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State of Wisconsin
Governor Scott Walker

TO: **W-2 Agencies**
Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
Workforce Development Boards
Job Center Leads and Managers
Training Staff
Child Care Coordinators

FROM: Janice Peters, Director
Bureau of Working Families
Division of Family and Economic Security

DFES OPERATIONS MEMO					
No:	12-61				
DATE:	11/12/2012				
FS	<input type="checkbox"/>	MA	<input type="checkbox"/>	BC+	<input type="checkbox"/>
SC	<input type="checkbox"/>	CTS	<input type="checkbox"/>	FSET	<input type="checkbox"/>
CC	<input type="checkbox"/>	W-2	<input checked="" type="checkbox"/>	EA	<input type="checkbox"/>
CF	<input type="checkbox"/>	JAL	<input checked="" type="checkbox"/>	JC	<input type="checkbox"/>
RCA	<input type="checkbox"/>	RMA	<input type="checkbox"/>	Other	<input type="checkbox"/> *
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PRIORITY: HIGH					

SUBJECT: **Reminders Regarding Data Exchange and Eligibility Documentation Policies for Wisconsin Works (W-2)**

CROSS REFERENCE: Operations Memo [12-03](#), Changes to the Quarterly State Wage Income Collection Agency (SWICA) Process
Operations Memo [11-42](#), Automatic Update of Unemployment Insurance Benefits in CARES
[W-2 Manual, Chapter 4](#), Case Processing Requirements

EFFECTIVE DATE: Immediately

PURPOSE

The purpose of this memo is to remind W-2 agencies of a number of general W-2 case processing policies that are required by state and federal law. These policies include: 1) Timely reconciliation of data exchange discrepancies; 2) Properly documenting W-2 eligibility determinations, including verifying the Social Security Numbers (SSN) of all W-2 group members, including newborns and verifying school enrollment; and 3) Scanning the signed W-2 application into the Electronic Case File (ECF).

BACKGROUND

As part of its 2011-2012 Single Audit results received earlier this year and early feedback from the 2012-2013 audit, the Legislative Audit Bureau (LAB) found that some W-2 agencies were not processing W-2 cases correctly.

Under last year's audit, LAB found that agencies did not review and follow-up on data exchange discrepancies. This has been a finding in past LAB reports as well.

Based on the preliminary findings of this year's audit, LAB has found that numerous cases did not have adequate case file documentation to verify the Social Security Number (SSN) of newborns or to verify school enrollment. LAB questioned an estimated \$16,256 in W-2 payments due to inadequate documentation.

Below are reminders for W-2 workers regarding review and follow-up on data exchange discrepancies, and verifying and documenting eligibility information.

POLICY AND PROCESS REMINDERS

W-2 Data Exchange (DX) Discrepancies

The Temporary Assistance for Needy Families (TANF) regulations require states to verify the reasonableness of wage and other information provided by persons applying for W-2 through the Income Eligibility and Verification System (IEVS). IEVS matches identify discrepancies between a participant's earned and unearned income information recorded in CARES Worker Web (CWW) and other sources of information. This CARES) process is called data exchange or DX. All W-2 agencies are required to follow up on data exchange discrepancies identified during the DX process. This will help ensure accurate distribution of TANF benefits.

General Reminders for Working DX Discrepancies

Once a discrepancy is set on a case, it displays in the information bar at the top of the page in CWW (next to Action Items and Documents). The primary worker on the case will also see the discrepancy under the "My Tasks" section of the worker's CWW Home Page. Workers can also search for discrepancies using the Caseload Management Search Criteria page.

CARES generates an alert for a discrepancy for the secondary worker. However, all workers must research a DX discrepancy and, if necessary, take corrective action, re-run eligibility, and confirm benefits for the programs that worker manages. Researching a discrepancy means reviewing it and contacting the participant or a third party source to resolve the discrepancy and request verification, if necessary. The discrepancy must be resolved through worker corrective action within 45 days of the match date, unless third party collateral evidence is outstanding. The worker must update the case information with any new information he or she receives.

Once a worker has taken the appropriate actions to resolve the discrepancy, he or she must update the status of the discrepancy. The primary worker updates the status of the discrepancy by choosing one of the options displayed next to the discrepancy in the information bar. The secondary worker must provide updates in case comments.

Important Note: The secondary worker must not update the status of the discrepancy in the information bar. If the secondary worker updates the status of the discrepancy, CARES will remove it from the information bar and remove the discrepancy from the primary worker's "My Tasks". The primary worker may not ever know that it existed. However, if the primary worker updates the status of the discrepancy before the secondary worker has an opportunity to follow-up on it, the alert will remain for the secondary worker as a reminder. For that reason, in cases with both a primary and a secondary worker, the secondary worker must provide updates to discrepancies in case comments.

Once a primary worker begins follow-up on a discrepancy, the worker must update the status of the discrepancy by selecting one of the following:

- C-Waiting for Client info,
- F-Fraud, or
- T-Third Party Verification.

Once the primary worker resolves a discrepancy, the worker must update the status of the discrepancy to one of the following:

- D-Duplicate,
- N-No Impact,
- R-Resolved, or
- W-Withdrawn.

Again, the secondary worker must follow up on discrepancies as well, however, the secondary worker must use case comments to record the status updates.

DX includes verifying data from Unemployment Insurance Benefits (UIB-formerly called Unemployment Compensation Benefits) and the State Wage Income Collection Agency (SWICA). Below are some specific reminders about processing UIB and SWICA data exchange discrepancies.

Unemployment Insurance Benefits (UIB) Discrepancies

During 2011, the Department of Children and Families (DCF) teamed up with the Department of Health Services (DHS) to automatically check for UIB payments and systematically update the CWW Unearned Income page on line and during the monthly batch processing. There are some situations in which the worker will still have to manually review and update the UIB income in CWW, although the automatic update process for UIB is able to handle most cases and situations.

If a discrepancy occurs, it will display on the primary worker's home page under 'My Tasks' the day after one of the batch processes runs. A discrepancy occurs when UIB information is not updated either completely or at all. The worker must update the UIB information necessary to complete case processing before running eligibility and confirming the benefit determination.

SWICA Discrepancies

The quarterly SWICA data exchange compares the earned income information reported by the W-2 participant to the information provided by employers to Department of Workforce Development (DWD) SWICA income for the match quarter. The automated SWICA data match process selects all non-excluded individuals 18 years of age and older who are open for W-2 in all three months of the quarter for which the match is occurring. A discrepancy occurs if the monthly SWICA income plus other income budgeted for that month exceeds 115 % FPL limit for the W-2 assistance group (AG) for two consecutive months in a quarter. The worker must update the earned income information necessary to complete case processing before running eligibility and confirming the benefit determination.

DX WebI Reports

There are eight W-2 Data Exchange reports in WebI. These DX reports contain listings of W-2 participants who have outstanding matches and can assist worker's in monitoring their progress in meeting the 45 and 90 days IEVS requirements for completing reviews. A description of these reports is in the [W-2 Manual, 4.1.5.2](#).

Verifying and Documenting Eligibility Information

General Verification and Documentation Reminders

The W-2 agency must verify nonfinancial and financial eligibility information provided by the W-2 applicant or participant to determine initial and ongoing eligibility for W-2 and Job Access Loans (JAL). Eligibility information requiring verification must be either "validated" or "documented."

Validating for the purposes of verifying W-2 eligibility information means placing the original verification items, or copies of these items, into the case file by:

1. Making a photocopy of an original document and then scanning it into ECF;
2. Using an IEVS data exchange match report;
3. Using a query response from the Systematic Alien Verification for Entitlements (SAVE); or
4. Using a CARES birth query result.

Whenever possible, the FEP should attempt to verify eligibility information via CARES data exchange (DX) (2 through 4 above) and ECF before requesting verification from the applicant or participant. If that is not possible, the applicant or participant is responsible for obtaining verification of information. Photocopies of verification items obtained by the individual should be marked with the date the document was obtained along with the initials of the W-2 agency staff that received the document and scanned it into ECF. (See [4.4.2](#)). The verification code will automatically populate in CARES if the validation occurred through a CARES DX. When validating eligibility information, the worker is not required to enter case comments documenting this information.

Documenting for the purposes of verifying W-2 eligibility information means that the FEP describes the relevant verification evidence in a case note. This is particularly important when self-declaration of verification is permissible. The worker enters the note as a case comment in CARES or scans a case note into ECF based on a conversation with the individual or an observation, inspection, or collateral contact. The worker must enter comments or program-related information for an individual within 24 hours after the action or contact with a participant to ensure a sequential history.

More specifically, LAB found the following eligibility verification items to be missing most often from the W-2 case files it reviewed.

Security Number (SSN)

Providing or applying for an SSN for every member of the W-2 group is a nonfinancial eligibility requirement. The individual can present verification of an SSN or he or she can provide the SSN verbally. Regardless, the worker must enter the SSN on the CWW Household Members page in the SSN field with a "C – Completed Requirements" verification

code. CARES will then verify the SSN through the DX process. Once the DX is processed, CWW will change the “C” to a “V - Verified.”

Newborn SSNs: If the newborn’s SSN is provided, the worker must enter the SSN on the CWW Household Members page in the SSN field with a “C – Completed Requirements” verification code. If the parent does not yet have an SSN for the newborn, leave the SSN field blank. However, parents are required to verify that they have *applied* for a SSN for their newborns. For example, their hospital discharge letter will specifically reference the application for the SSN. If the applicant or participant presents verification that he or she has applied for the newborn’s SSN, then the worker must enter “Yes” in the SSN Cooperation Verification field on the CWW Current Demographics page. The worker must also scan the verification into ECF. The worker must then follow-up with the parent and enter the newborn’s SSN once the Social Security Administration issues it. For example, the worker could set up an alert on CARES screen CMCR as a reminder to contact the parent. When the worker receives the newborn’s SSN he or she must update the Household Members page using the instructions provided above.

School Enrollment

The FEP must verify school enrollment for children subject to Learnfare in order to be determined eligible for W-2. (See W-2 Manual, [16.2.1](#))

Scanning Signed W-2 Applications

All applicants requesting W-2 services, including JALs, must complete and sign a W-2 application. The worker must scan the entire [Wisconsin Works \(W-2\) and Related Application \(2471\)](#) form or a signed copy of the CWW generated Application Summary Signature page into ECF. (See W-2 Manual, [1.4.3](#))

MONITORING

DCF will continue to monitor W-2 agencies quarterly in order to ensure that unemployment and SWICA data match processing is timely. Agencies must process all overdue data exchanges as quickly as possible. DCF will follow up with the W-2 agencies with overdue data exchanges. W-2 agencies that do not make progress in resolving overdue data exchanges will be required to complete a corrective action plan describing how the agency will complete overdue data exchanges and ongoing data exchanges timely.

DCF will increase monitoring of eligibility documentation in order to ensure required documentation of proper eligibility verification. DCF will follow up with agencies that have incomplete eligibility documentation and the agency will be required to obtain missing documentation. W-2 agencies that continually lack eligibility documentation will be required to complete a corrective action plan describing how they will ensure appropriate documentation of eligibility.

ACTION REQUIRED

W-2 agencies must discuss these policies reminders with staff and update any relevant local agency procedures.

CONTACTS

For Policy Questions in the Balance of State: Bureau of Regional Operations, W-2 Regional Coordinators

For Policy Questions in Milwaukee: Milwaukee Operations Section Regional Administrators

For CARES Processing Questions: W-2 Help Desk

*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RCA – Refugee Cash Assistance Program, RMA - Refugee Medical Assistance Program, *Other EP – Other Employment Programs.

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