

CABINET FOR HEALTH AND FAMILY SERVICES
Department for Community Based Services
Division of Family Support
(Amendment)

921 KAR 2:050. Time and manner of payments.

RELATES TO: KRS 205.193, 205.200, 205.232, 205.245, 42 U.S.C. 601-619

STATUTORY AUTHORITY: KRS 194A.050(1), 205.220

NECESSITY, FUNCTION, AND CONFORMITY: KRS 194A.050(1) requires the secretary to promulgate administrative regulations authorized by applicable state laws and necessary to operate the programs and fulfill the responsibilities vested in the cabinet or to qualify for the receipt of federal funds and necessary to cooperate with other state and federal agencies for the proper administration of the cabinet and its programs. KRS 205.220 establishes to whom payments of public assistance grants shall be made and requires the cabinet to prescribe by administrative regulation the time and manner of payments of public assistance grants for eligible individuals. KRS 205.245 provides for assistance to persons who are aged, blind, or have a disability. This administrative regulation establishes the time and manner of payments for the Kentucky Transitional Assistance Program (KTAP) and the Kentucky Works Program (KWP) in conformity with the Social Security Act, 42 U.S.C. 601 to 619, and federal regulations. It also establishes the time and manner of State Supplementation Program (SSP) payments and Mental Illness or Intellectual Disability (MI/ID) Supplement Program payments.

Section 1. Authorization of KTAP Payments.

(1) Method of payment.

(a) A payment shall be issued monthly by:

1. Check;
2. Electronic benefit transfer (EBT); or
3. Direct deposit into a recipient's checking account upon completion by the recipient of the form "PA-63, Direct Deposit Authorization".

(b) A payment shall be issued prospectively.

(2) Initial payment.

(a) A KTAP approval shall not be made for a period prior to the date of application.

(b) The effective date of an initial payment for a KTAP approval shall be the date an application is filed if eligibility factors are met as of that date.

(c) If eligibility factors are not met as of the day of application, the approval shall be effective the date on which all factors are met.

(3) Subsequent and special payment.

(a) Except in a situation pursuant to paragraph (b) of this subsection, a subsequent KTAP payment shall be made for an entire month in which technical eligibility factors are met as of the first day of the month.

(b) A special payment shall be issued:

1. If the regular monthly payment received is less than the entitled amount based on a household circumstance; and
2. For a period of up to twelve (12) months preceding the month of error correction, if the error existed in the preceding months.

(4) Inalienability of payment.

(a) A KTAP payment shall be unconditional and exempt from a remedy for the collection of a debt, lien, or encumbrance from an individual or agency other than the Cabinet for Health and Family Services.

(b) The Cabinet for Health and Family Services may initiate recoupment to recover overpayment of benefits pursuant to 921 KAR 2:016 or in accordance with KRS 205.193 or 205.200.

(c) The Cabinet for Health and Family Services shall make adjustments to an EBT account to correct an auditable, out-of-balance settlement condition that occurs during the redemption process as a result of a system error.

(5) EBT Account Inactivity.

(a) If an EBT account has not been debited in 365 days, the cabinet shall:

1. Expunge a monthly benefit on a monthly basis as each individual benefit month reaches a date that is 365 days in the past; and

2. Notify the household in writing:

a. That the household's EBT account has not been debited in the last 365 days; and

b. Of the amount of EBT benefits that have been expunged.

(b) If a recipient debits the EBT account, the expungement process shall cease.

(6) Eligible payee.

(a) Except as provided by paragraph (b) or (c) of this subsection, a cash assistance payment shall be issued in the name of the approved applicant.

(b)

1. Upon request of an individual specified in this subsection, a KTAP payment for the month of death shall be reissued to the:

a. Widow or widower;

b. Parent;

c. Guardian; or

d. Executor or administrator of the estate.

2. If the payment is reissued to an executor or administrator, a copy of the appointment order shall be obtained as verification.

(c) Payment to a protective payee may be made pursuant to KRS 205.232.

(7) In accordance with 42 U.S.C. 608(a)(12), a KTAP payment received on EBT shall not be accessed via an EBT transaction, such as a point-of-sale terminal or an automated teller machine, at a:

(a) Liquor store;

(b) Business that provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment;

(c) Casino;

(d) Gambling casino; or

(e) Gaming establishment.

(8) The terms used in subsection (7) of this section shall be defined in accordance with 42 U.S.C. 608(a)(12)(B).

Section 2. Supportive Services for KWP Participants. A supportive services payment for a KWP participant shall be made according to the type of service provided, as follows:

(1) A child care payment shall be issued pursuant to 922 KAR 2:160.

(2) A transportation payment pursuant to 921 KAR 2:017 shall be made directly to the KTAP recipient.

(3) Other approved supportive services payments shall be made:

(a) Directly to the provider; and

(b) Within thirty (30) days of receipt of appropriate verification of service delivery of billing, pursuant to 921 KAR 2:017.

Section 3. Authorization of an SSP payment.

(1) Method of payment.

(a) A payment shall be issued monthly by:

1. Check; or
 2. Direct deposit into a recipient's checking account following completion by the recipient of the PA-63; and
- (b) A payment shall be issued prospectively.
- (2) Initial payment.
- (a) The effective date for SSP approval shall be the first day of the month in which:
1. An application is filed; and
 2. Eligibility factors are met.
- (b) An SSP payment shall be made for the entire month of which eligibility factors are met.
- (3) Subsequent and special payment.
- (a) A subsequent SSP payment shall be made for an entire month in which eligibility factors are met as of the first day of the month.
- (b) A special payment shall be made:
1. If the regular monthly payment received is less than the entitled amount based on a household circumstance; and
 2. For a period of up to twelve (12) months preceding the month of error correction, if the error existed in the preceding months.
- (4) Inalienability of a payment.
- (a) An SSP money payment shall be unconditional and is exempt from a remedy for the collection of a debt, lien, or encumbrance from an individual or agency other than the Cabinet for Health and Family Services.
- (b) The Cabinet for Health and Family Services shall initiate recoupment to recover overpayment of benefits.
- (5) Eligible payee.
- (a) A money payment shall be issued in the name of the eligible applicant except as provided in paragraph (b) of this subsection.
- (b) A money payment may be issued to the:
1. Legally appointed committee or guardian; or
 2. Person serving as the representative payee for another statutory benefit such as Supplemental Security Income.
- (c) Upon request of an individual specified in this subsection, an SSP payment for the month of death shall be reissued to the:
1. Widow or widower;
 2. Parent;
 3. Guardian; or
 4. Executor or administrator of the estate.
- (d) If the payment is reissued to an executor or administrator, a copy of the appointment order shall be obtained as verification.

Section 4. Authorization of Persons with MI/ID Supplement Program Payment.

- (1) Method of payment.
- (a) The MI/ID supplement payment shall be made:
1. Quarterly;
 2. By the last day of the month following the month that the certified quarter ends; and
 3. Following receipt of appropriate documentation, pursuant to 921 KAR 2:015.
- (b) The training reimbursement payment for the MI/ID Supplement Program shall be made:
1. Quarterly;
 2. By the last day of the month following the month that the certified quarter ends; and

3. Following receipt of appropriate documentation, pursuant to 921 KAR 2:015.

(2) Initial payment.

(a) Following the notification to the Cabinet for Health and Family Services by the personal care home (PCH) of its intent to participate, the effective date of the MI/ID supplement shall be the first day of a month that certification requirements pursuant to 921 KAR 2:015 are met.

(b) If a Type A citation issued from the Office of Inspector General occurs, payment shall be made only for eligible months pursuant to 921 KAR 2:015.

(3) A subsequent payment shall be made for a month within a quarter in which eligibility factors are met.

(4) Eligible payee.

(a) Payment for the MI/ID supplement shall be made to the participating PCH, meeting MI/ID certification requirements, for an eligible calendar quarter, pursuant to 921 KAR 2:015.

(b) Payment for the MI/ID training reimbursement shall be made to the participating PCH.

Section 5. Incorporation by Reference.

(1) The "PA-63, Direct Deposit Authorization", 09/22, is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, the Department for Community Based Services, 275 East Main Street, Frankfort, Kentucky 40621, Monday through Friday, 8 a.m. to 4:30 p.m. This material may also be viewed on the department's Web site at <https://chfs.ky.gov/agencies/dcbs/Pages/default.aspx>.

(8 Ky.R. 1228; eff. 6-25-1982; Am. 9 Ky.R. 271; eff. 9-8-1982; 10 Ky.R. 945; eff. 2-1-1984; 1101; eff. 5-1-1984; 11 Ky.R. 82; eff. 8-7-1984; 80; eff. 12-11-1984; 12 Ky.R. 1931; eff. 7-2-1986; 13 Ky.R. 973; eff. 12-2-1986; 14 Ky.R. 512; eff. 10-2-1987; 1160; 1562; eff. 1-4-1988; 1904; eff. 4-14-1988; 15 Ky.R. 869; eff. 11-4-1988; 2308; eff. 6-21-1989; 16 Ky.R. 1033; eff. 1-12-1990; 2562; 17 Ky.R. 46; eff. 6-27-1990; 1616; eff. 12-9-1990; 2901; 3132; eff. 5-3-1991; 3548; 18 Ky.R. 297; eff. 7-17-1991; 1245; eff. 11-25-1991; 1245; 3255; 19 Ky.R. 68; eff. 6-24-1992; 1217; 1560; eff. 12-16-1992; 20 Ky.R. 2238; eff. 3-14-1994; 21 Ky.R. 633; eff. 9-21-1994; 2537; eff. 5-17-1995; 22 Ky.R. 2146; eff. 7-5-1996; 24 Ky.R. 1409; 1724; eff. 3-16-1998; 25 Ky.R. 1997; 2613; eff. 6-16-1999; Recodified from 904 KAR 2:016, 7-8-1999; 26 Ky.R. 1717; 1971; eff. 6-12-2000; TAm eff. 10-27-2004; 28 Ky.R. 177; eff. 9-10-2001; 31 Ky.R. 1022; 1282; eff. 1-19-2005; TAm eff. 1-27-2006; 34 Ky.R. 665, 996; eff. 11-19-2007; 38 Ky.R. 413; eff. 11-16-2011; 40 Ky.R. 470; 851; eff. 10-16-2013; 42 Ky.R. 594; eff. 11-18-2015; 49 Ky.R. 926; eff. 2-16-2023.)

MARTA MIRANDA-STRAUB, Commissioner

ERIC C. FRIEDLANDER, Secretary

APPROVED BY AGENCY: September 6, 2022

FILED WITH LRC: September 12, 2022 at 12:50 p.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall, if requested, be held on November 28, 2022, at 9:00 a.m. using the CHFS Office of Legislative and Regulatory Affairs Zoom meeting room. The Zoom invitation will be emailed to each requestor the week prior to the scheduled hearing. Individuals interested in attending this virtual hearing shall notify this agency in writing by November 17, 2022, five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who attends virtually will be given an opportunity to comment on the proposed administrative regulation. A transcript of the

public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on this proposed administrative regulation until November 30, 2022. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to the contact person. Pursuant to KRS 13A.280(8), copies of the statement of consideration and, if applicable, the amended after comments version of the administrative regulation shall be made available upon request.

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