

Welfare Reform Changes: A Chronology

October 1992 **Implementation of *To Strengthen Michigan Families* began under waivers to federal policies including:**

- Encourage parents to remain together by eliminating “marriage penalties;”
- Disregarding earned income of \$200 plus 20 percent;
- Providing transitional child care and medical coverage when cash assistance ends due to earnings;
- Enhancing child support enforcement tools.

April 1995 **New Policy Implemented:**

- Clients who do not cooperate with employment and training expectations have their grants and food stamps reduced by 25 percent. After 12 months of non-cooperation, their cases will be closed.

May 1996 **New Policy Implemented:**

- Cashing out food stamps for working recipients.

July 1996 **New Pilot Program Implemented:**

- Project Zero Implemented in six pilot sites.

Implementation of Block Grant Reform

October 1996 **New Policies Implemented:**

- AFDC becomes Family Independence Program (P.A. 223 of 1995);
- Joint orientation conducted by the FIA and Michigan Works! Agency (MWA) becomes a condition of eligibility for benefits;
- Minor parents are required to live in approved adult-supervised settings and attend school as conditions of eligibility;

- Mothers with newborn children are excused from Work First only if children are less than 12 weeks of age (previously 12 months);
- Most legal aliens currently residing in the US are eligible for FIP, title XX services and Medicaid but those receiving food stamps or SSI will be cut off in August/September of 1997;
- New entrants to the US are not eligible for any federally-funded program for the first 5 years after entering the US (exceptions are granted for certain classifications of alien groups);
- In two-parent families, one parent is required to work at least 35 hours per week;
- Probation/parole violators and fugitive felons are ineligible for benefits.

November 1996 New Policies Implemented:

- The application for the Family Independence Program is shortened from 23 pages to 6 pages;
- Persons applying for assistance and claiming medical problems are sent to the Social Security Administration for medical determination. They are deferred from participation in Work First until SSA makes the initial disability determination;
- Day care is no longer treated as an expense of employment, but is paid directly to the provider.

December 1996 Policy Change:

- A three-month limit on food stamp eligibility is imposed on 18-50 year old able-bodied individuals without children unless they are working or participating in work training programs an average of 20 hours per week. In addition, Michigan received federal approval to implement a 25-hour monthly community service component that allows participants who volunteer to continue receiving food stamps.

February 1997 Policy Change:

- All Food Stamp participants must cooperate in obtaining child support. Previously only those who received a cash grant or received child care were required to pursue child support.

April 1997 Policy Changes:

- Many eligibility workers and all employment/training and day care workers became Family Independence Specialists;
- Another new classification, the Eligibility Specialist, was created to handle non-family cases;
- New FIP clients who do not cooperate with employment and training expectations are not eligible for cash grants or food stamps beyond an initial 60-day eligibility period;
- Clients who initially cooperate with employment and training expectations and subsequently fail to cooperate have their grant and food stamps reduced by 25 percent. If they are still not cooperating after four months, their case closes;
- The monthly reporting requirement was simplified;
- The Personal Responsibility Plan and Family Contract replaces the Social Contract, Employment Development Plan and Teen Contract.

July 1997 Policy Changes:

- Only cash assets are counted, and limit is raised to \$3,000;
- To be eligible for FIP, 19 year olds must attend school full time and expect to graduate by age 20;
- Families containing an individual who failed to cooperate with requirements to establish paternity or pursue child support are ineligible after four consecutive months of non-cooperation.

October 1997 Policy Changes:

- Project Zero pilot expanded to six additional sites;
- FIP clients meeting the state's 20-hour per week work requirements are eligible for up to one year of job training;
- New low-income family MA for FIP recipients and others;
- Child Day Care payments/standards increased for some groups.

November 1997 Policy Changes:

- Household composition policy mandates the inclusion of stepparents and step-siblings;
- Prospective budgeting implemented for all programs;
- Change reporting will replace the monthly reporting requirement;
- FIA staff will have more time each month to process changes as a single computer deadline date is established at the end of the month;
- Many Food Stamp households with earned income will have a mini-recertification every 3 months;
- Two-parent households may combine their hours of employment-related activities to meet participation requirements.

January 1998 Policy Changes:

- Quick Start Initiative in Child Day Care allows earlier authorization of payment;
- Ongoing clients who fail to attend required orientation are penalized;
- Local offices are given authority to approve and pay exception requests for heat, electricity and furnaces.

February 1998 Policy Change:

- New federally mandated MA programs—children cut off SSI and new SSI-related program for persons entitled to Medicare part A.

April 1998 Policy Changes:

- Ten hour weekly tolerance for child day care authorization will be established;

- Income change reporting requirements will be revised to comply with federal Food and Nutrition Services requirements;
- Child day care providers will be notified when applications are withdrawn or denied;
- Medicaid Home and Community-Based Services will be expanded statewide.

July 1998 Policy Changes:

- One-parent household participation requirements increase for 20 to 25 hours per week and two-parent households remain at 35 hours;
- Welfare to Work implemented—serves a subset of the Work First population as well as non-custodial parents and is administered by the Michigan Jobs Commission (MJC);
- Post-employment training qualification period reduced to working for 10 days at a rate of 25 hours a week. When maintained, post-employment support services will be available for up to one year.

October 1998 Policy Changes:

- New MIChild health insurance program and Medicaid for children (Healthy Kids) coordinated with Department of Community Health (DCH);
- Work First Joint Orientation with MJC now includes a mandatory individual client orientation;
- All employable (non-deferred) adult clients are referred to and remain active with Work First until case closure. FIP case closure, not only meeting the federal work participation requirement is the joint FIA/MJC/MWA goal;
- Opportunities for post-employment training through the local MWA are expanded;
- Project Zero expanded to 23 additional sites.

February 1999 Policy Change:

- Employment Support Services (ESS) car repair limit raised to \$900 and car purchase limit raised to \$1200.

August 1999 Policy Change:

- Work participation requirement for single parents with no child under six years of age raised to 30 hours per week.

October 1999 Policy Changes:

- Work First participants with MWA approval may combine education/training, classroom time, and unsubsidized employment to meet work participation requirement.
- Family Support Services (FSS) to meet non-employment-related needs are now available to all cash (FIP) recipients.

- Employment Support Services (ESS) are now available to unemployed and under employed non-custodial parents of children who receive FIP.
- Employment Support Services (ESS) and Work First Services are now available to all adults of families who receive FIP, MA, FS, or CDC.
- Project Zero expanded to 35 additional sites.

January 2000 Policy Change:

- All applicants are screened for victims of domestic violence who can have work participation and other requirements adjusted and be referred to counseling and supportive services.

June 2000 Policy Change:

- Summer Project initiated to engage the “hard to serve” and those with disabilities in training and life experiences aimed at greater use of community support services by families with multiple barriers to employment.

July 2000 Policy Change:

- Electronic Benefits Transfer (EBT) pilot in Jackson County.

October 2000 Policy Changes:

- Michigan Transitional Medical Assistance implemented.
- Project Zero goes statewide with remaining counties.

January 2001 Policy Change:

- Criminal history background checks and Central Registry checks of Child Development and Care providers are automated to ensure greater safety of children in the care of non-parents.

July 2001 Policy Change:

- Electronic Benefits Transfer (EBT) goes statewide.

August 2001 Policy Change:

- Childcare redesigned to facilitate easier access by working families and families combining education and work.

April 2002

Policy Changes:

- Michigan's Social Welfare Act, PA 280 of 1939, was amended to reflect additional steps in Michigan's efforts to promote self-sufficiency among recipients of the Family Independence Program.
 - Modified the penalty for non-cooperation with child support requirements which is now FIP closure for a minimum of one calendar month.
 - Increased employment participation requirements up to 40 hours per week for all adults unless deferred.
 - Reduced the deferrals from Work First by no longer automatically deferring a parent or caretaker of a disabled child or disabled spouse.
 - Changed the penalty for non-compliance with employment requirements to deny the FIP application or close the FIP case if there is no good cause. FIP closures must remain in effect for one calendar month. A compliance test of up to 40 hours in a 10 day working period must be completed prior to regaining eligibility for FIP closures. If the compliance test is begun before the last day of the penalty period, the FIP case may be eligible for reinstatement

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