility or utilities where payment is past due:

 - Phone/Utility Installation
 - Water and Sewerage
 - Garbage and Trash Collection
 - Electricity
 - Gas
 - Oil

Exception questions must be answered to determine if there is a reason why they should not be placed on vendor payments. The exception questions are:

- *Right to withhold payment:* “Are you now, or are you planning to, withhold payments due to your rights as a tenant?” Click the Yes/No radio button based on the client’s answer.
- *Domestic Violence:* “Would putting you on vendor payments increase your risk of domestic abuse?” Click the Yes/No radio button based on the client’s answer.

Note: Due to safety concerns, DV is referred to as Vendor Exception for verification document purposes.

**Case Manager
Responsibilities:
Screening
Process**
*Utility Arrearage
Page (continued)*

- *Increase risk of homelessness:* “Would putting you on vendor payments increase the risk of homelessness?” Click the Yes/No radio button based on the client’s answer.
Note: Increased risk of homelessness may apply if a client is living in a “doubled up” situation, is not the primary account holder or tenant or other such instances that may increase risk.

If Yes is answered for any of these questions, the client must verify the situation(s). Whether the verification has been received or not will be collected on the Utility Arrearage page with the Verified Yes/No Radio Button. A Verification Notice and an HCEC referral must be issued in order to move to the next page.

The case manager will select the appropriate print location (Local or Central).

Once Save is clicked for this tab, if there is at least one Yes answer to any of the exception questions, a verification notice will be generated for the identified exception reason(s) with the following requests for verification:

- ✓ *Right to withhold payment – Public Utility Contact for Residential Address.* Examples of proof: Written statement from the Department of Public Utilities that the consumer’s rights have been violated, investigation of violation is pending or other acceptable verification.
Due date: 10 days.
 - ✓ *Vendor Exception – Vendor Exception Referral.* Examples of proof: Referral from TAO Specialist. Due date: 10 days.
Note: The TAO Specialist will communicate in writing with the case manager to verify that putting a client on vendor payment would increase the risk of the client not being able to flee a domestic violence situation.
 - ✓ *Increase risk of homelessness – Increased risk of homelessness.*
Examples of proof: Shared Living form, Statement from Landlord or person with whom you are residing, or other acceptable verification, that verifies how vendor payments would increase your risk of homelessness.
Due date: 10 days.
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**Case Manager
Responsibilities:
Screening
Process**
*Utility Arrearage
Page (continued)*

When the verification is returned, click the “Verified – Yes” radio button. This will prevent the case from closing for failure to provide verification. Then click the “Approved – Yes/No” Radio Button to indicate that the verification is acceptable. Clicking “No” will make the “Account info required” Radio Button default to “Yes.”

Note: Failure to provide any of the verification listed above by the due date will result in the “Verified –No” radio button and the “Approved – No” Radio Button automatically populating. The “Account info required–Yes” radio button will automatically populate and will generate a verification notice to determine that the unit meets health and safety standards.

Reminder: Staff are reminded of their obligation to assist clients who have identified difficulty in obtaining the required proof(s).

Once Save is clicked for this tab, if there is No Reasonable Cause and there are all No answers to the exception questions, a presumption of cash mismanagement will be made and a verification document will be generated with the following request to begin vendor payments for the specific utility or utilities:

- ✓ *Account Info Required.* Examples of proof: Utility Bill(s) or Other Acceptable verification with Account(s) Information. Due date: 10 days.

Failure to provide this verification by the due date will result in the case being closed for failure to provide verification.

When verification is received, the case manager must check the “Initiate vendor payment” check box. The Vendor Payment page will be made Requires reedit once the account information is available. Vendor payments must then be established according to existing procedures for clients who owe at least three months of utility payments.

**Case Manager
Responsibilities:
Utility Referral
Process**

Once all questions have been asked, an HCEC Referral must be generated for the client based on answers given (a hard edit will prevent the case manager from leaving the page). The HCEC information listed on the referral will be based on the client’s residential zip code.

If the client states that they do not have arrears, has Reasonable Cause or is otherwise not required to be issued an HCEC referral, then the HCEC Referral Question: “Would you like a referral to HCEC?” is available and optional. Click the Yes/No radio button based on the client’s answer. The HCEC information listed on the referral will be based on the client’s residential zip code. The case manager will select the appropriate print location (Local or Central).

The Utility Arrearage page is now complete.

**Potential for
Mismanagement
View**

New View “Potential for Mismanagement” under Assistance Unit Lists:

This view is for case managers to monitor clients who answered the “Shelter Arrears” question “Yes,” and the “Reasonable Cause” question “No” or for whom an exception has been requested.

When a verification request for the Inspection Certificate is entered from the Shelter Arrears page, the case will not be closed, but the requested verification will remain on the view until the “Passed inspection” field is updated on the Shelter Arrears page. If the verification is not returned within 30 days, send out a new request for the inspection report. The client is responsible to verify that the report is still pending. The client must be given the opportunity to prove the continued pending status until a report is returned to the TAO.

**Case Manager
Responsibilities:
Mandatory
Vendor
Payments**

A client must be placed on vendor payments when:

- he or she does not meet certain TAFDC eligibility requirements and is sanctioned as defined in 106 CMR 706.610;
- he or she has demonstrated an inability to manage funds determined through screening process or where a presumption of mismanagement exists, as defined in 106 CMR 706.620 (A) without an exception;
- he or she requests that vendor payments be established pursuant to 106 CMR 706.630; or
- certain TAFDC or EAEDC related benefits are authorized pursuant to 106 CMR 706.640.

Important: The total amount provided by vendor payments must not exceed the total amount of the grant for which the assistance unit is eligible.

When a vendor payment is made for rental housing, the case manager must obtain written certification from the City or Town Board of Health, or, if in Boston, the Inspectional Services Department, Housing Division, stating that the housing complies with the minimum standards for health and safety. If the housing does not meet these requirements, vendor payments cannot be made.

Case Manager Responsibilities: Mandatory Vendor Payments Vendor payments must be established according to existing procedures. **Note:** Clients subject to mandatory vendor payments are informed of their right to appeal through the existing EBC notices whenever vendor payments are added, changed or ended. If the client is disputing the initial determination of mismanagement then they must be provided the Request for Appeal form.

Removal of Vendor Payments A client that has been placed on mandatory vendor payment(s) due to the Department's determination of cash mismanagement *may* be removed after 6 months provided that the mismanagement will not resume.

The client and vendor must be notified that vendor payments are stopping according to established procedures.

Policy References TCAP - 106 CMR 706.600 through 706.690.

Questions If you have any questions, please have your Hotline designee call the Policy Hotline.

Attachment A

Massachusetts Department of Transitional Assistance

Mary Jones
101 Main Street
Boston, MA 02112

Agency ID: 9999999
Newmarket Square TAO-DTA

Housing Consumer Education Centers (HCEC) Referral

Dear Mary Jones:

Housing Consumer Education Centers (HCEC) can help with housing questions. An HCEC can:

- Help you stay in your home.
- Refer you for fuel assistance.
- Give you local resources.
- Help you find financial literacy and other workshops.
- Refer you to legal services to help you settle housing disputes.
- Give you housing search tips.

Call Metropolitan Boston Housing Partnership, Inc. at 617-425-6700 for help. You can call 1-800-224-5124 for general information.