I. **Employment Payments and Reduced Copay**

1. **Program intent**

   The intent of Employment Payments (EP) and Reduced Copay (RCP) is to provide additional support up to three months after TANF closes for a family which has become employed and no longer eligible for Pre-TANF, TANF or SFPSS.

2. **Program overview**

   Currently, when a family exits the TANF cash program, there are no support dollars available to provide a cushion or transition off the TANF program. Sometimes a full paycheck is a month away. Families also may have become reliant on receiving benefits at the beginning of the month and no longer have that predictable safety net.

   The employment payments will be paid out through a “step down” approach over three months. The first month after TANF ends, they will receive $100; in the second month, $75; and $50 in the third month.

   The other benefit is the Child Care Reduced Copay (RCP) of $27.00 up to three months.

3. **Eligibility for the Employment Payments**

   To be eligible for the three months of Employment Payments, a participant in the benefit group, or a participant excluded from the benefit group as they have exceeded the allowable time on TANF must:

   - Have obtained unsubsidized paid employment; and
   - Reported timely; and
   - Meet TANF Oregon residency requirements; and
   - Remain at or below 350 percent Federal Poverty Limit; and
   - Be JOBS-eligible and TANF has closed due to one of the following:
     - Have become ineligible for the Pre-TANF, SFPSS or TANF programs due to income above the applicable countable income limit;
     - Voluntarily closed TANF to avoid accruing time toward the TANF time limit; or
Voluntarily closed TANF to be eligible for TBA.

**Example 1:** Arnold is currently a recipient of TANF. He reports timely to his worker the “Big 3” and is now over the Raised Exit Limit standard. His worker closes TANF for 4/30 and converts his program 2 case to P2 (or M5, if eligible for ERDC) and adds the new Employment Payment coding.

**Example 2:** Anwar is not JOBS-eligible as he is an undocumented noncitizen. He reports that he started working at the local shelter and his new income places him over income for TANF. Anwar is not eligible for the Employment Payments.

**Example 3:** Christine is currently receiving TANF and working. She has an open WO step and her income for a family of 3 is still under the Raised Exit Limit. Christine reports an increase in earnings and is now over income for TANF. There is no verification of the additional hours worked. The worker will code the WO step to end the first Friday of the month after TANF closes, leaving the participation hours at the lower, already verified weekly amount, and add the Employment Payment codes online.

**Example 4:** Tatiana is employed and still under the Exit Limit Increase standard. Tatiana reports to her worker that her daughter is now receiving death benefits for her father that passed. The survivor benefits have now made the family ineligible for TANF benefits. Since Tatiana’s earned income is part of the income that put the family over income, the worker informs Tatiana that she will receive three months of Employment Payments.

✔ SEE SECTION TANF-K FOR REPORTING AND ACTING ON CHANGES.

### Specific Requirements: Employment Payments Rule

**461-135-1270** — Specific Requirements: Employment Payments

#### 4. Payments

Employment Payments are not to exceed a total of $225.00 and will be paid out in a three-month period following the closure of TANF benefits.

1\(^{st}\) month - $100.00  
2\(^{nd}\) month - $75.00  
3\(^{rd}\) month - $50.00
There are no restrictions on how many times a participant may access the Employment Payments.

**CAUTION**

In a household where both parents gain employment, only one participant per case may receive Employment Payments.

**Example 5:** Sable is currently receiving Employment Payments. She contacts her worker and states that she is no longer employed. The worker and Sable complete a new application and intake and Sable’s Employment Payments will end and TANF will open. Any Employment Payment received in the new initial month on TANF will be counted as OTH.

Some time has passed and Sable has been actively looking for new employment. Sable informs her worker that she has located new employment and her worker informs Sable that she is potentially eligible for the Employment Payments again.

5. Employment Payment Coding

When the participant is eligible for the Employment Payments, the worker will need to code the UCMS screen with:

A program P2 or M5

Need/Resource (n/r) line:  
EP1 (first month date), 100.00  
EP2 (second month date), 75.00  
EP3 (third month date), 50.00

Employment Payments will automatically drop off the UCMS case when the months are complete. The EP will be issued on the EBT card by the first of the month coded.

If the first EP code is not added to the UCMS case prior to end of month (EOM), the worker will need to request on the Authorization of Cash Payment form (MSC 437) the first month EP payment of $100. Still code the UCMS case with the proper EP coding.

**Example 6:** Noah is eligible for the Employment Payments. The worker closed TANF timely but they forgot to add the EP coding to UCMS. The...
worker will need to code UCMS with the second month and third month EP codes and request a MSC 437 for an SPL for the first month EP payment of 100.00.

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**CAUTION**

If both adults place the TANF case OVI, the payee will have the EP coded on USMS.

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**Example 7:** Amanda and Steve report to their worker that they both started employment at Hipster Café. They both will work 25 hours per week and earn $10.50 an hour (no tips). Their combined income places their family of three over the TANF Raised Exit Limits. Worker will close TANF end of month after their first pay date. Since Amanda and Steve both earn the same, the worker will code the EP payments on the payee.

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6. **Employment Payment coding on SNAP cases**

If the TANF participant goes OVI for TANF and is eligible for TBA, the Employment Payments are not coded on the SNAP case.

If the TANF participant goes OVI for TANF and is not eligible for TBA, workers will need to average the Employment Payment.

**Example 8:** Worker will take the total Employment Payment ($100.00 + $75.00 + $50.00) $225 and divide the total by 3 (which is the three months combined Employment Payments): $225 ÷ 3 = $75.00.

Code the SNAP case with OTH and 75.00. During the third month of payment, workers will need to remove the OTH 75.00 from the SNAP case to ensure proper issuance the following months.

Reduction notice is not needed.

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**Notice Situations; General Information Rule**

461-175-0200 — Notice Situations; General Information
7. **Ending Employment Payments**

Employment Payments end:

- After the third month of receipt; or

- At any time during the three months the participant reports a job loss; or

- When the participant is approved for REF, Pre-TANF, SFPSS or TANF program benefits.

8. **Reduce Copay (RCP) for Employment Related Daycare (ERDC)**

When an ERDC case is opened, the participant’s copay requirement is limited to the $27 minimum copay amount for up to three months in which a copay would apply. When UCMS is coded correctly, the computer will bypass the usual copay calculation and enter a $27 copay amount for the three months of eligibility.

9. **Eligibility for Reduced Copay (RCP)**

Eligibility for the Reduced Copay depends on three factors:

- The family meets all ERDC eligibility criteria and is approved;

- The family has transitioned off of TANF due to employment; and

- The family has requested ERDC within 90 days of closure of TANF.

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**SEE CHILD CARE ASSISTANCE CHAPTERS (CC) FOR ELIGIBILITY REQUIREMENTS FOR ERDC.**

**Example 9:** Emma has reported the “Big 3” and her worker informs her that she is now OVI for TANF and asks if Emma would like to apply for the Employee Related Daycare program (ERDC). Emma states that she does need ERDC. Emma has now established a DOR for ERDC and will need to meet all eligibility requirements. The worker approves ERDC and explains to Emma, that she is eligible for three months of reduced copays. Emma is thankful for all the help her worker has done for her.

If the applicant requests ERDC within 90 days of TANF closure their amount of months to receive the Reduced Copay is dependent on the DOR.
**Example 10:** Ethan reports to his worker that he is now working. Ethan states he no longer needs TANF and he is not interested in applying for ERDC. The worker explains to Ethan that since his TANF is closing out 10/31, if he decides that he is in need of ERDC he will need to contact the office. Ethan calls his worker December 16 and states that he needs to apply for ERDC. His work hours are increasing and he now needs the daycare assistance. Ethan has established his DOR and turns in all verification requirements for the ERDC program and meets eligibility. His worker explains that childcare will begin 12/1 and since Dec is still within the 90 days of his TANF closure, he is eligible for two months of reduced copay (Dec and Jan).

**Example 11:** Abigail’s TANF closed 6/30 and she contacts her DHS office in November for an application for ERDC. Her worker processes the application for ERDC and notes that since Abigail’s request for ERDC is past the 90 days of TANF closure that she is not eligible for the Reduced Copay.

There are no restrictions on how many times a participant may access the Reduced Copay.

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10. **Coding Reduced Copay**

When the participant is eligible for the Reduced Copays, the worker will need to code the UCMS screen with:

- A program M5;
- Case/Descriptor (c/d) line: RCP;
- Need/Resource (n/r) line: RCP (up to 3 month date);
- RCP coding will automatically drop off the UCMS case when the months are complete.

11. **Ending Reduced Copay**

The Reduced Copay ends after the third month of receipt or when the participant requests TANF benefits or becomes ineligible for ERDC.
12. Employment Payment and Reduced Copay notices

The Employment Payments and Reduced Copay are both the approval and closure notice in one. Workers will need to send the notices up front and no other notice is needed for the three month periods.

The Employment Payment notice can be located on NOTM under CMEP123.

The Reduced Copay notice can be located on NOTM under CMRCP01.

No closure notice is necessary if the participant applies for, and is determined eligible for TANF benefits.

**Example 12:** Liam’s TANF is closing due to his earnings. The worker will need to send a closure notice for TANF and the approval notices for EP and RCP. No other notice is needed at the end of the three months for the EP or RCP.

**Example 13:** Ava is currently receiving Employment Payments and Reduced Copay. She is has received her second month payment and reduced copay. Ava is applying for TANF and has met eligibility and TANF will be opened and Ava will restart a JOBS activity where child care is needed. Even though IP and RCP are ending early, closure notices are not needed.

Notice Situations; General Information Rule

| 461-175-0200 | Notice Situations; General Information |

Notice Situations; Client Moved or Whereabouts Unknown Rule

| 461-175-0210 | Notice Situations; Client Moved or Whereabouts Unknown |

Notice Situation; Prior Notice Rule

| 461-175-0300 | Notice Situation; Prior Notice |
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