

# WorkFirst for Working Families

---

## Introduction

This publication is designed to increase your understanding of how employment affects your family's eligibility to receive TANF (Temporary Assistance for Needy Families) and other public benefits.

## May I continue to get money through TANF now that I have a job?

You will still receive a partial TANF grant if your "countable income," after DSHS deducts 50% of your earnings and deducts some other kinds of income that are not counted, is less than the TANF grant amount for your size of family. However, once your countable income is equal to or greater than the grant amount for your family size, your grant will be terminated (ended).

## How will working affect my TANF grant?

DSHS figures your grant amount using "prospective" budgeting, meaning that DSHS looks at the income you expect to receive in the following month to calculate your benefits for that month. Only 50% of your gross earnings may be counted against your TANF grant. Your countable income is subtracted from the amount of your regular grant. For example, for a family of three with anticipated gross earnings of \$1000 in April:

\$1000	gross earnings expected in April
<u>X .5</u>	50% of gross income counted
\$500	countable income for April
\$546	regular grant
<u>-500</u>	countable income for April
\$46	grant provided in April

Even with a \$46 grant, the 60-month lifetime limit on your TANF benefits is still running. Therefore, you need to decide whether going off TANF would be the best option for your family. If you decide to go off TANF, you and your children may still be eligible for medical, food stamp, and child care benefits, which do not count toward the 60 months.

## What if I do not earn the amount I reported to DSHS as my anticipated income?

If you make less than you expect in a given month, DSHS does not have to supplement your grant. DSHS only has to supplement your grant if it makes a mistake in calculating your earnings or your grant amount. Similarly, if you earn more than you expected, you will not have to pay DSHS back, as long as you correctly reported the income you expected to receive. But if your earnings increase or decrease, you must report the change by the tenth of the month following the change so DSHS can adjust your TANF grant for the following month. The reporting requirements state that your reporting obligation begins on the date you receive a paycheck showing the change of income.

## How does income other than earnings affect my TANF grant?

TANF recipients must assign their rights to child support to the State while they are receiving a TANF grant. If an absent parent pays child support greater than the amount of your TANF grant, the remainder will be paid directly to you and will not count against your TANF grant. Note, however, that if the child support payment is more than the TANF grant for two months in a

row, your TANF benefits will be terminated (at the end of the third month) and all the child support will go directly to you. Depending on the amount of child support you receive, you may still be able to receive food and medical assistance.

Other kinds of income are also excluded, including Work Study income, bona fide loans, federal Earned Income Tax Credit (EITC) payments, and DSHS emergency cash grants under the Additional Requirements for Emergent Needs (AREN) program.

### **Will I still be eligible to get subsidized child care now that I am working?**

Most likely, yes. The amount you may earn and still receive child care assistance is higher than the amount you may earn and receive TANF. Working Connections Child Care (WCCC) is the DSHS program that helps pay child care expenses for low-income families. You are eligible for WCCC if your gross income (both earned and unearned) is below 200% of the federal poverty level (FPL) for your family size. WCCC is available for children under 13, and for children between 13 and 19 if a medical provider gives a statement that the child is physically, mentally, or emotionally unable to care for himself or if the child is under court supervision.

You will be required to pay for a portion of the child care costs (called a “co-payment”) based on your income level. The minimum co-payment is \$15 and is required even if you are receiving full TANF benefits. For more information regarding subsidized child care, see our publication [Working Connections Child Care](#).

### **How does working affect my other benefits?**

For every three dollars you earn, DSHS will reduce your food stamps by about one dollar. If your income increases to the point that your food stamps are stopped, you will have to reapply if your income decreases again.

If your TANF grant is terminated based on increased income, DSHS must decide if you are still eligible for Medicaid. If your family received medical assistance three out of the last six months immediately before your TANF grant ended due to employment income, you are eligible for at least six, and most likely twelve, months of transitional medical benefits. After that, children may receive medical assistance as long as family income, after some deductions such as child care expenses, is less than 300% of the federal poverty level. DSHS may never stop your Medicaid benefits when one basis for eligibility ends until it determines that you are not eligible under any other possible basis and then notifies you in writing of its decision. Parents and children who are not eligible for Medicaid may also apply for state-subsidized health insurance through the Washington Basic Health Plan by phoning 1-800-826-2444. See our publications [How Can I Get Medical Coverage or Help With Medical Bills?](#) and [DSHS Medical Programs for Kids](#).

### **What other kinds of help may DSHS give me after I get a job?**

For the first twelve months after your TANF grant ends, you are eligible for **WorkFirst support services**. These are goods and services DSHS can pay for when they are necessary for the person to be able to look for work, prepare for work, or keep work. Examples of possible support services include money for vehicle liability insurance, car repairs, work tools, and clothing for work. See our publication [DSHS Support Services for WorkFirst Participants](#) for more information.

- **Post-employment services** are available for twenty four months after leaving TANF. Some of these services may be available to you depending on funding for the services in your region. You may wish to contact your local office and ask about the availability of “employment retention services” like job coaching and/or “wage and skill progression services” like employment and career counseling and “training and skill progression services” like vocational education training and Adult Basic Education (ABE) or English as a Second Language (ESL).

### **What happens if my job ends?**

Complete a stop work form at DSHS as soon as your job ends. This is a written statement from your employer stating the last day you

worked, the amount of your last paycheck, and when you received it. If your earnings cause you to lose TANF and then you lose your job, you can reapply for TANF. DSHS may consider why you stopped working and may recommend diversion cash assistance rather than TANF. A diversion grant would provide your family with up to \$1500 to help tide you over until you start working again. It is available only once in a twelve-month period and has to be repaid **only** if your family goes back on TANF within twelve months of receiving the diversion grant. When you apply and are found eligible for either TANF or diversion assistance, it is your decision which to accept. Families currently receiving TANF are not eligible for diversion assistance. See our publication [Diversion Cash Assistance](#) for more information.

7137EN

---

**This publication provides general information concerning your rights and responsibilities. It is not intended as a substitute for specific legal advice. This information is current as of the date of its printing, February 2009.**

© 2009 Northwest Justice Project — 1-888-201-1014, TTY 1-888-201-9737

(Permission for copying and distribution granted to the Alliance for Equal Justice and to individuals for non-commercial use only.)