STATE OF IOWA DEPARTMENT OF
Health AND Human
SERVICES

Employees' Manual
Title 13, Chapter B

Revised December 9, 2022

Determining Title IV-E Eligibility

Page

Page

Page

Page

Overview

This chapter explains the criteria for and process of determining eligibility for benefits under Title IV-E of the Social Security Act. Title IV E establishes requirements for the states to follow in administration and operation to receive federal support under the following programs:

- The Title IV-E Foster Care Assistance program. This program is an open-ended entitlement program that provides funds to assist states with the costs of foster care maintenance for eligible children. The program's purpose is to help states provide proper care for children who need temporary placement outside their homes in a foster family home or group care facility.
- The Title IV-E Adoption Assistance program. This program assists states in finding adoptive homes for children with special needs in order to prevent long, inappropriate stays in foster care. The program provides funds to states to support:
    - Maintenance costs for adopted children with special needs (e.g., children who are older, members of a minority or sibling group, or physically, mentally, or emotionally disabled).
    - Reimbursement of nonrecurring expenses associated with the adoption of a child with special needs.

The Title IV-E program also provides funds to support staff training and administrative costs. Claims for administrative costs under Title IV-E help to pay for staff salaries, supplies, and related expenses. Programs for the training of new workers, continuous education of current workers, training for foster families, and training of staff in foster care facilities all benefit from funds provided through Title IV-E.

The Department must document a child's eligibility for these programs to receive federal reimbursement for state expenditures. If a child or the Department does not meet the requirements to claim IV-E funds, the child can receive the same foster care or adoption services. However, it means that less money is available to serve all children and families in Iowa.

Federal financial participation in state expenditures is provided:

- At the Medicaid match rate of approximately 60% for foster care maintenance and monthly adoption subsidy payments.
- At a 50% match rate for related state administrative expenditures, such as time spent for case management and eligibility determination.
- At a 50% match rate for nonrecurring expenses of adoption.
- At a 75% match rate for related state training expenditures.

Another way of looking at the benefits of federal financial participation under Title IV-E is to consider its impact on the costs of foster care and adoption assistance in terms of children. For every five children in foster care who qualify for matching funds under Title IV-E, enough state funds are saved to pay the expenses for three more children in the same type of setting.

This chapter will outline policy and procedure related to completing eligibility determinations related to both IV-E Foster Care and Adoption Assistance. The chapter begins by discussing the criteria for IV-E foster care assistance. This policy discussion distinguishes between:

- Requirements considered at the time the child enters foster care; and
- Requirements considered on an ongoing basis throughout the child's time in foster care.

These sections are followed by a section that discusses current IV-E foster care assistance procedures, including an overview of tasks to be completed in certifying eligibility, the frequency of those tasks, and the responsibility for those tasks.

The latter part of this chapter is focused on adoption assistance. Again, a detailed discussion of the adoption assistance requirements is followed by a brief discussion of the procedures required to certify eligibility for a child.

Legal Basis

Federal statutes and regulations affecting states' provision of child welfare services and eligibility for Title IV-E funds include:

- United States Code, Title 42, "The Public Health and Welfare," Chapter 7, "Social Security," Subchapter IV, "Grants to States for Aid and Services to Needy Families with Children and for Child Welfare Services":
  - Part A, "Aid to Families with Dependent Children" (Title IV-A of the Social Security Act), Sections 602 and 606(a) as of July 16, 1996.
  - Part B, "Child and Family Services" (Title IV-B of the Social Security Act), Section 620.
  - Part E, "Federal Payment for Foster Care and Adoption Assistance" (Title IV-E of the Social Security Act), Sections 670 through 679A, specifically 671(a)(15), 672(a)(1), 672(a)(2), 672(a)(4), 672(b), 672(c), 673(a)(2)(C), and 673.
- Public Law 96-272, the Adoption Assistance and Child Welfare Act of 1980.
- Public Law 99-514, the Tax Reform Act of 1986.
- Public Law 100-203, the Omnibus Budget and Reconciliation Act of 1987.
- Public Law 103-432, the Social Security Act Amendments of 1994.
- Public Law 104-188, the Small Business Job Protection Act of 1996.
- Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
- Public Law 105-89, the Adoptions and Safe Families Act.
- Public Law 106-169, the Foster Care Independence Act of 1999.
- Title 45 of the Code of Federal Regulations, Parts 205, 206, 232, 233, and 302, as of July 16, 1996, for AFDC, and Parts 1355, 1356, and 1357, for IV-B and IV-E.
- Public Law 110-351, the Fostering Connection to Success and Increasing Adoptions Act of 2008.

- Public Law 109-171, the Deficit Reduction Act of 2005.
- Public Law 115-123, Family First Prevention Services Act of 2018
- Public Law 111-312 Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010
- Public Law 112.240 American Taxpayer Relief Act of 2012

Iowa Code Chapter 217 establishes the purposes and general duties of the Department of Health and Human Services. The Department's authority to administer child welfare programs is found in Iowa Code Chapter 234, section 6. Laws governing the jurisdiction and authority of the court over children and family situations are found in Iowa Code Chapter 232.

Rules related to the administration of the Iowa's adoption subsidy program can be found in 441 Iowa Administrative Code 201.

Among other requirements, federal law requires the determination of a child's eligibility under Title IV-E be based upon the Aid to Families with Dependent Children (AFDC) program according to 42 U.S. Code 672(a)(4).

The AFDC program for cash assistance was discontinued following the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. However, a "look back" provision was created for IV-E, which now requires states to make determinations based on the AFDC program as it existed on July 16, 1996, although many of the state and federal laws and regulations governing the AFDC program are no longer in effect.

Iowa Code Chapter 239, as it existed on July 16, 1996, established provisions for the "Family Investment Program" (FIP), Iowa's Aid to Families with Dependent Children (AFDC) program. The rules HHS adopted to administer the AFDC program in Iowa, as they existed on July 16, 1996, include:

- 441 Iowa Administrative Code Chapter 40, "Application for Aid," Division I, "Family Investment Program - Control Group."
- 441 Iowa Administrative Code Chapter 41, "Granting Assistance," Division I, "Family Investment Program - Control Group."

Definitions

"**Aggravated circumstances**" means conditions or facts used by the court to determine whether waiving of reasonable efforts to prevent placement or reunify the child with the parents is in the best interest of the child. Specific situations are defined in federal regulations and Iowa Code. See Aggravated Circumstances for more detail.

"**Applicable child**" means an adopted child who, according to the Fostering Connections to Success and Increasing Adoptions Act of 2008:

- Meets applicable age requirements before the end of the federal fiscal year in which the adoption subsidy agreement is signed, or
- Has been in out-of-home care for 60 consecutive months under the Department of Health and Human Services (HHS) or Juvenile Court Services (JCS) responsibility for placement and care, or

- Is the sibling of a child who meets either of the above criteria and is placed in the same adoptive home.

When determining IV-E adoption subsidy eligibility under the AFDC–relatedness category, the applicable child is not required to meet AFDC financial criteria. See Maintenance Subsidy Requirements: AFDC Eligibility.

"Child Care Institution" means:

- A private or a public child care institution which accommodates no more than twenty-five children, and
- Is licensed or approved by the state or tribe in which it is situated as a licensed facility that meets the standards established for the licensing or approval.

"**Constructive removal from the home**" means that:

- The court has ordered the child removed from the parent, guardian, or custodian **or** the parent or guardian has signed a voluntary placement agreement; **and**
- The child is not living with that same parent, guardian, or custodian at the time of the court order or voluntary placement agreement.

"**CPW**" means child protective worker, a person designated by the Department to perform an assessment in response to a report of child abuse.

"**CTW/BI**" is an acronym for one of the judicial determinations required for Title IV-E eligibility. The court must make a determination that it is **contrary to the welfare** of the child to remain in the home or that it is in the child's **best interests** to be removed from the home. The court order does not have to contain these exact words, but must convey this idea.

"**HHS**" or "**Department**" means the Iowa Department of Human Services.

"**Discharge from foster care**" is defined as the point when the child is no longer in foster care under the care and placement responsibility or supervision of the Department. If a child returns home on a court ordered trial home visit, the child is not considered discharged from foster care unless:

- The court ordered trial home visit is longer than six months, and
- There is no court order extending the trial home visit beyond six months.

"**Episode of out-of-home care**" means the period of time a child spends in temporary placements away from the child's permanent home. An episode of out-of-home care starts when a child is removed from the home of the child's parent or guardian by order of the court or through a voluntary placement agreement. An episode ends when:

- The child is returned to the parent or guardian and custody has been returned; or
- A child placed through a voluntary placement agreement returns home before the agreement expires and no court order granting responsibility for placement and care has been issued; or
- Guardianship is transferred to another person, the child is placed in another home that is intended to be a permanent home for the child, and custody has been placed with the caretaker; or

- Six months have elapsed since the child was returned to the parent, to the home from which the child was removed, or to another home that is intended to be a permanent home under a court ordered trial home visit and there is no court order extending the trial home visit beyond six months.

NOTE: If the child is removed from the home of the parent or guardian during the time the child is on a court ordered trial home visit (the earlier of six months or the date the court relieves the state of the responsibility for supervision), then the episode of care continues.

"Foster family home" means a home in which an individual or a married couple is licensed to provide room, board, and care for a child in a single family living unit for a period exceeding 24 consecutive hours. (441 IAC 112.2(237))

"**FCMP**" means Foster Care Maintenance Payments.

"Fictive Kin" means an individual who is unrelated by either birth or marriage but who has an emotionally significant relationship with another individual who would take on the characteristics of a family relationship.

"**JCO**" means juvenile court officer, an employee of Juvenile Court Services.

"**JCS**" means Juvenile Court Services.

"**Kin**" means one's family and relations.

"**Kinship care**" means the care of a child by kin or fictive kin. Kin are the preferred resource for a child who must be removed from their birth parents because it maintains the child's connection with their families.

"Kinship caregiver" means a kin (e.g., grandparent, sibling, etc.) and fictive kin (e.g., godparents, close family friends, etc.) providing care for a child.

"Kinship Caregiver Payment Program" is a time-limited payment specifically for kinship caregivers to receive financial support for each child court ordered and placed in their care. A kinship caregiver will receive a monthly payment of $300 for each child who is court ordered into their care. Payments are monthly and may start as soon as two months after the child is placed into the kinship caregiver's home and continue for up to six months.

"**IV-E agency**" means the state agency responsible for the administration of the programs authorized under Title IV-E of the Social Security Act. In Iowa, the Department of Health and Human Services is the state agency designated responsible for administering these programs. This authorization extends to Juvenile Court Services through an interagency agreement that authorizes Juvenile Court Services to provide child welfare services.

"Maximus SSI Advocacy Project" is under contract to the Department to assist with applications for SSI benefits.

"**Out-of-home care**," as used in this chapter, is a general term to refer to out-of-home placements under the supervision of HHS or JCS. It is not limited to foster home placements, but also includes placements in other temporary out-of-home settings such as relatives, shelter, detention, group care facilities, and residential treatment centers.

"**Physical removal from home**" occurs when:

- The court orders the removal of the child from the child's parent, guardian, or custodian **or** the parent or guardian signs a voluntary placement agreement; **and**
- The child is physically removed from that home at the time of the court order or voluntary placement agreement.

"**Placement and care responsibility**" means court-ordered authority or the authority conveyed through a voluntary placement agreement to provide supervision of a child and a child's placement. Having placement and care responsibility includes, but is not limited to:

- Responsibility to make placement recommendations and
- Authority to make plans and create permanency goals for the child and to arrange for services towards these goals.

Responsibility for placement and care may or may not include the transfer of custody to the Department or to JCS. However, children whose custody has been transferred from one parent to another parent are not considered to be in an out-of-home placement even if the Department has been ordered to provide supervision, except when the placement is made on a trial basis.

"**Preponderance of evidence**," for purposes of this chapter, means that available evidence is supportive of a conclusion of financial need, and there is no substantiated evidence that would contradict this conclusion.

"Qualified Residential Treatment Program" (QRTP) means a specific category of a non-foster family home setting, for which title IV-E agencies must meet detailed assessment, case planning, documentation, judicial determinations and ongoing review and permanency hearing requirements for a child to be placed in and continue to receive title IV-E FCMPs for the placement (sections 472(k)(1)(B) and 475A(c) of the Act). The facility must also meet the definition of a CCI at sections 472(c)(2)(A) and (C) of the Act, including that it must be licensed (in accordance with section 471(a)(10) of the Act) and that criminal record and child abuse and neglect registry checks must be completed in accordance with section 471(a)(20)(D) of the Act. Further, it must be accredited by one of the independent, not-for-profit organizations specified in the statute or one approved by the Secretary.

"**RE1**" is an acronym for the judicial determination required for Title IV-E initial eligibility. The court must make a determination that indicates the IV-E agency (HHS or JCS) has made **reasonable efforts** to prevent the need for removal.

"**RE2**" is an acronym for the judicial determination required for Title IV-E ongoing eligibility. The court must make a determination that indicates the IV-E agency has made **reasonable efforts** to finalize the permanency plan of the child.

"**Removal home**" means the household whose circumstances are evaluated in relation to the AFDC requirements to determine IV-E eligibility. The removal home is the home of the person who signed the voluntary placement agreement placing the child into care or who is designated by the court as the subject of the "contrary to welfare" determination. See Removal From a Specified Relative for more information.

"**Removal month**" means the month evaluated to determine if the removal household meets the AFDC requirements.

"**SWCM**" means social work case manager, the Department worker at the Social Worker 2 classification who administers social work case management.

"**Court Ordered Trial home visit**" or "**Court Ordered THV**" means that a child who has been in out-of-home care has returned home to a parent, to the home from which the child was removed, or to another home, when placement in that home is intended to become a permanent home for the child and custody is/remains with the Department via a court order.

A trial home visit extends the episode of out-of-home care for up to six months when the trial home visit is considered temporary and a step towards the child's permanent plan. A trial home visit does not include:

1. Regular interactions between a parent and a child who is in out-of-home care,
2. A return home in which a court order gives conditional custody to the caretaker, or
3. A return home in which a court order no longer places custody with the Department by specifically placing custody with the caretaker or by remaining silent regarding custody upon the return of the child.

Prior to 2/1/2021 "Trial home visit" meant that a child who has been in out-of-home care:

- has returned to a parent, a guardian, the home from which the child was removed, or
- has moved to another home when placement in that home is intended to become a permanent home for the child, but remains under the placement and care responsibility of the Department.

"**VPA**" means voluntary placement agreement, an agreement between HHS or JCS and the child's parent or legal guardian for placement of the child in out-of-home care.

Assistance for Out-of-Home Care

The Title IV-E program provides federal reimbursement to states for a portion of the costs of children placed in foster homes or other types of out-of-home care under the responsibility of HHS through a court order or voluntary placement agreement.

Title IV-E benefits are an individual entitlement for qualified children in out-of-home care. A IV-E eligibility determination must be completed for each child placed in out-of-home care to determine the level of reimbursement allowed.

There are two major concepts within the Title IV-E program: "eligibility" and "claiming."

- **IV-E eligibility**: The child's **initial** eligibility is primarily based upon the legal authority for the child's removal and the circumstances of the home from which the child was removed. These factors are considered for the time of the child's removal only. See Initial Out-of-Home Eligibility Requirements. The child's **ongoing** eligibility is dependent upon the child continuing to meet certain criteria. When the child no longer meets these criteria, the child's eligibility for IV-E is terminated. These factors must be considered on an ongoing basis.

  The ongoing requirements relate to the child's current situation, rather than the circumstances at the time of the child's removal from the home. See Requirements for Ongoing Out-of-Home Eligibility.

- **IV-E claiming**: If the child is IV-E eligible, the ability to claim the child's expenses for IV-E funding is based upon facts about the child's situation that can change at any time and on certain procedural requirements that the Department must continue to meet. These factors must be considered on an ongoing basis. Failure to meet them temporarily suspends the child's IV-E claiming.

For children who meet both eligibility and claiming requirements, the federal government will reimburse a portion of the child's maintenance costs as well as administrative and training costs.

When a child is in foster care, receives SSI, and meets all IV-E eligibility requirements, it is possible to claim IV-E for administrative and training costs although maintenance costs cannot be claimed. See Administration and Training Funding and Medicaid for SSI Children for additional information on when IV-E is applicable for administrative costs.

Once a child is established as meeting the initial eligibility requirements for IV-E, the child's status must be reviewed when changes occur to ensure that the child continues to meet IV-E requirements. See Changes Requiring Review of IV-E Status.

Summary of Out-of-Home Eligibility Factors

Eligibility for IV-E funding for out-of-home care is dependent on both:

- The characteristics of the child and family, and
- Conditions the state must meet when removing a child from the home and taking responsibility for the child.

To be eligible for IV-E funding, a child must meet all of the requirements listed in Initial Out-of-Home Eligibility Requirements. The child cannot be claimed to IV-E until all requirements discussed in this section are met. To continue receiving IV-E benefits, a child must continue to meet the requirements listed in Requirements for Ongoing Out-of-Home Eligibility.

The following chart provides an overview of all eligibility requirements for IV-E out-of-home care funding.

REQUIREMENT	APPLICATION	EXPLANATION
Legal authority	Initial eligibility	The removal of the child from the home must result from either a court order or voluntary placement agreement.
Court-ordered removal: Judicial language criteria	Initial eligibility	Language requirements: ▪ The first court order authorizing removal must contain "contrary to welfare" or "best interest" language. ▪ A court order within 60 days of removal must contain "reasonable efforts to prevent removal" language.
VPA removal: Judicial language criteria	Ongoing eligibility	The child can be initially eligible without any court language, but to continue eligibility beyond 180 days, there must be a court order containing "contrary to welfare" or "best interest" language within 180 days of the VPA.
Responsibility for placement and care	Initial eligibility, ongoing eligibility, or claiming, depending on situation	HHS or JCS must have initial (and continuous) responsibility for placement and care of the child, via court order or voluntary placement agreement.
Removal from a specified relative	Initial eligibility	The child must have lived in the "contrary to welfare" or removal home within six months of the removal month, and the removal home must be that of a specified relative.
AFDC relatedness	Initial eligibility	The child must meet AFDC requirements in the removal home at the time of removal including: ▪ Age ▪ Citizenship ▪ Deprivation ▪ Financial need
Claimable placement	Claiming	The child must be placed in a licensed, foster-care-type placement.
RE2	Claiming	At least every 12 months, a court order must contain a finding that the Department has made "reasonable efforts towards the permanency plan" (RE2).

Initial Out-of-Home Eligibility Requirements

This section provides detailed explanations of the IV-E criteria applied in completing an initial determination of the child's IV-E status. Most requirements considered at initial determination relate to the point in time when the child is first placed out of the home and the child's episode of care begins.

Other factors will also be considered that are examined on an ongoing basis. These requirements relate to the child's current situation, rather than the circumstances surrounding the child's removal from the home. The requirements considered at initial determination are discussed in more detail in the following sections:

- Legal authority and judicial language criteria
- Removal from a specified relative
- AFDC relatedness

Legal Authority and Judicial Language Criteria

Legal reference: 45 USC 672

The first Title IV-E eligibility criterion is that the child must be removed from the child's home pursuant to a court order or voluntary placement agreement (VPA). Depending on the type of removal (court-ordered or voluntary), certain judicial determinations are required to establish the child's eligibility for Title IV-E.

In addition, the child must be placed under the care and responsibility of HHS or JCS before being claimed. This section outlines the requirements related to:

- Determining the correct removal document
- Removal by court order
- Removal by voluntary placement agreement
- Responsibility for placement and care
- Documentation of judicial determinations required at initial determination

Determining the Correct Removal Document

Determining the correct removal document is a critical step because the IV-E requirements differ depending on the type of document that authorized the removal.

- For court ordered removals, in general, the removal document will be clear because it is the same date, or within a few days of the date the child is actually placed by HHS or JCS.
- A child removed by voluntary placement agreement may be placed any time during the 90 days in which the agreement is in effect.

If there is a delay between the removal document date and the placement date, to be IV-E eligible, there must be a reasonable explanation for the delay (e.g., child hospitalized when removal is authorized, placement not meeting child's needs immediately available, etc.).

This section outlines some guidance for establishing the removal document and some confusing scenarios that are commonly encountered in that process.

Types of Court Orders

Several general types of court hearings take place in sequence in every court-involved child welfare case. The names and formats of the accompanying orders may vary from area to area and even within an area, depending on the judge. This fact means that determining the removal order is not always as simple as identifying the order by name.

Carefully read the order for any information that implies a placement or order preceding the current one. The Family and Child Services (FACS) system may be helpful if it indicates the child was placed a significant amount of time before the available order. Investigate the possibility of a previous order in this situation.

Any documents containing a narrative history of the child's situation could also indicate when the first order would logically have occurred. In general, if there is any discrepancy between when the child was placed and the date of the order available, obtain clarifying information before making a determination.

Understanding the sequence and types of orders that occur in different situations will provide some additional guidance. The court process is different for delinquency/JCO cases and for Child in Need of Assistance (CINA) cases. See the charts that follow for information about the types of hearings and orders that occur in each type of case.

Delinquency (JCO) Cases: The chart below lists and describes the types of hearings and orders that occur for delinquency (JCO) cases in the general sequence in which they occur.

TYPE	DESCRIPTION
Delinquency hearing and order for detention or shelter	After a child is arrested, a delinquency petition is filed and is followed by an order for detention or shelter. If this is the first order (there was no prior ex parte order, pick-up order or warrant) and the child was ordered into out-of-home care, this is the order for removal.
Police pick-up order or warrant	A pick-up order or warrant is issued if a child commits a crime and police involvement is ordered to place the child in out-of-home care upon locating the child. This is the removal order if it is the first order authorizing the child's placement in out-of-home care.
Adjudication hearing and order	An adjudication hearing in a JCO case is the criminal hearing to determine if the child is guilty or not guilty of the charges brought against the child. If a child had not yet been placed out of home and was found guilty, placement in out-of-home care could be ordered, making this the removal order. A child may be found guilty but allowed to remain at home.

TYPE	DESCRIPTION
Disposition hearing and order	A child adjudicated delinquent who was previously allowed to remain in the home could be ordered into out-of-home care by a disposition order if the judge determines it is necessary. If this is the first order authorizing the child's placement in out-of-home care, this is the removal order.
Review or modification	Reviews for adjudicated delinquents occur at least every six months for children in out-of-home care and at least every 12 months for children who remain in the home. Although not likely, it is possible for this to be the removal order.
Permanency hearing and order	Permanency hearings must occur every 12 months from when a child is first placed in out-of-home care, but can occur more frequently. Since this hearing always occurs after the child's removal from the home, it is not likely to produce the removal order. A permanency order **might** be the removal order only if a child was on a trial home visit for more than six months, returned to out-of-home care, **and** this was the first order authorizing the child's placement back in out-of-home care.
Termination of parental rights hearing and order	Also known as "TPR," this order severs the legal relationship between a parent and child. This is a necessary step toward the adoption of any child. Since TPR occurs only after a child has been in out-of-home care continuously for at least six months, this will never be the removal order.
Commitment order	A mental health commitment order (often referred to as a "229 commitment") or a substance abuse commitment order may be the first order sanctioning removal. If so, it must contain a CTW/BI finding. JCS may or may not be involved with the child at the time of the order.

Child in Need of Assistance (CINA) Cases: The chart below lists and describes the types of hearings and orders that occur for CINA cases in the general sequence in which they occur.

TYPE	DESCRIPTION
Ex parte order	An ex parte order is issued on an emergency basis when there is no time to file a petition due to imminent danger to the child in the home. This is always the removal order, since it is the first order authorizing the child's removal from the home.
Police pick-up order	A pick-up order is most likely issued when a child runs away. Use this as the removal order only if it is the first order authorizing the child's placement in out-of-home care.

TYPE	DESCRIPTION
Removal hearing and order	If there was an ex parte order, a removal hearing must be held within ten days (unless waived). In this situation, although the order may be titled "Removal Order," the ex parte order is the removal order for IV-E.
Adjudication hearing and order	An adjudication hearing pursuant to a CINA petition determines if the court can intervene in the child's family. If this intervention is to place the child in out-of-home care, this is the first order authorizing removal from the home and is the removal order.
Disposition hearing and order	A disposition hearing occurs 45-60 days after the adjudication hearing to determine the appropriate services to offer the child. If the child had remained at home until this time but placement in out-of-home care is determined appropriate, this could be the first order authorizing removal from the home—the removal order.
Review or modification hearing and order	Review hearings occur at least every six months for children in out-of-home care, and up to every 18 months for children at home with a CINA case. Additional reviews or modifications can occur more frequently if needed. These orders could order additional services, a child's return home, or a child's placement in out-of-home care. If this is the first order that authorized the child's removal from the home, it could be the removal order.
Permanency hearing and order	Permanency hearings must occur every 12 months from when a child is first placed in out-of-home care, but can occur more frequently. Since this always occurs after the child's removal from the child's home, this is not likely the removal order. A permanency order might be the removal order only if a child was on a trial home visit for more than six months but returned to out-of-home care, and this was the first order authorizing the child's placement back in out-of-home care.
Termination of parental rights hearing and order	Also known as "TPR," this order severs the legal relationship between a parent and child. This is a necessary step toward the adoption of any child. Since TPR occurs only after a child has been in out-of-home-care continuously for at least six months, this will never be the removal order.
Commitment order	A mental health commitment order (often referred to as a "229 commitment") or a substance abuse commitment order may be the first order sanctioning removal. If so, it must contain a CTW/BI finding. HHS may or may not be involved with the child or family at the time of the order.

Children with Multiple Out-of-Home Placements

A child may enter and leave out-of-home care multiple times. If the child has been home for less than six months, the child's most recent removal and placement into out-of-home care could be a continuation of a previous out-of-home care episode rather than new episode of out-of-home care. See Child in Home of Parent (Trial Home Visit).

Relative Placements

If the apparent start to a child's episode involves the removal of a child from a relative's home following a court order, consider whether HHS was involved with supervising the relative placement based upon a previous court order.

If so, this is a change of placement and a continuation of the previous episode of out-of-home care rather than a new episode. The eligibility determination would be based on the court order and removal household information in the month when the child was placed with the relative.

Commitments

When a child is removed and placed by a commitment order (either a mental health commitment or a substance abuse commitment), this order is the first order that sanctions removal.

The commitment order must contain a CTW/BI finding. This is true regardless of whether HHS or JCS was involved at the time of the commitment order and placement.

Initial Placement Before Court Order or VPA

Under Iowa law, police and doctors have legal authority to place a child in certain out-of-home settings without a court order. After a short time (usually a few days) if the child is not returned home, HHS must seek a court order for continued placement of the child.

In this situation, it is the order for placement beyond the 48-hour period that should be considered the removal document for IV-E purposes. However, the child's episode begins at the time the doctor or police officer places a legal hold on the child, since the parent or guardian has no right to move the child.

In certain jurisdictions, judges issue a verbal order, typically in after-hours emergencies. When this occurs, the first written order that records or follows the verbal order should be considered the removal order for IV-E purposes. This written order will generally occur a few days after the child is actually removed from the home and placed in an out-of-home care setting.

For similar situations with juvenile offenders, see Juvenile Removals.

1. On April 2, Elizabeth is brought to the emergency room with injuries severe enough to require her being admitted to the hospital. Dr. Smith and the hospital staff do not find the explanation provided by Elizabeth's mother to be credible, and, therefore, place a hold on Elizabeth and contact HHS.

   After two days, HHS obtains an order authorizing Elizabeth's continued out-of-home placement. During this time, Elizabeth remains in the hospital. On April 5, Elizabeth is medically cleared for release and is placed in a foster home.

   Elizabeth's out of home placement episode begins on April 2, although the court order authorizing her placement was not until April 4, and her placement into a foster home was not until April 5.

2. Charlie is born on May 4 and appears healthy. HHS has had previous involvement with Charlie's mother and has asked the hospital to notify HHS when she gives birth. The hospital notifies HHS on the day of Charlie's birth, but does not place a hold on Charlie since there are no medical grounds to do so.

   On May 8, HHS files for and receives a court order authorizing Charlie's placement in foster care upon release from the hospital. On May 9, Charlie is medically cleared for release and is placed in a foster home. His out-of-home care episode begins on May 9 when HHS places him in a foster home pursuant to the court order.

   Although HHS was aware of Charlie on May 4, his out-of-home care episode did not begin then because neither the hospital nor HHS had legal authority for his placement. The mother could have left with Charlie until the May 8 order was obtained.

Conditional ("Self-Executing") Orders

HHS sometimes uses a conditional order to work with the family to prevent the removal of the child. A document that allows the child to stay in the home on a conditional basis cannot be considered the removal order for IV-E purposes.

If the child is placed after a conditional order and there is no court order at the time of removal, the next court order after the removal that addresses the removal must be used as the IV-E removal document.

On May 14, the court issues an order granting supervision of Brian to HHS, but allows him to remain with his mother, Ms. B. The court requires that Ms. B attend outpatient drug treatment as a condition to prevent Brian's removal.

On June 25, the Department is notified that Ms. B has discontinued outpatient treatment. The Department removes Brian and places him in foster care based on the May 14 order. The next court date is July 10. At that hearing, the judge acknowledges that the mother stopped attending treatment, necessitating Brian's removal.

Because the May 14 order allowed Brian to remain in the home, it cannot be used as the "removal order" for IV-E. The order at the time of or after the removal, the order of July 10, must be considered the removal document in this scenario.

Group Care or Residential Placement

In general, the date of the removal document should closely correspond with the date of removal. However, in many cases when HHS facilitates the placement of children into group care or residential facilities, the date of the court order or voluntary placement agreement that authorized the removal can differ greatly from the actual date the child was placed out of the home.

Children are placed in group care facilities only when they require special treatment services. There are a limited number of spaces in such placements, and a bed may not be available for a child for a few weeks or months. The original court order or voluntary placement agreement that authorizes the child's placement in such a setting can still be used as the removal document.

However, the IV-E IM worker should explain the reason for the delay in the eligibility file.

> On June 14, the court-orders the placement of John into a residential treatment facility. At the time of the order, there are no residential beds available for John. While waiting for a bed, John remains in the home, and HHS arranges for John to receive day treatment.
>
> On July 26, a bed becomes available and John is placed out of the home after six weeks on a waiting list. Although John was not placed until July 26, the June 14 court order is considered the removal document, since it is the order that initially ordered the out-of-home placement. John is considered removed on July 26.

Expired Voluntary Placement Agreements

A voluntary placement agreement (VPA) may be signed for placement of a child but not be executed or it may expire before being executed. The child may not be placed until a few weeks or months later for a variety of reasons, such as a placement is being located, or a child is hospitalized or has run away.

A VPA that expires before the child's placement can never be used as the authority for removal. Another VPA or court order closer to the child's actual removal must be used as the removal document.

On April 1, the mother of Sandra and Brad signs a VPA that allows HHS to place both children outside of the home. The VPA expires June 29.

Sandra, who is 2 years old, is placed on April 1. However, Brad, who is 15 years old, is more difficult to place and remains home with his mother until a group home bed opens up on July 15.

On June 28, HHS obtains a court order for both children stating placement outside the home is in their best interests. The order authorizes the continued placement of the children under the responsibility of HHS.

Because Brad remained in the home until July 15, the VPA had expired by the time he was placed. Therefore, it cannot be used as his removal document. Instead, the June 28 court order is the legal authority for Brad's removal.

Day Treatment

Before a child is removed from the home for placement in a treatment setting, HHS or JCS may try day treatment as a less restrictive alternative for the child to prevent the need for out-of-home placement. During day treatment, as the name implies, the child spends the day at a treatment facility but returns home for the night.

A child in day treatment is not considered to be in out-of-home care, even if the court orders such treatment. However, the child may qualify for IV-E if the child's needs later require out-of-home placement and an order is obtained at that time.

The removal document would be the order that authorized the out-of-home residential treatment, not the order that authorized day treatment.

Runaways

When a child's removal has been authorized by court order, but the child runs away before HHS or JCS locates and places the child, the child may be considered removed by the original court order, even if HHS or JCS does not locate the child immediately.

Provided the court order remains open and HHS or JCS still has authority to place the child based on this order, the original order would be considered the order which authorized the removal.

Note that in these situations it is critical to establish that the "living with a specified relative requirement" has been met, as discussed in Removal From a Specified Relative later in this chapter.

See further discussion of children who run away **after** being placed in section, Responsibility for Placement and Care.

Juvenile Removals

The IV-E requirements also apply to delinquent youth and juveniles in need of out-of-home-placement. In these cases a child's placement in a traditional foster care setting may be preceded by placement in a juvenile setting such as detention.

It is the order that caused original removal of the child from the child's home that is the relevant order for removal even if that document did not order the immediate placement of the child in a foster care setting.

JCS may not realize the criticality of providing this first court order. When determining eligibility on a juvenile case, it is particularly important to scrutinize the information provided to validate that the correct order has been provided.

- 48 Hour Holds

  Juveniles are frequently placed in and out of detention on a temporary basis. Both the police and JCOs have authority to place the child in detention without a court order in certain jurisdictions.

  If the child has had a previous detention placement, consider whether the child's return home was a court ordered trial home visit. See Child in Home of Parent (Court Ordered Trial Home Visit).

  If the child returned home after the 48-hour period and no legal action was initiated, this period does not start an episode of out-of-home care, even if the child is placed in out-of-home care at some point in the future.

  If the child moves from the 48-hour hold to a subsequent placement, or legal action is initiated during the 48-hour hold, this is the start of an out-of-home care episode.

  The earliest court order that authorizes the child's out-of-home placement should be considered the removal order for IV-E purposes, even if it is an order that only authorized the 48-hour hold.

- Pick-up Orders, Detention Orders, and Warrants

  When a child has committed a crime or is believed to have committed a crime but has not attended court hearings, the court may issue a pick-up order or detention order for the child. Such an order authorizes the child to be taken into physical custody once the child is located.

  If the child is subsequently located and placed in out-of-home care pursuant to this order, the pick-up order or detention order should be considered the removal order for IV-E purposes.

Removal by Court Order

Legal reference: 42 USC 672 (a)(1)

Children removed from the home by a court order must meet a number of judicial determination requirements in order to be IV-E-eligible. The timing of these determinations is based upon the date of removal of the child.

Contrary to Welfare

Legal reference: 42 USC 672, 45 CFR 1356.21(c)

Title IV-E requires that agencies remove children from their homes only as a last resort. To ensure that agencies follow this requirement, Title IV-E rules mandate that an independent third party, the court, review the circumstances of the case to determine that removal is the only option.

Specifically, Title IV-E requires a determination to the effect that remaining in the home is "contrary to the welfare" of the child, or that out-of-home placement is in the "best interests" of the child.

- For a child to be IV-E eligible, the **initial court order** authorizing removal of the child must include a "contrary to welfare" or "best interests" (CTW/BI) determination.
- If the determination is not obtained within these time limits, the child can never be IV-E eligible during this episode in out-of-home care.

Delinquent juveniles placed in out-of-home care through Juvenile Court Services (JCS) need to meet the same Title IV-E criteria in order to be eligible for federal reimbursement. The CTW/BI requirements must be met within the time limit outlined above, even when the court has not ordered JCS involvement in the placement of the child.

"Contrary to welfare" determinations must be based on the interests of the child. However, removal in JCS cases frequently relates to community interests rather than the needs of the child.

It is permissible to include language referencing community protection as long as it is combined with a statement that indicates that removal and placement are in the best interests of the child.

An order stating the child is to be removed from the home because the child is a threat to the community does not satisfy this requirement, because it focuses solely on the needs of the community.

Deciding if an Order Meets CTW/BI Requirement

Examples of court order language that satisfies the "contrary to the welfare/best interests" requirement include:

- The child is without proper care, custody, or support and immediate protective custody is necessary to prevent personal harm to the child.
- The removal from the home is (or was) necessary to protect the child.
- The parents or other person exercising custodial control are unable or unwilling to protect the child.
- Remaining in the home is contrary to the welfare of the child.
- The child will commit or attempt to commit other offenses injurious to the child and the community before the court disposition.
- The child is in need of placement services to protect the child and the community from injury.

There is no requirement that the court use the **exact** wording identified above, but rather that the court make a finding **to the effect that** it is contrary to the welfare of the child to remain in the home. Many judges express these conditions in other terms.

To meet the "contrary to welfare" requirement, the court must not only authorize the removal but also base that removal on an assessment that the conditions in the child's home jeopardize the child's health, safety, or welfare.

When the court does not use the specific words "contrary to the welfare" or "best interests," it falls to the reader to establish the court's intent regarding these factors. Questions that may help to interpret the court's language and the court's intent include:

- Does the judge think that the conditions in the home require the child's removal?
- Is the order for removal based on the judge's conviction that the conditions in the home jeopardize the child's health, welfare, or safety?
- Does the order communicate the court's opinion that it is in the child's best interests to leave the child's current caretaker and be placed in another setting?
- When referring to agency statements and documents, is the court accepting the agency's position as its own?
- Is the court addressing the child's interest and needs rather than family or agency issues?

Reasonable Efforts to Prevent Removal

Legal reference: 42 USC 672, 45 CFR 1356.21(b)(1)

Title IV-E requires that agencies make efforts to avoid removing children from their homes. To ensure that agencies follow this requirement, the court must review the circumstances of the case to determine that the agency has made a reasonable attempt to prevent the removal.

Since removal of the child from the home makes an irrevocable change to that family, it is important that the court makes clear that efforts were made to prevent the removal **before** removing the child.

Specifically, Title IV-E requires a judicial determination *to the effect that* "reasonable efforts were made to prevent the removal" of the child (RE1). A finding that no efforts were reasonable, given the situation, would also meet this requirement.

- IV-E requires a court order within 60 days of the initial order sanctioning the child's removal that contains a judicial determination that reasonable efforts were made to prevent removal of the child. If this requirement is not met, the child will never be eligible for the entire episode of out-of-home care.
- The child is not eligible for IV-E until the month in which the RE1 requirement is satisfied.

The RE1 requirement applies to children who enter care through JCS involvement as well as traditional foster care children. The "reasonable efforts to prevent removal" requirement must still be met within the time limit outlined, even when the child is not yet involved with or supervised by JCS.

Aggravated Circumstances

Legal reference: 45 CFR 1356 (b)(3); Iowa Code sections 232.102(12) and 232.116(1)(h)

In certain situations, the court may find that reasonable efforts are not required due to "aggravated circumstances." Aggravated circumstances are indicated by **any** of the following:

- The parent has abandoned the child; or
- The parent has been convicted of murder of a sibling of the child; or
- The parent has been convicted of a felony assault that resulted in serious bodily injury to the child or a sibling of the child; or
- The parent has been convicted of aiding, abetting, attempting, conspiring in, or soliciting the commission of the murder or voluntary manslaughter of a sibling of the child; or

- The parent's rights with respect to another child in the same family have been terminated, and there is clear and convincing evidence to show that the offer or receipt of services would not be likely to correct the conditions that led to the child's removal within a reasonable period of time; or
- The court finds that **all** of the following have occurred:
    - The child meets the definition of child in need of assistance based on a finding of physical or sexual abuse or neglect as a result of the acts or omissions of one or both parents.
    - There is clear and convincing evidence that the abuse or neglect posed a significant risk to the life of the child or constituted imminent danger to the child.
    - There is clear and convincing evidence that the offer or receipt of services would not correct the conditions that led to the abuse or neglect of the child within a reasonable period.

To consider the RE1 requirement met due to aggravated circumstances, the court must note that reasonable efforts are not required and that aggravated circumstances exist, or that one of the outlined conditions exists.

Deciding if an Order Meets the RE1 Requirement

Examples of statements that satisfy the "reasonable efforts" criteria for children under the agency's legal responsibility include:

- Reasonable efforts were made to prevent removal of the child.
- Reasonable efforts were made to eliminate the need for the removal of the child.
- All reasonable services have been exhausted in an attempt to keep the child in the home.
- Due to the emergency nature of the situation, no efforts to prevent removal were reasonable.
- The situation did not require reasonable efforts because aggravated circumstances exist.

There is no requirement that the court use the specific words "reasonable efforts" or any of the specific phrases outlined above to satisfy the RE1 requirement.

However, the order must communicate the court's conclusion that satisfactory efforts have been made to prevent the need to place the child out of the home, or that the situation precluded such efforts.

It is not enough for the order to provide a laundry list of efforts made. Rather, the order must communicate:

- The court's assessment that these services provided or actions taken (or lack thereof) were reasonable given the situation at hand, or
- The court's agreement with HHS or JCS assessment that the services (or lack thereof) were reasonable.

Examples of questions to ask to interpret the court's language and understand the court's intent include:

- When referring to agency statements and documents, is the court accepting the agency's position as its own?
- Does the judge believe that the agency is taking, has been taking, or has taken proper steps to maintain the child in the child's home or prevent out-of-home placement of the child?
- Does the court believe that the situation in the home made efforts to maintain the child in the child's home impossible?
- Has the court acknowledged that reasonable efforts are not required because one of the "aggravated circumstances" situations exists?

Removal by Voluntary Placement Agreement

Legal reference: 42 USC 672 (a)(1)

Children removed via a voluntary placement agreement must meet judicial determination requirements that differ from those required with a court-ordered removal. The timing of these judicial determinations is based upon the date of placement of the child.

A voluntary placement agreement is statutorily defined as an agreement made between the state agency and the child's parent or guardian for placement of the child in foster care. For a VPA to be considered valid, it must be signed by **both** the parent or legal guardian and an HHS representative.

Consider the following guidelines when a child is placed pursuant to a VPA:

- The agreement is not valid until both parties sign it. If each party signs it on a different day, it is not valid until the latter of the two days.
- IV-E funding cannot be claimed on a voluntarily placed child until the first day of the month in which the VPA is signed by both required parties, even when the effective date on the document falls within an earlier month or the child was placed in an earlier month.
- Only a parent or legal guardian may enter into a voluntary placement agreement with HHS. A VPA signed by a caretaker who is not the child's parent or legal guardian is not acceptable, even if that person has cared for the child for an extended period. The child cannot be IV-E eligible for the entire episode of out-of-home care if the VPA is not properly signed.

- For children under 18 years of age VPAs are valid for 90 days unless terminated by parent or guardian or by HHS.
- The VPA must still be in effect when the child enters foster care placement. If the VPA has expired by the time of the child's placement, it is not a valid placement authority for IV-E purposes.
- The VPA authorizes the child to be placed in foster care. If the child is placed with an unlicensed relative or in a non-foster care setting, the VPA is not a valid placement authority for IV-E purposes.

  For IV-E purposes, do not consider this the start of an episode of out-of-home care. If this is a subsequent placement and there has been no court involvement in the placement, end the episode.

Contrary to Welfare/Best Interest Determinations

Legal reference: 42 USC 672 (g)(2), 45 CFR 1356.22(b)

Children placed with a VPA can be initially IV-E eligible, provided other IV-E eligibility requirements are met. However, for the child to remain IV-E eligible, a court order must be obtained within 180 days of the date the child is placed containing:

- A CTW/BI determination, or
- A determination that remaining in foster care is in the child's best interests.

Any order within the 180-day time limit that contains such a determination is satisfactory to meet this requirement, even if it falls after the period of the VPA. If "best interest" language cannot be obtained within 180 days, the child then becomes ineligible as of the 181st day, and can never be eligible again during this episode of out-of-home care.

NOTE: This requirement is distinct and separate from the requirement for ongoing responsibility for placement care before expiration of a VPA. A child's IV-E status may be affected if a court order is not obtained before the 90-day VPA expires. See Requirements for Ongoing Out-of-Home Eligibility for further discussion of this issue.

A child removed pursuant to a VPA requires a "best interest" determination to continue to be IV-E eligible, but does not require a RE1 determination. Reasonable efforts to prevent placement are not required for a child placed pursuant to VPA because the parents are requesting the placement of the child. Reasonable efforts are required only when the removal is involuntary.

Responsibility for Placement and Care

Legal reference: 42 USC 672(a)(2)

For a child to be IV-E eligible, the child's placement and care must be the responsibility of HHS or JCS. "Responsibility for placement and care" means authority conveyed through a court order or voluntary placement agreement to provide supervision of the child and the child's placement.

Having responsibility for placement and care means that HHS or JCS has a responsibility to:

- Make placement recommendations,
- Monitor the placement of the child,
- Make case plans for a child,
- Create permanency goals for the child, and
- Arrange services towards the child's permanency goals.

Responsibility for placement and care must be maintained for the child to remain IV-E-eligible. This requirement is discussed further under Requirements for Ongoing Out-of-Home Eligibility later in this chapter.

Determining HHS or JCS Responsibility for Placement and Care

A child cannot be IV-E eligible until placement and care responsibility has been established. Typically, responsibility for placement and care is granted when the court:

- Gives custody of the child to HHS or JCS, or
- Gives custody to the child's placement and orders HHS or JCS to supervise that placement.

However, the court need not use the term "custody" or "supervision." If the child is removed by court order, carefully examine the order to ensure that it includes responsibility for placement and care. If it does not, examine each subsequent order.

Although the out-of-home care episode may begin, the child is not eligible for IV-E (and claiming may not begin) until the responsibility for placement and care criterion is met.

When a parent or guardian signs a voluntary placement agreement with HHS agreeing to out-of-home placement of the child, the parent or guardian is giving responsibility for placement and care to HHS.

- If a child is returned home during the period of the agreement and no court order granting responsibility for placement and care has yet been issued, the voluntary agreement (and the responsibility for placement and care) should be considered terminated, and the episode of out-of-home care ended.
- If the VPA expires before a court order is issued continuing HHS care and placement responsibility but the child has remained in foster care placement during this time, the episode of care continues.

  However, IV-E funding may not be claimed during this time. Resume claiming beginning with the first day of the month in which all IV-E requirements are met.

Child in Home of Parent (Court Ordered Trial Home Visit)

Legal reference: 45 CFR 1356.21(e)

If a child has previously been in out-of-home care and is now returning to out-of-home care after a stay with a parent, guardian, or other permanent caretaker, it is imperative to determine if this time at home should be considered a court ordered trial home visit.

- If the child returns home for less than six months and custody is/remains with HHS or JCS, this is considered a court ordered trial home visit.
- If the child returns home for more than six months, and the court order no longer places custody with the Department by specifically placing custody with the caretaker or by remaining silent regarding custody upon the return of the child, the return home should be considered permanent.

For the purposes of this discussion, the child's "home" includes the home of the caretaker from whom the child was originally removed and placed in out-of-home care, the child's biological or adoptive parent, or a person given guardianship of the child.

If the child returns to placement during a court ordered trial home visit as defined above, the episode of out-of-home care is considered to be continuous, and no new initial determination is required.

However, if the return home was permanent, any subsequent out-of-home placement should be considered a new episode of out-of-home care requiring a new initial determination.

1. Mark has a history of suicide attempts and voluntary psychiatric hospitalizations. His most recent hospital stay is from March 3 to March 15.

   Mark returns to his mother's home and HHS becomes involved to seek group care for him. A court order for placement is obtained. On April 1, Mark is placed in a residential treatment center.

   Mark's return home is not considered a court ordered trial home visit. Because HHS had no responsibility for placement and care of Mark during his hospitalizations, an episode of care had never started. The beginning of Mark's episode is the April 1 group care placement pursuant to the court order.

2. On May 1, the police place Stacey into detention after taking her into custody on assault charges. The next day a detention hearing is held and Stacey is released to her parents under the custody and supervision of JCS. On May 29, Stacey is placed into out-of-home placement.

   Because JCS retained custody while Stacey was home with her parents, the return home should be considered a court ordered trial home visit. The episode begins with her May 1 removal, and the first order is the May 2 detention order.

3. Susan is removed and placed into foster care due to abuse and neglect in her home. After working extensively with Susan and her family, HHS returns Susan to the home of her father, although the court orders that custody remain with HHS while Susan is in her father's home.

   After four relatively stable months, HHS receives a new referral about abuse in the home. With authorization of the court, Susan is taken out of her father's home and placed back into foster care.

   Susan's return home was a court ordered trial home visit. She was home for less than six months and HHS maintained custody during that time.

Runaways

The episode of out-of-home care continues when a child runs away from out-of-home placement provided HHS or JCS maintains responsibility for placement and care.

If the child returns to placement after a period on runaway status, consider this a continuation of the same out-of-home care episode rather than a new episode of care requiring a new initial determination. This is true even when the child runs for several months or a year, provided HHS or JCS maintained placement and care responsibility during that time.

See further discussion of children who run away **before** their initial placement in the section Determining the Correct Removal Document.

Documentation of Required Judicial Determinations

Legal reference: 45 CFR 1356.21(d)

Conclusions regarding "contrary to welfare," "best interests," and "reasonable efforts" determinations should be based on a signed and dated copy of the court's order, or an official electronic version of the court's order if one is available.

Since it is common in many states for draft versions of an order to be prepared before the final order is completed, it is important that an official version of critical orders be obtained to verify the court's final approval for audit purposes.

In the event a judicial determination is not evident on the face of a court order, a transcript is the only acceptable alternative to demonstrate a judicial determination was made.

Nunc Pro Tunc Orders

Nunc pro tunc orders are orders that correct errors of omission. Literally meaning "now for then," these orders are issued to amend a previous court order when the original order failed to include a required judicial determination **that the court actually made at that time**.

Under no circumstances may a nunc pro tunc order be used to correct the substance of the court's determinations related to CTW/BI and RE1. However, it is acceptable for amended or modified orders after that date to correct other types of errors such as names, dates of birth, responsibility for placement and care, etc.

Effective Date of Judicial Determinations

In many jurisdictions it may take weeks or months before an official copy of the order is typed, signed, and filed in court records. An official copy of the court order is necessary to verify that a required judicial determination was made, and to finalize the eligibility determination.

The relevant effective date to use for court orders is the date the judge made the actual determination, not the date the judge signed the order.

- Because most court orders result from hearings before a judge, the date of the determination is typically established by using the court hearing date included in the relevant court order.
- If the order contains language that leads the reader to conclude that the determination was *not* made on the day of the hearing, use of another date may be necessary.

  For example, some orders may conclude with the statement, "So ordered on this day," and list a date next to the statement. In this case, the date specified in the order should be used as the effective date of the determination.
- If no hearing date can be found in the order, or the order did not result from a hearing, then consider the date the order was signed by the judge as the effective date of the judicial determinations contained in the order. If neither a hearing date nor signature date is available, use the file-stamp date.

On April 1, Robert was removed from the home pursuant to a court order with CTW language and placed in a foster home.

The judge did not make a RE1 determination in this hearing but did make one in a hearing held on May 8. A copy of this order with the RE1 finding was not signed until June 15, and was not received by the IV-E IM worker for review until July 1.

RE1 is required within 60 days of removal. Although the order was not signed by the judge or reviewed by the IV-E IM until more than 60 days had passed, the RE1 requirement was still met for Robert because the hearing in which the judge made the finding occurred within the 60-day limit.

Removal From a Specified Relative

Legal reference: 42 USC 672, 45 CFR 1356.21, 441 IAC 41.1(5), 441 IAC 41.8(1)

To meet Title IV-E requirements, a child must have been either physically or constructively removed from the home of a specified relative with whom the child lived at the time of the legal authority for removal or within six months of the legal authority. To determine if this requirement is met, the IV-E IM worker must identify:

- The removal home,
- If that person meets the definition of a specified relative, and
- The removal type.

Removal Home

The "removal home" is the home from which the court order or VPA removed the child when the child entered out-of-home placement. It is important to note that this may not be the home the child physically left at the time the child entered care.

- For children placed by a voluntary placement agreement, the home of the parent or guardian who signed the VPA is always considered the removal home.
- For court-ordered removals, the removal home is the home identified by the court: the subject of the contrary-to-welfare determination.

The court order authorizing the child's removal may clearly identify the removal home within the contrary-to-welfare (CTW) statement, such as, "It is contrary to the child's welfare to remain in the mother's home."

In other cases, the subject of the "contrary to welfare" determination must be determined by assessing the content of the order that removed the child and the petition or application that led to the order.

The removal home or subject of the CTW statement may be any of the following, as identified in the court order, petition, or application:

- The caretaker who is alleged to have abused or neglected the child;
- The person whose actions (or inaction) have prompted the child's removal;
- The person whose household was a threat to the child's health, safety, or welfare; or
- The person whose inability or unwillingness to continue caring for the child necessitated the child's out-of-home placement.

In the event that multiple people or homes are identified as the subject of the CTW, use the home or person that most clearly precipitated the child's removal as the removal home, as outlined in the example below.

> The court order identifies two people as the subject of the CTW:
>
> - The mother who abandoned the child four years ago, and
> - The grandmother with whom the child has lived for the past four years, who was beating the child.
>
> The grandmother should be considered the child's removal home, as it is the circumstances in the grandmother's home, not the mother's abandonment, which most directly caused the child's placement in out-of-home care.

The child must have lived in the removal home in the month of the removal or within the six months before the month of removal to meet IV-E requirements. Therefore, if the child has not lived in the removal home in the six-month period leading up to the month of removal, the child will not be IV-E eligible for the duration of the out-of-home care episode.

Definition of Specified Relative

Legal reference: ACYF IM 92-04, 441 IAC 41.1(5), 41.8(1), 41.2(3) as of July 16, 1996

Because Title IV-E is provided only to children who could have received AFDC in their removal home, to meet IV-E requirements the person designated as the removal home must also meet the definition of a specified relative. If the removal home does not meet the definition, the child cannot be IV-E-eligible for the duration of the out-of-home care episode.

"Specified relatives" include people within the fifth degree of kinship that are related by blood, adoption or marriage (including common law marriage), even if the marriage is terminated by death or divorce. The following people qualify as specified relatives:

- Father, adoptive father
- Mother, adoptive mother
- Grandfather, grandfather-in-law (the subsequent husband of the child's natural grandmother, i.e., step grandfather), adoptive grandfather
- Grandmother, grandmother-in-law (the subsequent wife of the child's natural grandfather, i.e., step grandmother), adoptive grandmother
- Great-grandfather, great-great-grandfather
- Great-grandmother, great-great-grandmother
- Stepfather, but not his parents
- Stepmother, but not her parents
- Brother, brother of half blood, stepbrother, brother-in-law, adoptive brother
- Sister, sister of half blood, stepsister, sister-in-law, adoptive sister

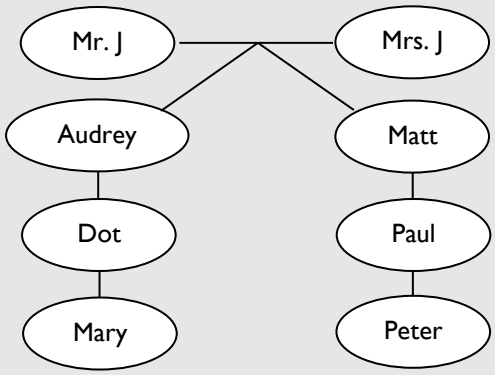
- Uncle or aunt (of whole or half blood), uncle-in-law, aunt-in-law (the spouse of the child's natural uncle or aunt)
- Great uncle, great aunt, great-great uncle, great-great-aunt
- Nephews, nieces
- First cousins and first cousins once removed (the child of a first cousin or parent of a first cousin).

Mr. and Mrs. J have two children, Audrey and Matt.

Audrey has a daughter, Dot, who has a daughter, Mary.

Matthew has a son, Paul, who has a son, Peter. (See diagram.)

- Dot and Paul are first cousins.
- Dot and Peter are first cousins, once removed.
- Mary and Peter are second cousins.



All of them are specified relatives to each other, except for Mary and Peter, who are not within the fifth degree of kinship.

Type of Removal

Federal regulations allow the child to be removed either physically or constructively. Distinguishing the type of removal is important because the type of removal helps to define what will be considered the child's date of removal. A number of other IV-E requirements hinge upon the child's date of removal.

Physical Removal

A physical removal has occurred when the child leaves the care of the removal home at the approximate time that the child's removal from this home is authorized by a court order or voluntary placement agreement. This includes situations where the caretaker leaves the child's home rather than the child leaving the caretaker's home.

Removal Date: For children who are physically removed from a specified relative, the date of removal for IV-E purposes is the date the child leaves the care of the removal home.

This date will typically be on the same day or within a few days of the authority for removal. However, in some circumstances a child may be physically removed some time **after** the authority for placement. This is an acceptable physical removal situation as long as there is a justifiable reason the removal was delayed.

For example, removal may be delayed when the court authorizes the child's placement in foster group care but a space for the child is not immediately available.

1. Rebecca is removed from her mother's home on March 25, pursuant to a court order issued earlier that day authorizing the removal. The order states that it is contrary to Rebecca's welfare to remain in her mother's home.

   Rebecca meets the "removal from a specified relative" criterion. Rebecca is removed from the home of her mother, the CTW home, at the same time as the legal action.

   Date of removal: March 25
   Removal month: March

2. Gary's father signs a voluntary placement agreement on January 3, for his placement on the same date. Gary meets the "removal from a specified relative" criterion. Gary is removed from the home of his father, who signed the placement agreement, at the same time as the legal action.

   Date of removal: January 3
   Removal month: January

3. Darrin is born with complications on June 28. He remains hospitalized and, due to concerns for his ongoing care, a removal order is obtained July 5. The order states that it is contrary to Darrin's welfare to remain in the parent's home. Darrin meets the "removal from a specified relative" criteria. Darrin is released from the hospital and placed into foster care on July 14.

   Date of removal: July 5
   Removal month: July

4. Angela lives with her mother. On April 29, she is picked up by police and placed in detention. A detention order is issued May 1. The order states it is contrary to the Angela's welfare to remain in the mother's home. Angela meets the "removal from a specified relative" criteria.

   Date of removal: April 29
   Removal month: April

   NOTE: IV-E funding cannot be claimed for Angela before the first day of the month in which she meets all IV-E eligibility requirements.

5. Kim lives with her mother. On August 15, a court order is obtained placing Kim on the group care waiting list. Kim remains in her mother's home until September 6 when she is placed in group care. Kim meets the "removal from specified relative criteria."

   Date of removal: September 6
   Removal month: September

6. Sarah resides with her mother. On September 29 HHS enters into a safety plan with the mother allowing Sarah to remain in her care. On October 12 the mother violates the safety plan and an ex parte order is issued removing the child. Mom absconds with the child before the order is executed. The mother and child are located on November 2 and Sarah is placed in family foster care that date.

   Date of removal: November 2
   Removal months: November

Constructive Removal

A "constructive removal" has occurred when the child is living with another person at the time the court order or voluntary placement agreement authorizes the removal of the child from the removal home, but the child lived with the removal home within the six months before the court order or voluntary placement agreement.

The child may or may not remain with the child's current caretaker at the time of legal action. The key in distinguishing a constructive removal is that the child is removed by court order or voluntary placement agreement from another person with whom the child does not live at the time.

Removal Date: For children who are constructively removed, the date of the court order or voluntary placement agreement that authorized the removal should be considered the date of removal.

1. Andrew's mother abandons him at his aunt's home on July 3. HHS becomes aware of the situation two months later. The aunt indicates she would like to continue caring for Andrew. On September 7, a court order is issued stating it is in Andrew's best interest to remain out of his mother's home. Andrew remains in the aunt's home.

   Andrew meets the "removal from a specified relative" criterion. Andrew was constructively removed from the home of his mother, the CTW home. Andrew did not live there at the time of legal action, but he did live there during the previous six months.

   Date of removal: September 7
   Month of removal: September

2. On May 15, Jessica's father leaves her at a neighbor's house. Three weeks later, the neighbor notifies HHS because she can no longer care for the abandoned child. On June 17, an order is issued stating it is contrary to the Jessica's welfare to remain in the father's home, and she is removed from the neighbor's home.

   Jessica meets the "removal from a specified relative" criterion. She was constructively removed from the home of her father, the CTW home. Jessica did not live there at the time of legal action, but she did live there during the previous six months.

   Date of removal: June 17
   Month of removal: June

3. A court order authorizing Pamela's removal from her aunt is issued on August 16. The order states it is contrary to Pamela's welfare to remain in the home due to being abused by her aunt. When HHS arrives at the aunt's home, it is discovered that Pamela has run away. She is located and placed on October 21.

   Pamela meets the "removal from a specified relative" criterion. Pamela was constructively removed from the home of her aunt, the subject of the CTW, within six months of the legal action. There was an acceptable explanation for the delay.

   Date of removal: August 16
   Month of removal: August

4. Jeff lives with his parents. On June 10, he commits a crime and runs away before he can be arrested. In an order entered June 15, the Judge granted the juvenile court officer authority to place Jeff in detention as soon as he is located. Jeff is located on July 7, and placed into detention.

   Jeff meets the "removal from a specified relative" criteria. He was constructively removed from the home of his parents, the subject of the CTW, within six months of the removal.

   Date of removal: June 15
   Month of removal: June

Removal Requirement Not Met

The requirement for removal from a specified relative is **not** satisfied when:

- The child did not live in the specified relative removal home at the time of, or within the six months before, the legal action for removal.
- The removal home does not meet the definition of a specified relative.
- The child remains in the CTW home (or the home of the person who signed the voluntary placement agreement) after the court order or voluntary placement agreement, and there is not a reasonable explanation for the delay in placement.
- The child is removed from the home of one parent and placed in the home of another parent.

In these situations (except the last one), the child is in out-of-home care and a IV-E determination does need to be done. However, the child will not be IV-E-eligible for the entire out-of-home care episode, as the requirement for removal from a specified relative has not been satisfied.

When a child is removed from the child's parent and placed with a relative or suitable person other than a parent, the removal requirement is met. This is true even if the child's parent resides in the home with the relative or suitable person, as that person, not the parent, is responsible for the day-to-day care and supervision of the child.

AFDC Relatedness

Legal reference: 42 USC 672, 45 CFR 1356.21(l)

The original Title IV-E program was intended to help children removed from needy families, as defined by the Aid to Families with Dependent Children (AFDC) program. Although the old AFDC program no longer exists, Title IV-E has maintained a connection to this program and requires a child meet AFDC criteria to be eligible for Title IV-E. This is referred to as "AFDC relatedness."

AFDC relatedness is determined based on whether the child or family would have been eligible to receive AFDC in the removal month if an application had been made. Eligibility is based on the AFDC program as is it existed on July 16, 1996.

The AFDC criteria of age, citizenship, deprivation, and financial need are summarized in the table below. The following sections discuss in detail how to determine the removal month and determine whether the child meets each of these requirements. (See Removal From a Specified Relative for instructions on how to determine the removal home.)

Requirement	Explanation
Age	The child must be under age 18 in the removal month, or if 18, be a full-time student expected to graduate by age 19.
Citizen or qualified alien status	The child must be a citizen or qualified alien in the removal month.
Deprivation	The child must be deprived of the support of one or both natural or adoptive parents in the removal month by reason of: ▪ Absence, or ▪ Incapacity, or ▪ Death, or ▪ Unemployment or underemployment
Financial need	The combined countable income of the eligible group in the removal month must meet the AFDC 185% and Standard of Need tests for that group size. The combined countable resources of the eligible group must be less than $10,000 in the removal month.

Determining the Removal Month

When considering if a child meets AFDC relatedness, the AFDC criteria must be considered based on the month the child was removed from the home as defined in Removal From a Specified Relative.

Whether the child was physically or constructively removed affects the removal month. A constructively removed child may not be living in the removal home at the time of the court order or voluntary placement agreement authorizing the removal. In these situations, consider the circumstances of the removal home during the removal month as though the child under review continued to live in that home.

1. Bethany is physically removed from her home on October 20 pursuant to a court order from the same date. The removal month is October. Examine AFDC criteria for the household in this month.
2. On February 16, 2019, a court order is issued that constructively removes Gary from his mother's home, where he has not lived since December 2018. The removal month is February 2019. Examine AFDC criteria for the mother's household in this month (including Gary in the removal home as if he were living there).
3. Steven is court-ordered into placement on April 23, but remains in his father's home until his physical removal on May 16, when an appropriate placement is available to meet his behavioral needs. The removal month is May. Examine AFDC criteria for the household in this month.

Age

Legal reference: 42 U.S. 672(a)(4); 42 U.S. Code 606 (a) as of July 16, 1996

The child under review must meet the AFDC age requirement in the removal month to be initially eligible for Title IV-E. The child must:

- Be under age 18 **or**
- Be age 18 and a full-time student in high school or an equivalent program and reasonably expected to meet the requirements for graduation before reaching age 19.

Citizenship

Legal reference: P. L. 104-193, §431, ACYF PIQ 99-01

To be AFDC related, the child under review must be a United States citizen by birth or naturalization or be a qualified alien in the removal month. Children who are born in the United States or Puerto Rico or are born to at least one United States citizen parent are citizens.

The term "qualified alien" is defined in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), Public Law 104-193, and may include but is not limited to the following:

- A refugee admitted under federal law,
- Certain battered aliens or victims of a severe form of trafficking,
- Cuban or Haitian entrants, and
- Children legally admitted for permanent residence in the U.S.

Refer to 4-L for a detailed discussion of the definition of a qualified alien. Undocumented immigrants or illegal aliens are not eligible for Title IV-E.

NOTE: PRWORA instituted a five-year residency requirement for aliens under most types of Medicaid and FIP. However, IV-E is exempt from this requirement. Alien children who qualify for IV-E are categorically eligible for Medicaid based on their IV-E eligibility even if they have not resided in the United States for five years.

Deprivation

Legal reference: 42 U.S. Code 606(a) as of 7/16/96; 441 IAC 41.1(5) as of 7/16/96

When determining Title IV-E eligibility for foster care, a child is considered deprived of parental support or care if one or both parents are:

- Continually absent from the home, or
- Physically or mentally incapacitated, or
- Deceased, or
- Unemployed or underemployed.

Neither an able-bodied stepparent nor a friend in the home disqualifies a child from assistance, as long as the child meets the other eligibility factors. Determine deprivation by the circumstances of the natural parents (or adoptive parents where the child has been adopted) regardless of whether the parents are married to each other.

Although more than one deprivation reason may exist in the removal household, it is only necessary to establish one.

Determining the Natural Father

Legal reference: 441 IAC 41.2(3)"b," 41.1(5)"b," 41.8(1)"b" as of July 16, 1996

The term "natural father" refers to the man who can be considered to be the child's father for the purpose of determining eligibility. Consider a man as the natural father if he:

- Was married to the mother at the time of the child's conception or birth (unless the court has declared this man **not** to be the father), or
- Has been declared by the court to be the father even though not married to the mother at the time of the child's conception or birth, or
- Claims to be the father unless the child already has another legal father as described above.

"Biological father" is the man responsible for the conception of the child. "Legal father" is the man considered the father under Iowa law.

When the child's biological father is someone other than the child's legal father, consider the legal father to be the parent when determining if the child is deprived. Do so until the court establishes that the legal father is not the parent of the child.

Deprivation Due to Death

Legal reference: 42 U.S. Code 672, 42 U.S. Code 673; 42 U.S. Code 602 as of July 16, 1996

A child with one or more deceased biological or adoptive parent meets the criteria for deprivation.

Deprivation Due to Continued Absence

Legal reference: 441 IAC 41.1(5) as of July 16, 1996

Deprivation due to continued absence exists when at least one parent is not living in the removal home at the time of removal and is, therefore, not providing care or support to the child. A parent may be considered absent if the parent maintains a separate household.

However, a parent who is not present in the home at the time of removal due solely to employment (truck driver, carnival worker, etc.) or military duty should not be considered absent from the home.

When a parent has recently left the home, consider whether or not, at the time of the removal, the absence was expected to continue. If the absence is not expected to continue, the child cannot be considered deprived due to absence.

In addition, consider whether the child's removal and the parent's departure were due to the same event. If the child's removal was due to the same event that caused the parent's departure, the parent should not be considered absent.

Review the following examples for clarification:

1. Allen is living with both his parents. His mother is a traveling salesperson who has just left for a two-week long business trip when Allen is removed from his parents' home.

   Allen is not deprived due to continued absence because, although his mother is not present at the time of removal, she still is considered to have lived in the removal home at that time.

2. Chelsea has been living with both her parents until her parents have an argument and her father announces he is moving to his brother's home, takes all of his belongings, and leaves. Two days later, HHS responds to a report of abuse in the mother's home and removes the child.

   Chelsea is deprived due to continued absence from the home because at the time of the removal, her father is absent and his absence is reasonably expected to continue.

3. Harold lives with his mother and father until his father begins serving a 20-year prison sentence in January. In March, Harold is removed from his mother's home. Harold meets the deprivation criteria due to this father's continued absence from the home at the time of the removal.

4. Jacqueline is living with both her parents. On October 27, she is removed due to a domestic violence incident in the home. That evening, her father is arrested, but is expected to be released and return to the home the next day.

   Jacqueline cannot be considered deprived due to continued absence. Although her father was arrested, his absence was not expected to continue.

5. One-year-old Richard is living with both of his parents. On June 1, the police find Richard with his mother when they raid a crack house. The mother is arrested and Richard is immediately placed in foster care.

   Richard cannot be considered deprived due the absence of his mother. Richard's placement in care and his mother's arrest were due to the same event.

A child may also be deprived due to continued absence when:

- The court has awarded joint custody to the parents (since the child is continually deprived of the care and support of at least one parent at a time).
- Both parents live in the home, but at least one is a convicted offender who is allowed to live at home while serving a court-imposed sentence by performing unpaid public work or unpaid community service during the workday.
- The child has only one legal parent due to a single-parent adoption. The child is deprived due to the absence of a second parent.
- The child does not have a legal father (as discussed in Determining the Natural Father) and no father has been named or established for the child. The child is deprived due to the absence of the child's father.

Deprivation Due to Incapacity

Legal reference: 441 IAC 41.1(5), 41.8(1) as of July 16, 1996

A child is deprived when one or both parents have a disability that renders them unable to provide a reasonably acceptable minimum level of care and support. A child is also considered deprived due to incapacity when one or both parents are incapacitated in the removal month such that:

- The parent is prevented from providing the level of care or support to the child comparable to that provided before the incapacity **and**;
- The incapacity is expected to last at least 30 days past the date of removal.

1. Harriet lives with her mother and father. In July, her father sustains serious injuries in a car accident and is expected to be immobile and bedridden for at least three months. The next month, Harriet is removed from the home.

   Harriet is deprived due to incapacitation, as her father is unable to provide the level of care and support he could before the accident, and this incapacitation is expected to last at least 30 days past the date of removal.

2. William lives with both his parents. His mother breaks her leg at an amusement park on a Thursday and plans on returning to work on Monday. On Sunday, William's parents sign a VPA for this removal and he is placed out of the home.

   William is not deprived due to incapacitation. Although his mother's condition is expected to last longer than 30 days, her condition is not such that it should reasonably prevent her from providing comparable care or support to the child.

Consider a parent incapacitated when the parent receives Social Security or SSI payments based on disability or blindness. (SSI payments based solely on old age are not included.) No medical evidence is required.

Also consider the parent incapacitated when **medical evidence** confirms the existence of a clearly identifiable physical or mental disability that prevents the parent from providing a minimum or comparable level of care or support for the child. Common reasons a parent may be incapacitated under these terms are as follows:

- Physical disability
- Mental illness or mental retardation
- Chronic alcoholism or drug addiction

1. Jennifer reports that her father was drinking alcohol the previous day when he abused her and she is subsequently removed. Her father does not receive SSI, and there is no medical documentation to indicate that he is a chronic alcoholic.

   Jennifer is not deprived due to her father's incapacitation because he does not receive SSI or Social Security benefits, and there is no medical evidence indicating he is incapacitated.

2. Bryant's mother is diagnosed as a chronic drug abuser in a psychological evaluation. The psychologist recommends that Bryant not be left in his mother's care until she completes intensive inpatient drug treatment. When she does not immediately seek treatment for this problem, Bryant is removed from her home.

   Bryant is deprived due to his mother's incapacity. Although she was not receiving SSI or Social Security benefits, medical evidence confirmed her incapacitation.

Deprivation Due to Unemployment or Underemployment

Legal reference: 45 CFR 233.101

Deprivation in the removal home may exist due to underemployment or unemployment. Although a one-parent removal household might meet the underemployment or unemployment definition, this reason will typically be used when the child was removed from a two-parent household and neither parent was incapacitated at the time of removal.

A child may be considered deprived if the family income is less than the AFDC Schedule of Living Cost for the eligible group size during the removal month. To determine if this is the case, financial need must be calculated as discussed in the next section.

If the family meets the income limits as discussed under Financial Need, the child may be considered deprived due to underemployment or unemployment of a parent, as the parent's income is not sufficient to meet the needs of the family.

Financial Need

The final AFDC criterion that must be met in the removal month is financial need. The child and family must have met AFDC financial standards in the removal month to be considered needy. Several factors come into play in determining if financial need was met.

First, it is essential to know whom in the household to count as members of the eligible group.

Then it is necessary to know how to complete the financial need tests including deciding what income and resources are counted or excluded from consideration.

All of this information as well as guidance on verification and documentation of financial information will be covered in the sections to follow.

Eligible Group

Legal reference: 441 IAC 41.6-41.8 as of July 16, 1996, 45 CFR 233.20(a)(1)(ii)

The eligible group consists of members in the household from which the child was removed whose income and resources are counted for comparison against the AFDC income limits.

The relationship between the child under review and others living in the removal home determines whether a person is included in the eligible group. Typically, the eligible group will include immediate family members such as parents and siblings, but not extended family members such as aunts, grandparents, cousins, etc.

When determining who should be in the eligible group, consider who is living in the removal home on the date of removal. If the child did not live in the removal home on the date of removal (i.e., the child was constructively removed), consider the household as if the child were still living there.

The following people must be included in the eligible group, **if living together on the date of removal**, and must meet non-financial eligibility requirements.

- The child under review. If this child did not actually live in the removal home in the month of removal, pretend the child did.
- Any brother sister (of whole or half-blood or adoptive) of the child under review or of another child in the group. Children must meet the deprivation and age requirements as discussed previously.
- Any natural or adoptive parent of a child included in the eligible group.

A person cannot be included in the eligible group if that person is ineligible for AFDC for a non-financial reason, such as a person who:

- Is an ineligible alien.
- Is a recipient of Supplemental Security Income (SSI), State Supplementary Assistance, or adoption subsidy.
- Is not living with a specified relative.

To determine who must be included in the eligible group, consider who was living in the removal home on the date of removal. Take the following steps:

STEP	ACTION
1	Identify the removal household (the subject of the CTW/BI or the person who signed the VPA) and the removal month.
2	Diagram the household composition in the removal home as it was on **the date of removal**, listing names and relationships. Also list the ages of all children in the home.
3	If there is a common child in the removal home, determine whether this child is deprived first, even if the common child was not removed from the home. See Common Child.
4	Build the eligible group. Start with the child under review if the common child is not deprived or with the common child if the common child is deprived. This child is the first person in the group. ▪ Add the deprived minor siblings of the child (whole, half, or adoptive) or of another child in the group, provided they are related to a specified relative caretaker in the home and meet AFDC nonfinancial eligibility requirements. ▪ Add the natural or adoptive parents of any child in the group. ▪ Remove from the group any persons who are ineligible aliens or receive SSI, State Supplementary Assistance, or adoption subsidy. **NOTE ON CONSTRUCTIVE REMOVALS:** If the child did not physically live in the removal home on the date of removal, consider the household as if the child were still living there. Include siblings and parents as indicated above if they were physically living in the removal home on the date of removal, as well as siblings who were not physically living in the home, but who were constructively removed from the same home at the same time.

NOTE: After completing the steps, if there is **no one** in the eligible group and the child under review receives SSI, State Supplementary Assistance, or adoption subsidy, consider the eligible group to have one member (the child) whose income and resources are exempt.

Common Child

When there is a common child in the home, this child is added to the group only if the child is deprived. By definition, a common child lives with both parents, so the only possible deprivation reasons are incapacitation and unemployment or underemployment.

When a common child and the child's half-sibling are removed from the home at the same time, always determine Title IV-E eligibility for the common child first, since it is necessary to know that child's deprivation status to determine the eligible group for the other children.

When the common child is not removed from the home at the same time as the child's half-sibling, it is still necessary to begin by determining if the common child was deprived in the removal month, as this will impact the child's inclusion in the group.

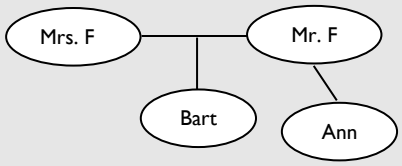
Determine if incapacitation exists as described in Deprivation Due to Incapacity. If incapacity exists, the common child will be included in the eligible group. If no incapacity can be established for the removal month, consider whether the common child is deprived due to unemployment or underemployment.

In order to decide if a common child is deprived due to unemployment or underemployment, follow the process below:

STEP	ACTION
1	Follow the steps on the chart under Eligible Group as though the common child were the child under review, and including the common child in the group.
2	Compare the income of the common child's eligible group to the Standard of Need for that group. See Financial Need: Income.
3	If the group income is **below** the Standard of Need, consider the common child deprived due to unemployment or underemployment. This same eligible group and financial need calculation will apply for **all other children in the group**.
4	If the group income is **above** the Standard of Need, the common child is not deprived. The common child will not be included in the eligible group of the child's siblings. A new eligible group and financial need calculation will need to be done for the siblings.

A common child who is not deprived is not included in the eligible group, and, therefore, does not draw the child's other parent into the eligible group. If the common child's parents are married, the income of the parent who is not in the eligible group will have to be considered. See Stepparents and the Eligible Group for further discussion.

Example 1:



People living in the home:

- Ann, age 6, the child under review
- Mr. F, Ann's father, and the CTW home
- Mrs. F, Ann's stepmother
- Bart, age 2, minor common child of Mr. F and Mrs. F

Bart remains in the home when Ann is removed. Mr. and Mrs. F are both unemployed and neither is incapacitated. The family has no other countable income.

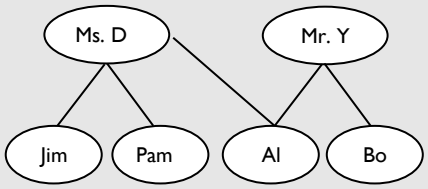
First, determine whether Bart, the common child, is deprived. Since neither of his parents is incapacitated, determine if deprivation due to unemployment or underemployment is met by comparing his eligible group's income to the income limit for that group size. Determine Bart's eligible group as follows:

1. Bart is in the group.
2. Add Bart's half-sibling Ann to the group. She is deprived due to her mother's absence and lives with a specified relative caretaker (her father).
3. Add Bart's parents, Mr. and Mrs. F, to the group.
4. There are no SSI, State Supplementary Assistance, or adoption subsidy recipients or ineligible aliens in the home to consider.

There are four people in Bart's eligible group: Bart, Ann, and Mr. and Mrs. F. The income of the group is clearly below the income limits, since there is no income for the family. Bart is deprived due to unemployment or underemployment.

Since Bart is deprived, Ann's group and financial need test is exactly the same as that done above for Bart.

Example 2:



People living in the home:

- Jim, age 10, the child under review
- Pam, age 8, Jim's full sister
- Ms. D, Jim and Pam's mother
- Mr. Y, Ms. D's boyfriend
- Al, age 1, common child of Ms. D and Mr. Y
- Bo, age 5, Mr. Y's child from previous relationship

Ms. D receives $100 a month in unearned income. Mr. Y earns $5,000 a month at this job. Neither Ms. D nor Mr. Y is incapacitated.

First, determine if Al, the common child, is deprived due to unemployment or underemployment. Determine Al's eligible group as follows:

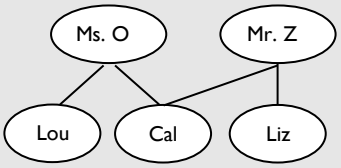
1. Al is in the group.
2. Add Jim, Pam, and Bo to the group because they are either half or whole siblings, deprived due to parental absence, and live with a specified relative caretaker.
3. Add Al's parents, Ms. D and Mr. Y, to the group.
4. There are no other children to consider.
5. There are no SSI, State Supplementary Assistance, or adoption subsidy recipients or ineligible aliens in the home to consider.

There are six people in Al's eligible group: Al, Jim, Pam, Bo, Ms. D, and Mr. Y. Since the income of this group is well above the income limits for the group size, Al is not deprived. Since Al is not deprived, Jim's eligible group must be determined separately, as follows:

1. Jim is in the group.
2. Pam is added to the group since she is deprived due to her father's absence and lives with a specified relative caretaker; Al is not added to the group because he is not deprived. Bo is not added to the group because he is not a half, whole, or adoptive sibling to Jim.
3. Ms. D is added to the group because she has a child in the group; Mr. Y is not added to the group since he does not have a child in the group.
4. There are no SSI, State Supplementary Assistance, or adoption subsidy recipients or ineligible aliens in the home to consider.

There are three members in Jim's eligibility group: Jim, Pam, and Ms. D.

Example 3:



People living in the home:

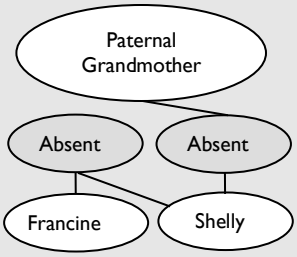
- Lou, age 9, the child under review
- Ms. O, Lou's mother
- Mr. Z, Ms. O's boyfriend, who receives SSI due to a disability
- Cal, age 4, common child of Ms. O and Mr. Z
- Liz, age 16, Mr. Z's child from a previous relationship

It can first be determined that Cal, the common child is deprived due to incapacitation of his father. Since Cal, the common child, is deprived, the building of the eligible group begins with Cal.

1. Cal is in the group.
2. Lou and Liz are added to the group, as each is a half-sibling to Cal. Both are deprived due to absence of a parent, and both live with a specified relative (their other parent).
3. Ms. O and Mr. Z are both added to the group because they are parents of children in the group.
4. Mr. Z is removed from the group because he receives SSI.

There are four members in the eligible group: Lou, Cal, Liz, and Ms. O.

Example 4:



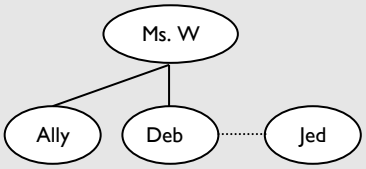
People living in the home:

- Shelly, age 8, the child under review
- Her paternal grandmother, who has been her legal guardian for many years
- Her half-sister, Francine, age 6, who has a different father and is, therefore, not related to the grandmother

1. Shelly is in the group.
2. Francine is not added to the group because, although she is Shelly's half-sibling and is deprived due to parental absence, she does not live with a specified relative caretaker.
3. There are no parents in the home to consider.
4. There are no SSI, State Supplementary Assistance, or adoption subsidy recipients or ineligible aliens in the home to consider.

There is one member in the eligible group: Shelly.

Example 5:



People living in the home:

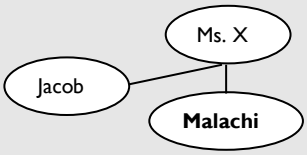
- Ally, age 7, the child under review
- Ms. W, Ally's mother
- Deb, 6 months, Ally's biological sister
- Jed, age 3, Deb's half-brother (no relation to Ally or Ms. W)

There are no common children to consider.

1. Ally is in the group.
2. Deb is added to the group because she is deprived due to parental absence and she lives with a specified relative caretaker (her mother). Jed is not added. Although he is a sibling to Deb, he is not related to a specified relative caretaker in the household.
3. Ms. W is added to the group as the parent of children in the group.
4. There are no SSI, State Supplementary Assistance, or adoption subsidy recipients or ineligible aliens in the home to consider.

There are three members in the eligible group: Ally, Deb, and Ms. O.

Example 6:



People living in the home:

- Malachi, age 2, the child under review, who receives SSI
- Ms. X, Malachi's mother, who receives SSI
- Jacob, age 8, Malachi's half-brother, who is an ineligible alien

There are no common children to consider.

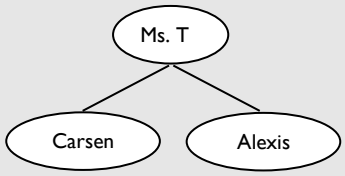
1. Malachi is in the group.
2. Jacob is added to the group because he is deprived and lives with his mother who is a specified relative.
3. Ms. X is added to the group as the parent of children in the group.
4. Malachi and Ms. X are removed from the group because they are SSI recipients. Jacob is removed from the group because he is an ineligible alien.

Since there are no members in the group and Malachi is an SSI recipient, the eligible group size is one. Malachi's income will be excluded and he will meet financial need.

Example 7:

People living in the home:

- Ms. T
- Carsen, age 6
- Alexis, age 3



On September 15, Ms. T informally places Alexis with the girl's grandmother. Carsen goes to live with his father on the same day. On October 7, the court removes both children from Ms. T's care and leaves them in their current placements under HHS supervision. Ms. T is subject of the CTW determination.

This is a constructive removal from Ms. T and October is the removal month. Even though the children did not physically live with Ms. T in October, consider the circumstances of Ms. T's home in October as if the children were living with her.

Since Carsen is living with his father, there is no need to complete a IV-E determination for him as, for IV-E purposes, there is no removal if he is living with the other parent.

Determine the eligible group for Alexis as follows:

1. Alexis is in the group.
2. Carsen is added to the group because he is a deprived sibling who was removed as part of the same court order.
3. Ms. T is added to the group because she is the parent.
4. There are no SSI, State Supplementary Assistance or adoption subsidy recipients or ineligible aliens in the home to consider.

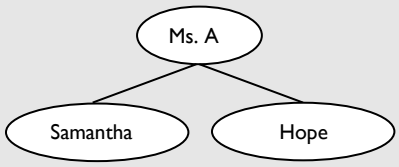
There are three members in the eligible group: Alexis, Carsen, and Ms. T

NOTE: If the court order had not removed Carsen, he would not have been included in the eligible group since he was not physically living in the home at the time of the court ordered removal.

Example 8:

People living in the home:

- Ms. A
- Samantha, age 14
- Hope, age 4



On February 10, Ms. A signs a VPA placing Samantha into foster care due to her out-of-control behaviors. On February 15, Ms. A drops Hope off at her grandmother's house and then disappears. On March 10, the grandparents contact HHS for assistance and an order is issued on March 12 removing both Samantha and Hope from their mother's care.

Samantha:
Physical removal
Removal month: February
Subject of CTW: Ms. A, since she signed the VPA

1. Samantha is in the eligible group.
2. Hope is in the eligible group because she is a deprived sibling.
3. Mrs. A is in the eligible group because she is the parent of both children.
4. There are no SSI, State Supplementary Assistance, or adoption subsidy recipients or ineligible aliens in the home to consider.

There are three members in Samantha's eligible group: Samantha, Hope, and Ms. A.

Hope:
Constructive removal
Removal month: March
Subject of CTW: Ms. A, as identified by the court order

1. Hope is in the eligible group.
2. Mrs. A is in the eligible group.
3. There are no SSI, State Supplementary Assistance or adoption subsidy recipients or ineligible aliens in the home to consider.

There are two members in Hope's eligible group: Hope and Ms. A.

Even though Samantha is named in the removal order, do not include her in the eligible group because she was removed previously by VPA and was not physically living in the removal home on the date of removal.

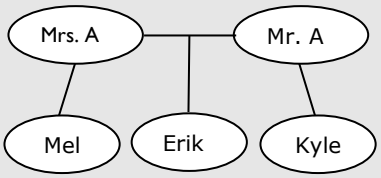
Stepparents and the Eligible Group

Whether a stepparent in the home is included in the eligible group depends on whether the stepparent has a child in the group. Income and resources of any person in the eligible group, including stepparents who are in the group due to a common child, are all treated the same as discussed under Financial Need: Income and Financial Need: Resources.

Stepparents living in the home who are not in the eligible group are referred to as ineligible stepparents. Their income must be made available to the group after a portion is diverted to meet their own needs and those of their other children who are not in the eligible group (including the common, ineligible child). See Diverting Income of Excluded or Ineligible Adults.

If the child under review was removed from an ineligible stepparent whose spouse (the biological or adoptive parent of the child) does not live in the home, treat this stepparent as a specified relative caretaker and do not consider the stepparent's income available to the group.

Example 1:

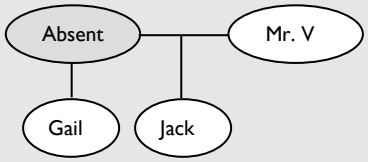


Persons living in the home:

- Mel, child under review
- Mrs. A, Mel's mother
- Mr. A, Mel's stepfather
- Erik, child of Mrs. and Mr. A
- Kyle, Mr. A's child from a previous relationship

Erik, the common child, is not deprived and is therefore not included in Mel's eligible group. Since Erik is not included, Mr. A is also not in the group. He is an ineligible stepparent whose income must be considered available to the group after diverting for the needs of himself, Erik, and his other child, Kyle.

Example 2:



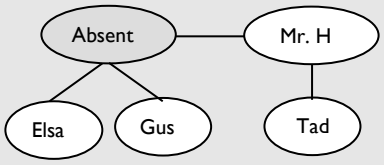
Persons living in the home:

- Gail, the child under review
- Mr. V, Gail's stepfather
- Jack, Gail's half-brother and Mr. V's son

Gail's mother is absent from the home. Jack is included because he is Gail's half-sibling and is deprived due to absence. Mr. V, Gail's stepfather, is included because his son Jack is in the group.

Since Mr. V is in the eligible group, all of his income and resources are available to the group.

Example 3:



Persons living in the home:

- Elsa, the child under review
- Gus, Elsa's brother
- Mr. H, stepfather of Elsa and Gus
- Tad, Mr. H's child from a previous relationship

Elsa's mother is absent from the home. Mr. V is an ineligible stepparent because he has no children in the eligible group. Since his spouse, Elsa's mother, is not in the home, he is treated as a specified relative caretaker and none of his income is available to the group.

Self-Supporting Parents of Minor, Unmarried Parents

Income of a self-supporting biological or adoptive parent of a minor unmarried parent whose child is in the group must be made available to the group after diverting for:

- The biological or adoptive parent's own needs,
- The needs of any children not in the eligible group. and
- The needs of the parent's spouse in the home.

The calculation for diverting income is the same as that for an ineligible stepparent. See Diverting Income of Excluded or Ineligible Adults for more information.

Excluded Children

It may be necessary to account for the needs of children living in the home who were excluded from the eligible group. Common children who are not deprived and ineligible alien children are the two types of excluded children. See Diverting Income to Excluded Children.

Optional Eligible Group Members

In some circumstances, it may be advantageous to include additional persons living in the home as part of the eligible group. These optional individuals are:

- Children of minors in the group
- Needy specified relative caretakers
- Parents of minor parents who have a child in the group and their dependent children who also live in the home.

Consider a specified relative needy if the relative's resources are within the limits and the relative's income is less than the Standard of Need for one person. When the needy person has a spouse, determine the fact that one of them is needy by establishing that their combined income and resources are within AFDC standards for the needy person and spouse.

Determine what is most advantageous to the eligible group when considering whether an optional member should be included in the group. For example, if the income of the optional member would cause the group to be ineligible, then do not include that person in the group.

Financial Need Tests

Legal reference: 45 CFR 233.31 as of July 16, 1996; 441 IAC 41.7(9)"a" as of July 16, 1996

The removal household's income must pass both the 185% and Standard of Need Income Tests in order for the child to meet IV-E income requirements.

- Test 1: 185% Test

  Compare the following income to the 185% Test for the size of the eligible group:

  - Gross, non-exempt income of the eligible group members and ineligible parents, and
  - Net income, after allowable dedications and diversions, of ineligible stepparents and self-supporting parents of minor parents in the home. (See Deductions and Diversions)

    NOTE: For self-employment income, use the net profit figure.

185% Schedule of Living Costs

Number in Eligible Group	Income Limit
1	$675.25
2	$1330.15
3	$1570.65
4	$1824.10
5	$2020.20
6	$2249.60
7	$2469.75
8	$2695.45
9	$2915.60
10	$3189.40
Each Additional Person	$320.05

If countable income is equal to or less than the 185% limit, go to Test 2. If not, the child will not be IV-E eligible for this episode of out of home care.

- Test 2: Standard of Need Test

  Subtract the following deductions and diversions, if applicable, from the gross, non-exempt income of eligible group members and others whose income must be considered: (See Deductions and Diversions)

  - 90 work expense (from earned income only)
  - Child care expenses (up to set limit/from earned income only)
  - Child support paid
  - Diversions for the needs of ineligible household members.

  Compare the household's net income to the Standard of Need (Schedule of Living costs) amount for the size of the eligible group.

Schedule of Living Costs

Number in Eligible Group	Income Limit
1	$365.00
2	$719.00
3	$849.00
4	$986.00
5	$1,092.00
6	$1,216.00
7	$1,335.00
8	$1,457.00
9	$1,576.00
10	$1,724.00
Each Additional Person	$173.00

If countable income is less than the Standard of Need, the child meets IV-E income standards.

Seth is being removed from his home, where he lives with his sister Sue, their mother Bea, and Bea's companion Al. Since Bea and Al share no common children and are not married, Al is not in the eligible group, and his income is not considered.

Al is employed full time. Bea works part time, receiving $400 per month in earned income. She also receives $250 per month in child support from the father of Seth and Sue.

Test 1: (185% Test)

$400 gross earnings + 200 countable child support = $600 vs. $1570.65

Test 2: (Standard of Need)

Countable earned income (Bea's earnings):	$	400.00
$90 work related expense deduction:	-	90.00
Child care deduction:	-	0.00
Countable unearned income (child support for Seth and Sue, minus $50):	+	200.00
Child support paid:	-	0.00
Eligible group total:	=	510.00

Since $510 (the balance) is less than $849 (the Standard of Need for three people), Seth meets the AFDC income limits.

Income

Legal reference: 45 CFR 233.20 as of July 16, 1996; 441 IAC 41.7(239) as of July 16, 1996

Consider all earned and unearned income that is not specifically exempted, deducted or diverted when determining initial IV-E eligibility.

Countable Earned Income

Earned income is income earned by the person's own efforts, such as wages from a job. Earned income that is countable under AFDC guidelines includes the gross (pre-tax) amount of:

- Wages, salaries, tips, including payments for blood plasma (include as income any amount withheld for cafeteria or flexible benefit plans),
- Net profit from self-employment, including farms,
- Sick pay and vacation pay,
- Bonuses and severance pay,
- Earned Income in Kind.

Countable Unearned Income

Unearned income is any income in cash that is not gained by labor or service, for example benefits received, or investment income. In general, unearned income is not countable when it is granted to a recipient on a financial need basis.

Common forms of unearned income that are countable under AFDC guidelines include the net (post-tax) amount of the following:

- Investment income, such as dividends from stocks or bonds,
- Alimony or child support received,
- Subsidized guardianship payment from another state,
- Financial assistance for education or training,
- Rent from property handled by an agent,
- Interest income,
- Worker's compensation,
- Extended disability payments, Retirement benefits, and
- Benefits or rewards for service, or compensation for lack of employment, such as Social Security benefits, Railroad Retirement, Dislocated Worker Project Payments, VA pensions, unemployment insurance, and strike pay.

Child Support

Legal reference: 45 CFR 232.20 as of July 16, 1996,
441 IAC 41.7(1)"h," 41.7(6)"u" as of July 16, 1996

In general, child support paid to a member of the eligible group is counted as unearned income, but several specific exceptions apply. Use the following guidelines in assessing how to count child support income:

- Child support is considered income to the child for whom it is being paid. Check the CHILD screen on ICAR to determine which children are covered by a particular case.
- If child support paid goes to the state rather than the eligible group, count as income payments up to but not over the monthly obligation.
- If someone outside the group receives support on the child's behalf, count it only if made available to the child.
- If someone in the eligible group receives child support on behalf of someone outside the eligible group, count it as income unless it can be demonstrated that the money was provided to the intended recipient.
- Amounts actually received by the eligible group which are over the monthly obligation, or which are for previous months, are treated as lump sums. Lump sums are discussed in more detail in the next section, but basic guidelines are as follows:
    - The total amount of the support (minus up to $50 which is exempt) is combined with the other countable income of the eligible group.
    - If the total is less than the Standard of Need for the eligible group size, the entire amount is counted as income in the removal month.
    - If the total is more than the Standard of Need, this will make the child ineligible.
- The first $50 of a current monthly support obligation or voluntary support payment made by a legally responsible person is exempt. Regardless of how many absent parents pay support, the maximum exempt amount is the lesser of:
    - $50,
    - the amount paid, or
    - the monthly obligation.

1. Frank is removed from the home of his adult sister. She is the subject of the CTW determination. In the month of removal, Frank's mother, who does not live in the home, receives $580 child support for her six children.

   $100 of this money is intended for Frank, but the mother does not provide any money to Frank's caretaker. No child support income is counted for Frank's eligible group, since the child support did not actually reach Frank.

2. John is removed from his mother. During the removal month, John's father pays $700 in child support. ICAR shows by the account type that the money goes to the state, and that the father's monthly obligation is $400.

   Only $400 is treated as unearned income to the eligible group (minus $50, which is exempt).

3. Jo is removed from her mother's home, where she lived with her two sisters. In the month of removal, Jo's mother receives $500 from Jo's father on an account type 12. The father's monthly obligation amount is $300.

   Child support in the amount of $450 ($500 minus $50 exemption) is counted as unearned income.

Child support payment information can be found on the ICAR system. ICAR screens and details about the information from each screen are outlined in the following chart.

Screen	Description
VPAYHIST	**Payments Paid to the Payee** (e.g., account types 12, 17, 18) Count payments up to the monthly obligation amount. Count any amount over as back support and treat as a lump sum.
VPAYHIST	**Payments Kept by the State** (e.g., account types 10,11, 13) Count payments, up to, but not over, the monthly obligation amount in the month received.
VPAYHIST	**Combination of Payments Paid to the Payee and Kept by State** If payments are credited to a combination of the above account types in the removal month, consider as follows: First consider payments paid to the payee. If these payments: ▪ Exceed the applicable monthly obligation, do not count any payments assigned to the state. ▪ Are less than the applicable monthly obligation, count all of the payments paid to the payee. Count payments assigned to the state up to the remaining obligation amount.

Screen	Description
VPAYHIST	**State tax offsets** will show the 'STT' fund source and the applicable account type. They are applied to the current month's obligation first and then to any arrearages. Count up to the monthly obligation for the month received. Treat any amount over as a lump sum.
VPAYREC	**Federal tax offsets** are always applied to arrearages and not current support obligations. Count federal tax offsets as a lump sum and only in the month received. Count only amounts received by the payee. If there is a discrepancy between VPAYREC and VPAYHIST regarding these offsets, obtain a release from the payee to contact CSRU regarding the distribution of this payment.
VOBLIG and VOBLGST	**The monthly obligation** is the amount owed for the current month. Do not include amounts ordered owed for any current repayment or reimbursement orders when determining the monthly obligation amount.

To determine the receipt date for all determinations, add two working days and two mailing days to the DIST DATE on VPAYHIST. Working days do not include holidays; mailing days do not include Sundays or federal holidays.

Lump-Sum Income

Legal reference: 45 CFR 233.20(a)(3)(ii) and (iii) as of July 16, 1996; 441 IAC 41.7(9)"c"(1) and (2) as of July 16, 1996

Lump sums are large payments that count as income in the month they are received, and depending on the amount, must also be prorated over a number of months. The way lump sums are handled is based upon the type of lump sum: recurring or nonrecurring.

A **recurring** lump sum is income that is received or could be received on a recurring basis. Lump sums that are employment-related are generally considered recurring, but recurring lump sums may also come from an unearned income source, such as:

- Commission, profit sharing, or bonuses.
- Vacation payouts.
- Contract work that is paid on an irregular or intermittent basis.
- Income that is paid on an intermittent basis (e.g., three month intervals).

For purposes of determining initial eligibility, recurring lump sums are counted if they are received in the removal month, or before the removal month if they are anticipated to recur.

Rather than counting the entire lump sum as income in the month received, recurring lump sums are prorated by the months in which they were earned or are intended to cover.

For example, if vacation time was earned over a year, it is prorated over a year when paid out. If a contract was for a six-month period, the amount paid to the contractor should be prorated over a six-month period.

In all cases the lump-sum income is applied to the month of receipt and subsequent months, even when the payment was for a prior period. See the examples below for illustration:

1. Mr. J receives an annual bonus for of $12,000 that is paid to him in the month of removal. The income is prorated over a 12-month period, including the month of receipt. In the removal month, Mr. J is considered to have $1,000 earned income in addition to his regular earnings for that month.
2. Ms. F is a consultant who receives payment on quarterly basis from her clients. She receives $4,000 approximately five days after the close of each calendar quarter. Ms. F's son is removed in May, a month in which she does not receive any payments.

   Since her quarterly payments are anticipated to recur, the lump sum Ms. F received in April is counted although it was not received in the removal month. Ms. F is considered to have $1,333.33 ($4,000 divided by 3) earned income in the month of removal.
3. Mr. G. is a contractor. He gets paid $600 in January 2019 for work during the contract period of July 2018 through December 2018. Mr. G's son is removed in January 2019.

   The $600 income is prorated based upon the months for which it was intended to cover: July–December (6 months). Mr. G is considered to have $100 income ($600 divided by 6) in the removal month.
4. Ms. X starts a new job in August and receives a $1,500 signing bonus. In November, her two children are removed. Since the bonus is not expected to recur and Ms. X received it before the removal month, the $1,500 is not prorated or counted as income in the removal month.

Nonrecurring lump sums are one-time windfalls or payments that will not be received again. Typical examples of nonrecurring lump sums include retroactive payment of benefits, lawsuit settlements, inheritances and gambling or lottery winnings.

For purposes of determining initial eligibility, nonrecurring lump sums are counted **only** if received in the removal month, and should be treated as income in the month received. They are not prorated.

However, what remains of any lump sums received in months before the removal month will be considered during examination of the family's resources, as discussed later in this chapter. See the examples below for illustration.

1. The eligible group includes Ms. Z and her three sons. The youngest son receives a lump sum payment of $4000 in retroactive Social Security benefits in May, the month the two older sons are removed. There is no other income available to the eligible group May.

   In June, the youngest child begins receiving $500 in social security monthly and is also removed from the home.

   Although there is no other income to the eligible group, the $4000 lump sum exceeds the Standard of Need for four people ($986), so the two children removed in May are not eligible for IV-E.

   When the youngest child is removed, he can be eligible for IV-E. The combined income of the child and his mother, the $500 Social Security payment, is less than the standard of need for two people ($719).

   The lump sum is not counted in his determination because it was received before his removal month. If the resource requirements are also met, the child will be IV-E-eligible.

2. The household consists of Mr. and Mrs. R and their four children. The four children are removed in December 2019. The SWCM reports that the parents were not working during the month of removal. Her understanding is that Mr. R received $250,000 inheritance in the summer and the family had been living off this money.

   Since the inheritance was not received in the removal month, it is not counted as income to Mr. R or to the eligible group. However, what remains of it during the removal month must be considered as resources to the family.

Exempt Income

Certain types of earned and unearned income are exempt in determining if the child meets the financial need requirements for AFDC relatedness. Refer to 4-E, *FIP Income* for detailed descriptions of these income types. These sources of income are exempt, even when received in a lump sum amount.

Sources of **exempt earned and unearned income** include, but are not limited to:

- TANF, FIP, diversion programs, grants for current living costs, or other need-based cash assistance;
- Supplemental Security Income (SSI) and State Supplementary Assistance (SSA), and family support subsidy;
- Adolescent Pregnancy Prevention payments;
- Census earnings;

- Earned Income Credit and income tax refunds;
- Earned income of full-time students under age 19;
- Federal payments, such as received through the Agent Orange Settlement Fund, Alaska Native Claims Settlement Act, Experimental Housing Allowance, Wartime Relocation of Civilians, Radiation Exposure Compensation Act, Relocation Assistance, and Crime Victim Compensation;
- Food programs, such as, Food Assistance, WIC, and USDA surplus food;
- Foster care and adoption subsidy maintenance payments;
- Income from job training programs, including WIA training expenses, work force investment project incentive allowance payments, vocational rehabilitation training allowance, veteran's benefits for education or training, and blind training allowance;
- Unearned income in-kind;
- Small monetary nonrecurring gifts, not to exceed $30 per person;
- Indian Tribal Judgment Funds;
- Job-related or third-party reimbursements, including family self-sufficiency grants;
- Living allowance or other payments related to volunteer programs such as AmeriCorps or VISTA payments;
- Loans;
- Loans or grants administered by the U.S. Commissioner of Education; and
- Settlements for payment of a medical expense, or payments received to repair or replace a resource that is actually used for that purpose.

Deductions

Legal reference: 441 IAC 41.7(2)"a" as of July 16, 1996

Deductions are portions of the eligible group's income that will be disregarded or excluded before comparing the group's income to the Standard of Need. They include:

- **Work related expense.** For each working adult in the eligible group, allow a $90 deduction for work-related expenses. The deduction may not exceed the amount of earned income. If the person's earned income is less than $90, deduct only the earned income. For example, if the parent earned only $50 in earned income, deduct only $50.
- **Child care**. For each working adult in the eligible group, allow a deduction for actual child care costs paid by that adult for a child in the eligible group to a limit of:
  - $175 per month for a child over the age of two.
  - $200 per month for a child under the age of two.

Deduct child care costs only if they are paid for supervision of the child when the parent is

- Working,
- Commuting to work, or
- Sleeping during the child's waking hours due to the parent's work schedule.

Child care does not have to be provided by a licensed facility, but it may not be deducted if provided by the child's parent, an eligible group member, or a child excluded from the eligible group.

- **Child support or alimony paid.** Deduct the actual amount of court-ordered child support paid by an eligible group member to a child outside the home. This includes both current support and back payments, provided they are court-ordered and paid during the removal month.

Diversions

The following sections detail diversions allowed for excluded or ineligible adults as well as ineligible children.

Diverting Income of Excluded or Ineligible Adults

Legal reference: 441 IAC 41.7 as of July 16, 1996

The income of certain people who are not in the eligible group must be considered when determining the financial need of the eligible group. A portion of this income will be set aside to meet the needs of the person and the person's or her dependents; the remainder is considered unearned income to the eligible group. This process is called diverting income.

The income of the following persons must be considered available to the eligible group if they are not part of the group, but live in the home:

- Ineligible stepparents, if the stepparent's spouse also lives in the home;
- Self-supporting parents of a minor, unmarried parent in the eligible group;
- Parents excluded from the eligible group due to their ineligible alien status. (The parent's gross, non-exempt income must first be counted against the 185% Test).

Use the following steps to determine how much of the excluded adult's income must be considered available to the eligible group:

1. Add the person's countable earned income.
2. If the person has earned income:
    - Deduct $90.
    - Deduct actual child care costs (up to set limit) the person pays.
3. Add the person's countable unearned income.

4. Deduct child support or alimony the person pays to someone living outside the home. (Note that child support or alimony paid by excluded stepparents or self-supporting parents of minor, unmarried parents does not have to be court-ordered in this calculation.)

5. Divert an amount for the excluded parent's needs as follows:

   - For excluded **stepparents** and **self-supporting parents of minor**, **unmarried parents**, divert the Standard of Need for the parent's group (the parent and the parent's children who are living in the home, but are not part of the eligible group).
   - For excluded, **ineligible alien parents**, divert the difference between the Standard of Need for the eligible group with the ineligible parent included and not included. If this parent also has children who are ineligible, see Diverting Income to Excluded Children.

   NOTE: In two parent households, when one or both parents are excluded, neither parent can divert income to meet the needs of the other. However, each parent may divert income toward the parent's own needs.

6. The balance is the income considered available to the eligible group.

Example 1:
The household consists of Jon, his mother, and his stepfather. Jon's stepfather receives $402 per month in VA benefits, which are countable as unearned income. Consider the ineligible stepparent's income after all deductions and diversions for comparison to both the 185% and Standard of Need Tests.

Step 1.	Total countable income (stepfather's VA benefits):	$	402.00
Step 2.	Work-related expense deduction:	-	0.00
Step 3.	Child care expense deduction:	-	0.00
Step 4.	Deduct child support or alimony paid:	-	0.00
Step 5.	Divert for stepfather's group size:	-	365.00
Step 6.	Balance available to eligible group:	=$	37.00

Example 2:
The household includes Mr. and Mrs. F and their four children. Both Mr. and Mrs. F are excluded from the eligible group. Mr. F. receives SSI and Mrs. F. is an ineligible alien. Mrs. F's gross monthly earnings are $500. She pays $100 child care per month. The family has no other income.

The eligible group consists of the four children. First compare the income of Mrs. F, who is an ineligible alien, to the 185% Test for the size of the eligible group ($500 vs. $1824.10).

Since income passes the 185% Test, determine how much of her income is available to the group after allowable diversions:

Step 1.	Total countable income (Mrs. F's earnings):	$	500.00
Step 2.	Work related expense deduction:	-	90.00
Step 3.	Child care deduction:	-	100.00
Step 4.	Deduct child support or alimony paid:	-	0.00
Step 5.	Deduct the Standard of Need difference with the ineligible alien parent included (five people) and excluded (four people) ($1,092 - $986 = $106):	-	106.00
Step 6.	Balance available to the eligible group:	=$	204.00

Example 3:
The household includes Mr. and Mrs. M and their three children. Mr. M and one of the children are ineligible aliens who must be excluded from the eligible group. Mr. M. earns $1,000 gross per month. There is no other income to the family.

The eligible group consists of the three household members who are citizens (Mrs. M and two of the children). First compare the income of Mr. M to 185% Test for the size of the eligible group ($1000 vs. 1570.65).

Since income passes the 185% Test, determine how much of his income is available to the group after allowable diversions:

Step 1.	Total countable income (Mr. M's earnings):	$	1,000.00
Step 2.	Work related expense deduction:	-	90.00
Step 3.	Child care deduction:	-	0.00
Step 4.	Deduct child support or alimony paid:	-	0.00
Step 5.	Deduct the Standard of Need difference with the ineligible alien household members included (five people) and excluded (three people) ($1,092 - $849 = $243):	-	243.00
Step 6.	Balance available to the eligible group:	=$	667.00

Income of excluded adults, after diversions, is added to the income of the eligible group. It is not necessary to gather the information required to include income of excluded adults if the income of the eligible group exceeds the Standard of Need before adding this income.

Diverting Income to Excluded Children

Legal reference: 45 CFR 233.20(a)(3)(ii)(c), (a)(3)(xiv) as of July 16, 1996, 441 IAC 41.7(11) as of July 16, 1996

Income calculations for Title IV-E differ in that the family is either above or below the income limit during the removal month. There is no benefit to making the family **more** under the income limit.

Diversions are not necessary if completing the diversion would not affect the outcome of the financial need test, for example:

- If the income of the eligible group is already below the Standard of Need, there is no need for a diversion to an excluded child in the home because the group has already passed the income test.
- Since there is a limit to the allowable diversion amount, diverting income may not be necessary for families whose income is significantly greater than the Standard of Need.

Income can be diverted to a child who is excluded from the group due to the child's ineligible alien status or a common child who was not deprived. Income cannot be diverted to children excluded due to receipt of SSI.

The maximum amount that can be diverted toward the excluded child is the amount of the child's needs. This amount is the difference between the Standard of Need if the excluded child **were included**, and the Standard of Need with that child excluded.

If more than one child is excluded, divert the difference between the Standard of Need if **all** the excluded children **were included**, and the Standard of Need with those children excluded.

When the household also includes other excluded members (e.g., an ineligible alien parent), the amount of the child's needs will already have been included when calculating the diversion for all the excluded members.

See Diverting Income of Excluded or Ineligible Adults for more information on calculating the diversion when the household consists of both parents **and** children who are excluded members.

If the eligible group's income exceeds the Standard of Need by more than the amount of the excluded child's needs, diverting income is not necessary.

Diversion for Common Child Who is Not Deprived

Legal reference: 45 CFR 233.20(a)(3)(ii)(c), (a)(3)(xiv) as of July 16, 1996, 441 IAC 41.7(11) as of July 16, 1996

A parent can divert income for the unmet needs of the common child if the child is not deprived and the child's other parent, who is not in the IV-E eligible group, does not have enough income to meet the child's needs.

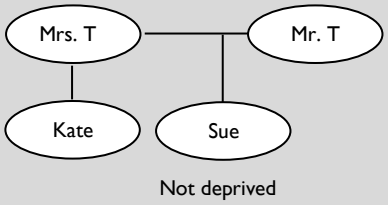
The common child's needs are determined differently depending on whether the parents are married or not married.

<table>
<tr><th>If..</th><th>Then…</th></tr>
<tr><td>Parents are married</td><td>Consider the common, non-deprived child part of the stepparent's unit when determining the child's needs.

The common child's needs equal the difference in the Standard of Need amount for the stepparent unit with the common child included and excluded.

The parent may divert up to the amount not met by the income of the stepparent and the common child.</td></tr>
<tr><td></td><td>Example:

▪ Mr. T
▪ Mrs. T
▪ Sue, common child who is not deprived
▪ Kate, Mrs. T's child from a prior relationship

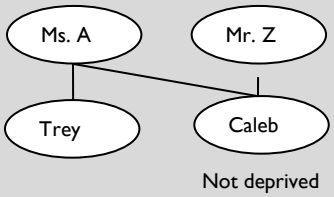
 

When determining eligibility for Kate, the IV-E eligible group size is two (Mrs. T and Kate). Mr. T and Sue comprise the stepparent unit. Sue's needs are $354 ($719 needs of a two member group minus $365 needs of a one-member group = $354).</td></tr>
<tr><td>Parents are not married</td><td>Consider the common, non-deprived child as if the child were part of the IV-E eligible group when determining the child's needs.

The common child's needs equal the difference in the Standard of Need amount for the IV-E eligible group with the common child included and excluded.

The parent may divert up to the amount not met by the income of the companion and the common child.</td></tr>
<tr><td></td><td>Example:

▪ Ms. A
▪ Mr. Z
▪ Caleb, common child who is not deprived
▪ Trey, Ms. A's child from a prior relationship

When determining eligibility for Trey, the IV-E eligible group size is two (Ms. A and Trey).

To determine Caleb's needs, consider him as if he were part of the IV-E eligible group. Caleb's needs are $130 ($849 needs of a three member group, minus $719 needs of a two member group = $130).</td></tr>
</table>

Parent Diversion for Common Child in Stepparent Case

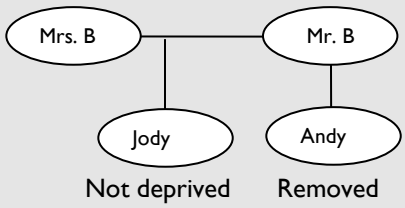
Legal reference: 441 IAC 41.27(8)"B"

The parent in the IV-E eligible group may divert income to meet the unmet needs of the common children who are not in the eligible group if the stepparent does not have enough income to meet their needs.

Do not divert the parent's income to meet the needs of the ineligible stepparent or the stepparent's dependent children living in the home.

Household composition:

- Mr. B, $1019 gross earnings ($929 after work expense)
- Mrs. B, $590 gross earnings ($500 after work expense)
- Jody, common child who is not deprived
- Andy (removal child), Mr. B's child from a prior relationship



Jody, the common child, is not deprived. While the family's gross, non-exempt income of $1609 ($1019 + $590) passes Test 1 (185% Test), $1,429 ($500 + $929) exceeds the Test 2 (Standard of Need) limit for a four person eligible group.

To determine eligibility for Andy, the non-common child, consider Mrs. B's income according to stepparent policies. Subtract applicable deductions and diversions from her income prior to comparison to the income tests. In addition to the $90 work expense, allow her a diversion for herself and Jody based on the standard of need for two persons ($719).

Of this $719 amount, Jody's needs are $354 ($719 needs of a two member group minus $365 needs of a one member group). If Mrs. B does not have enough income to meet Jody's needs, Mr. B may divert his income to meet Jody's remaining unmet needs.

$	500	Mrs. B's income
-	365	Diversion for Mrs. B's (stepparent) needs
$	135	Mrs. B's income available to meet common child's needs
$	354	Jody's total needs ($719 - $365 under stepparent policy)
-	135	Mrs. B's income available to meet Jody's needs
$	219	Jody's remaining unmet needs

Test 1 (185%): Compare Mr. B's gross, non-exempt income and Mrs. B's income after all deductions $1019 ($1019 + $0) to 1330.15 for a two person eligible group.

Test 2 (Standard of Need): Allow both Mr. and Mrs. B applicable deductions and diversions. Since Mrs. B has only enough income to meet $135 of Jody's needs, Mr. B can divert $219 to meet Jody's remaining unmet needs.

$ 1019	Mr. B's income
- 90	Work expense deduction
- 219	Diverted to meet Jody's unmet needs
$ 710	

The household's income is under the $719 Standard of Need for the two-person IV-E eligible group consisting of the Mr. B and Andy.

Parent Diversion for Common Child in Companion Case

Legal reference: 441 IAC 41.27(8)"B"

When the excluded child is a **common child who is not deprived**, a diversion is allowed if the companion alone cannot sufficiently meet that child's needs.

Determine how much of the needs of the common child are already met by the companion's income and the common child's income. The remaining unmet needs of the child can be met by diverting the income of the parent in the IV-E eligible group.

First, determine the needs of the child (difference between the Standard of Need if the ineligible child were included in the IV-E eligible group and the Standard of Need with that child excluded).

Next, take the following steps to determine the unmet needs amount:

1. Start with the countable income of the companion.
2. Deduct the $90 work-related expense if the companion has earned income.
3. Add the countable unearned income of the companion and child.
4. Deduct the Standard of Need for the companion and the companion's other children living in the home that are not part of the eligible group. The balance is the amount available to meet the needs of the excluded child.
5. Subtract the balance from the needs of the excluded child.
    - If the balance exceeds the needs of the excluded child, the parent may not divert to this child.
    - If an amount remains, this is the amount that can be diverted by the parent in the eligible group to meet the child's unmet needs. The diversion is applied after all other allowable deductions have been made.

Julie, the child under review, lives with her mother Ms. B, her half-brother Jason (a common child who is not deprived), her mother's companion Mr. K, and his three other children. Ms. B earns $815 per month. Mr. K earns $1100 per month. There are no child care costs and no other income to the group.

Ms. B's gross, non-exempt income is less than the 185% Test for the size of the eligible group ($815 vs $1330.15).

After deducting the work-related expense, the income of the eligible group (Julie and Ms. B) is only a few dollars over the Standard of Need, so a diversion may be helpful. ($815 – 90 = $725 > $719 Schedule of Living for two people)

Because Jason, the common child, is not deprived, he has been excluded from Julie's eligible group. However, Ms. B may be able to divert income to Jason if his needs are not met by his own income combined with that of his father, Mr. K.

	First determine the needs of the common child using the difference in the Standard of Need with and without Jason included in the eligible group.	$ - $	849.00 719.00 130.00
1.	Start with the earned income of Mr. K:	$	1,100.00
2.	Deduct the work-related expense for Mr. K:	- $	90.00 1,010.00
3.	Add the unearned income of Mr. K and Jason:	+	0.00
4.	Deduct the Standard of Need for Mr. K and his three other children living in the home (four people). The balance is available to meet the common child's needs.	- $	986.00 24.00
5.	Subtract this balance from Jason's needs (as determined before step 1). This is the amount Ms. B can divert to meet Jason's unmet needs:	$ - $	130.00 $24.00 106.00
6.	Since an amount remains, Jason has unmet needs and Ms. B may divert income up to this amount. Subtract this remainder from Ms. B's after-deduction income:	$ - $	725.00 106.00 619.00

Ms. B is able to divert enough income to allow the eligible group to pass the Standard of Need Test ($619 vs. $719).

Ineligible Alien Children

Legal reference: 45 CFR 233.20(a)(3)(ii)(c), (a)(3)(xiv) as of July 16, 1996, 441 IAC 41.7(11) as of July 16, 1996

For **ineligible alien children**, determine if the parent's income can be diverted to meet all or part of that child's needs by taking the following steps:

1. Determine the needs of the child (difference between the Standard of Need if the ineligible alien child were included and the Standard of Need with that child excluded).

   If more than one child is excluded, calculate the difference between the Standard of Need if all the excluded children were included, and the Standard of Need with those children excluded.

2. Subtract the child's countable earned and unearned income.

3. Balance is the amount the parent may divert toward the unmet needs of the ineligible alien child.

Gabby is the child under review. She lives with her brother Joseph, her mother Ms. Y, and her half-sister Valerie who is an ineligible alien. The eligible group's income is only a few dollars over the Standard of Need, so a diversion may help the group. Valerie receives $100 a month in child support from her father.

1.	Determine amount of Valerie's needs (four-person standard minus three-person standard) ($986 - $849):	=	137.00
2.	Subtract Valerie's unearned income ($100 child support, $50 of which is exempt):	-	50.00
3.	The balance is the amount Ms. Y may divert toward Valerie's unmet needs for the Standard of Need Test:	$	87.00

Resources

Legal reference: 441 IAC 41.6(1), 41.26(5), 41.6(6)"a" and "c" as of July 16, 1996, Public Law 106-109

To meet AFDC requirements, the countable value of the family's resources must not exceed $10,000. Resources are defined as real and personal property that a person owns in part or in full and has control over (meaning it can be occupied, rented, sold, etc., at the person's discretion). The person has a legal interest in a liquidated sum and has the legal ability to make the sum available.

Count only resources available to members of the eligible group and any ineligible alien parent in the home. Do not count resources of people who are not in the eligible group, such as SSI recipients, ineligible stepparents, and self-supporting parents of minor, unmarried parents.

When determining the value of a resource, use equity value. The equity value is the value of the item, minus any lien or amount owed on the item. For example, if a property value is $150,000, but $125,000 is still owed to the bank on the mortgage, the equity value of the property is $25,000 ($150,000 - 125,000 = $25,000).

If the combined value of countable resources for the eligible group exceeds the resource limit in the removal month, the child cannot be eligible for Title IV-E for the entire out-of-care episode.

Note that countable income received during the removal month should not be considered part of the family's resources.

However, countable income received in previous months and still remaining as of the removal month (for example, a nonrecurring lump sum), should be counted as a resource, unless converted to one of the exempt resource types discussed below.

Exception: Federal Tax refunds are exempt as a resource for 12 months from the date of receipt. (P.L 111-312, 112-240)

In general, a resource is **countable** if it is accessible during the removal month. Common countable resources include:

- Cash on hand or in accessible bank accounts, including individual development accounts
- Accessible stocks, bonds, mutual funds, retirement accounts, contracts, trusts
- The blue book trade-in value of motor vehicles, minus $1500 from the value of the first vehicle
- Real estate property **not** considered the family's primary residence, such as income property or vacation homes
- Cash value of life insurance policies

The following are **exempt** resources, or resources that do not count toward the allowable resource limit for the eligible group.

- The family home and items used to maintain the home and to accommodate, comfort, and entertain the occupants. This may include personal effects such as clothing, jewelry, and similar items.
- Unavailable trusts and conservatorships, life estates, and jointly owned resources.
- One burial plot per eligible group member and a burial trust valued up to $1,500 (or up to an unlimited amount if the burial trust is irrevocable).
- Items related to self-employment, such as tools of the trade, vehicles used for work, and farm inventory used to produce income.

Verification and Documentation of Financial Information

A child may be considered to meet AFDC relatedness when:

- There is a preponderance of evidence that the child meets the requirements of the AFDC program, and
- The information available to the IV-E IM worker through available systems and agency sources is supportive of this conclusion.

A primary source of financial documentation is form 470-3839, *IV-E Initial Placement Information*, or the Medicaid application. However, these documents are not always fully or carefully completed, and more information may be needed for completion of the IV-E determination.

When the Medicaid application provides insufficient documentation, approach case determinations using the "preponderance of evidence" model. This approach acknowledges that exact income or detailed income documentation is often not available for a IV-E decision. It allows you to make a decision of AFDC relatedness based upon information from a variety of sources.

Information provided by social work staff, combined with the information available on automated systems, is sufficient to make an eligibility determination in most cases. Where at all possible, use at least two sources of documentation to reach conclusions regarding the financial need of the family.

The following may be used as a guide for collecting financial information:

- Check state systems to see if the family has received other benefits (such as Food Assistance or FIP) and request pay stubs, income declarations, or other information from those sources.
- Query into state systems such as the motor vehicle registry to verify resources.
- Use the state labor file as the source for income when other available sources do not contradict the information in the state labor file.
- Obtain the self-declaration of income the parent has made:
    - To the court in requesting legal assistance,
    - To the social worker, or
    - In the work history portion of a psychological assessment.
- Contact the child's social worker to clarify information that may not have been included on the application.
- Use case narratives, social histories, and case plans to document the parent's employment or lack thereof, or to establish the family's financial situation.
- Contact parties outside the agency only as a last resort when the child is not clearly eligible and cannot otherwise be made eligible.

The "preponderance of evidence" approach further allows you to assess critical situations and come to a determination based on case information. When available information has been gathered, consider the following questions to determine if sufficient information exists to finalize the conclusion on AFDC relatedness:

- Would a reasonable person conclude that the family's income and resources were within or over AFDC limits?
- If the child is living with a parent:
    - Is there a reasonable explanation for how the family is obtaining basic life necessities such as food and shelter?
    - Is there evidence that the family has not been able to obtain basic necessities?
- Do the living circumstances of the family reasonably match with the reported income of the family?
- Are you aware of any unexplained information that would contradict a finding of AFDC relatedness?

1. Sondra, 4, is removed from her mother's care in July. It is reported that Sondra and her mother lived in a shelter in April, but moved and have been living on the streets or staying with friends ever since. Sondra's father is unknown, and her mother has a long history of substance abuse.

   The state wage system shows no wages for Sondra's mother in the past year, and the social worker reports that Sondra's mother had not been working since she was terminated from her last job.

   The information above, in the absence of information to the contrary, provides a preponderance of evidence that Sondra met AFDC income limits. She and her mother were homeless at the time of removal; there is no evidence that her mother was employed.

2. Joy is removed from the care of her father and placed into out-of-home care. The petition notes that Joy's father works in construction, but the state wage file does not show any employment for the father, so his wages cannot be confirmed through that system.

   To make a decision on Joy's case, the IM worker attempts to resolve the conflict regarding the father's employment by contacting the caseworker, who asks the father for more information. The father refuses to provide his employer or income information. Unable to resolve the conflict, the IM worker made the case ineligible.

3. Charlie, 8 years old, is removed from the care of his grandmother, the CTW home. Charlie does not have any brothers or sisters living in the home.

   The Medicaid application completed by the social worker is largely blank, but does not indicate any income for Charlie. A check of available state systems shows no known income for Charlie, and the grandmother does not receive any Medicaid or FIP for him.

   Since Charlie is a minor and minors commonly do not have income other than unearned income that would appear on state systems, it is reasonable to conclude that Charlie meets AFDC income and resource limits without contacting further sources.

Claimable Placement

Legal reference: 42 USC 672 (b), 45 CFR 1355.20

A child cannot be claimed to IV-E unless the child is living in a "claimable" placement. For a placement to be considered a claimable one, it must be both:

- A claimable type of facility **and**
- A fully licensed one.

When completing an initial determination, examine the child's placement type and determine if it is a claimable placement. Placement of the child will be examined on an ongoing basis throughout the child's out-of-home care episode.

If a child fails to meet the claimable placement criteria, the child's care may not be claimable, but the child may become IV-E claimable when the child moves to a claimable placement, provided all other IV-E requirements continue to be met.

This section discusses types of out-of-home placements and the licensure standards for claimable placements.

Licensure Status

Like many other federal programs, Title IV-E depends on the state to establish and implement standards for its providers to ensure the safety of clients.

A placement may be considered a claimable placement only if the facility meets the full state standards for licensure. If the child is placed in otherwise claimable placement that is not fully licensed, expenses for the child may not be claimed to Title IV-E while in that placement.

Note that a provisionally licensed foster home is not considered fully licensed and should be treated as not licensed while in this status.

Children placed in relative homes can be claimed to IV-E only if the relative is a licensed foster care provider.

If the license of the provider lapses or goes in effect during the month being considered, the child may be claimed to IV-E during that entire month, provided the child remained in that placement during the whole month.

However, if the license has not been in effect at any time during the calendar month, the child may not be claimed during that month while in that placement.

If claiming is suspended due to licensure status, it may resume during the same out-of-home episode once the placement is fully licensed again, or the child moves to a claimable placement.

Type of Placement

In addition to being a licensed placement, the type of placement must also be considered. A child placed in a non-claimable type of placement cannot be claimed to Title IV-E while placed there, even if it is a licensed setting. However, the child will become claimable if the child is later placed in a claimable placement and other IV-E requirements continue to be met.

Non-claimable Placement Types	Claimable Placement Types
▪ Detention ▪ Hospital ▪ Nonrelative or suitable person (when not licensed) ▪ Parents (on a trial home visit) ▪ Psychiatric medical institution for children (PMIC) ▪ Relatives (when not licensed) ▪ State juvenile correction settings: • Iowa Juvenile Home in Toledo* • State Training School in Eldora ▪ State mental health institutes ▪ Supervised apartment (independent) living (before 10/11/10) ▪ "Highly structured" group care (boot camps)* ▪ Specialized Juvenile Delinquent Program (SJDP)	▪ Foster family care (related or nonrelated) ▪ Pre-adoptive home ▪ Residential treatment* (group care – before 4/1/2020), including: • Comprehensive • Community treatment • Enhanced group care ▪ Qualified Residential Treatment Program (QRTP – after 4/1/2020), including: • Problematic Sexualized Behavior (PSB) beds • Neurodevelopmental and Comorbid Conditions (NACC) beds ▪ CCI (Shelter care) ▪ Supervised apartment living (after 10/11/10)

* These placements are no longer utilized as of 1/16/14, 7/1/08 and 4/1/20 but old placements will still show on FACS.

The IV-Eligibility Unit maintains a list of claimable and non-claimable placements. If the status of a facility is in question, contact IV-E program staff.

When a child is in day treatment, the child is not considered in placement, since the child returns home each night. This is not a placement setting.

Effective Date of IV-E Claiming

Legal reference: ACYF PIQ 91-05

A child's initial **eligibility** is established if the child meets the initial eligibility criteria described in these sections:

- Legal Authority and Judicial Language Criteria
- Removal From a Specified Relative
- AFDC Relatedness
- Claimable Placement

The effective date of IV-E claiming is the first day of the month in which all of the initial eligibility and claiming requirements were met, or the date of placement in a claimable facility if in the same month.

If any of the initial eligibility criteria listed above are not met, the child will never be eligible during this foster care episode since these requirements are based on a fixed point in time. However, if the child does not meet the claiming criteria, the child's claiming may begin as soon as both of those requirements are met.

Once the child is initially eligible, the child's eligibility continues until a change occurs that affects eligibility, as discussed under Requirements for Ongoing Out-of-Home Eligibility.

1. Ted, age 10, is removed from the CTW home of his mother by a court order with acceptable CTW and RE1 language. AFDC criteria are met because Ted meets the age criteria, he is a United States citizen, his father is absent from the home, and neither Ted nor his mother has any countable earned or unearned income to consider.

   Ted is removed on July 22 and placed in the home of his aunt, who is not a licensed foster care provider. On August 7, Ted is placed in a licensed foster family home.

   The removal month (when the AFDC requirements were considered) is July since Ted was removed July 22. However, the effective date of IV-E claiming is August 7, since all of the eligibility and claiming requirements are not met until Ted is placed in a licensed foster home.

2. On April 27, Max is removed from his mother's home and placed in a foster home pursuant to a voluntary placement agreement. Max meets AFDC relatedness in his mother's home. Although the VPA shows an effective date of April 27, due to an oversight an HHS representative did not sign the VPA until May 10.

   The removal month (the month for which the AFDC requirements were considered) is April. However, the effective date of IV-E claiming for Max is May 1, the first day of the month in which all IV-E requirements were met.

   Max cannot be eligible in the month of April even though he was in a claimable placement, because the requirement for a valid VPA (part of legal authority and judicial language criteria) was not met until both HHS and the parent signed the form.

Determining Initial Out-of-Home Eligibility

The determination of IV-E eligibility is a joint process involving activities by both IM and service staff. This section outlines the steps and responsibilities for initial eligibility determination when a child enters out-of-home care. An initial IV-E eligibility determination must be completed:

- For any child who is entering out-of-home care for the first time.
- When children are re-entering out-of-home care for a new out-of-home care episode after having been:
  - Adopted, or
  - Permanently returned to the care of a parent, guardian, relative, or other suitable person. (See discussion in Child in Home of Parent (Court Ordered Trial Home Visit) to determine if a return home was on a trial basis or permanent basis.)

The removal of the child should occur pursuant to:

- A court order granting responsibility for placement and care of the child to HHS or JCS, or
- A voluntary placement agreement that is signed by the parent or guardian and HHS, granting HHS authority to place the child.

When the child enters out-of-home care for the first time or after a permanent return home, the child's IV-E status must be determined based upon the circumstances of the home from which the child was removed and the authority for removal. To make this determination, the IV-E IM worker relies upon information provided by the SWCM or service area liaison, as follows:

STAFF RESPONSIBLE	TASKS
SWCM or service area liaison	▪ Gather household demographic and financial information at the time of removal. ▪ In JARVIS / IV-E Tracking, complete page 1 the *IV-E Initial Placement Information* and upload a copy of the court order or VPA that authorized removal. ▪ Complete FACS system entries of all information. ▪ If the child is not currently receiving Medicaid: • Send form 470-5535 or 470-5535(S), *Application for Foster Care and Subsidized Adoption Medicaid* to the family or complete it with the family and • Upload the completed application in JARVIS / IV-E Tracking. ▪ When changes occur, complete the *IV-E Changes* form in JARVIS / IV-E Tracking and upload subsequent court orders

STAFF RESPONSIBLE	TASKS
IV-E IM worker	▪ Review materials received from the SWCM or service area liaison and the family for completeness. ▪ Request any additional information needed to complete determinations from the SWCM or service area liaison. ▪ Review the legal documents to ensure that legal authority and judicial determination requirements are met. ▪ Establish AFDC relatedness for the child. ▪ Review other criteria discussed in Initial Out-of Home Eligibility Requirements. ▪ Refer QRTP placements to SW4 for review of eligibility criteria. ▪ Complete the *IV-E Initial Placement Information*, and *IV-E Financial Worksheet* to document IV-E eligibility determination. ▪ Notify the SWCM or service area liaison of the outcome of the IV-E eligibility decision. ▪ Complete the IVED screen in FACS and update JARVIS / IV-E Tracking. ▪ Establish the child's Medicaid status according to procedures in Chapter 8-H.
SW 4	▪ Review QRTP criteria for IV-E eligibility • 30 day evaluation • 60 day court determination • Ongoing need for placement

Eligibility File

The IV-E IM worker maintains an eligibility file that must contain all the documents required to support the IV-E determination, both for the initial determination and for ongoing eligibility. When multiple siblings from the same family are removed, create a separate eligibility file for each sibling.

The purpose of the eligibility file is to keep in one location all of the documents required to substantiate the child's eligibility status should the case be audited or reviewed by internal or external auditors.

Most importantly, the file shall include form 470-3839, *IV-E Initial Placement Information*, the certification form for the initial IV-E determination. For IV-E changes, form 470-3918, *IV-E Changes*, is the certification of eligibility and must be included in the file.

In addition, the file should include other critical documents that prove the child meets or does not meet the IV-E requirements considered during the initial determination and on an ongoing basis.

At minimum, the eligibility file should contain the following in support of the initial determination:

- Form 470-3839, IV-E Initial Placement Information.
- Medicaid application, if needed, or SDX if the child is an SSI recipient.
- Court order or voluntary placement agreement authorizing removal of the child.
- Subsequent court orders with required IV-E judicial determinations and responsibility for placement and care if not in the initial court order, and any accompanying *IV-E Changes* form. (If a required judicial determination was not made, include all court orders issued within the allowable period to demonstrate that none contained the required determination.)
- Documentation and verification of income and resources for the eligible group, including the child in placement.
- Form 470-3837, IV-E Financial Worksheet.

At minimum, the eligibility file should contain the following in support of any IV-E change:

- Form 470-3918, *IV-E Changes*; and
- Supporting documentation provided by the SWCM or service area liaison.

The eligibility file may also contain other supporting information and forms intended to support eligibility or track eligibility activities, for example, the placement history sheet, correspondence with the SWCM, or other documents as appropriate.

Recipients or Potential Recipients of SSI or Social Security Benefits

When children in the care of HHS receive SSI or Social Security benefits, HHS applies to become the payee for the child's benefits. If the child receives SSI, the child's IV-E and Medicaid will also be treated differently than other children.

When the SWCM believes that a child entering out-of-home care may be eligible for SSI or Social Security benefits, the case should be referred to the SSI Advocacy Project. HHS contracts with MAXIMUS to:

- Make an SSI application for children believed to meet the requirements.
- Make a Social Security application for children believed to meet the requirements based on their parents' death or disability.
- Request a change of payee form to allow HHS to receive SSI or Social Security benefits to offset the cost of out-of-home care.
- Determine whether SSI or IV-E should be used to offset the cost of out-of-home care.

The SWCM should make the referral to MAXIMUS when:

- The child is already receiving SSI or Social Security benefits and is expected to be out of the home for more than 90 days.
- The child has significant physical or mental health problems. (The child may be eligible for SSI.)
- The child's parent is deceased. (The child may be eligible for social security.)

- The child's parent is currently retired or disabled, but has a history of working. (The child may be eligible for social security.)

A referral to MAXIMUS may be made by telephone, FAX or email, or by mailing form 470-3361, *SSI Advocacy Project Referral*. (See 18-Appendix for a form sample and instructions for submitting information to the contractor.)

In most cases, a child for whom application for SSI is being made will receive IV-E payment before being determined eligible for SSI.

An employee of the Social Security Administration may contact a caseworker requesting the amount of IV-E received for a child, as this affects the child's benefits. Advise the Social Security representative to call MAXIMUS at 1-800-778-1406 for this information. Do not provide information from FACS or other data systems, as this data may not be delineated by fund source.

When a foster child receiving SSI or Social Security benefits changes placement or leaves out-of-home care, MAXIMUS must be notified immediately by telephone, FAX, email, or mailing form 470-3359, *Payee/Placement Changes*. (See 18-Appendix for a sample and instructions.)

Administration and Training Funding and Medicaid for SSI Children

Legal reference: ACYF PA 01-02

If a child receives SSI, determine Medicaid eligibility under the SSI coverage group (aid type 64-0) regardless of the child's IV-E status.

IV-E administration and training funds may be claimed for children receiving SSI provided the child meets all the requirements for IV-E out-of-home care maintenance payments. Maintenance payments may not be claimed while SSI is received for the child.

Determine eligibility for IV-E in the usual manner, but ignore the SSI payment. If the child would be IV-E-eligible but is getting SSI and thus is precluded from IV-E maintenance funding, consider the child to be eligible for IV-E administrative and training funding. Code the ELIGIBILITY FOR IV-E ADMINISTRATIVE FUNDING fields on TD04 screen in the ABC system as "yes."

Child Currently Receiving FIP

Legal reference: ACYF PIQ 91-05

When a child leaves the FIP home to enter out-of-home care, notify the local office to remove the child's needs from the grant effective the first day of the following month. System requirements may delay the effective date until the first day of the second month after the month in which the child left the home.

Complete the IV-E eligibility determination. If all IV-E eligibility requirements are met, the child can begin receiving IV-E in the month of removal.

IV-E funding can be claimed beginning the first day of the month in which all IV-E eligibility requirements are met, but no sooner than when the child enters IV-E claimable placement. This is true regardless of whether the child is receiving FIP at the time of removal.

1. A child is removed from a FIP home on March 29. It is too late in the month to cancel the child's April FIP payment. Assuming all IV-E requirements are met, IV-E can be claimed for the child from the beginning of the child's episode of out-of-home care, March 29.
2. A child and mother are receiving FIP. The child is removed from the mother's home and placed in out-of-home care on April 10. The removal of the child makes this mother ineligible for FIP and the FIP case is closed effective May 1. It is determined that the child meets all of the IV-E eligibility requirements. IV-E claiming is effective April 10, given all other IV-E requirements are met.

Child of a Minor Parent in Out-of-Home Care

Legal reference: 42 USC 672 (h)

If a child's parent is a minor, the treatment of the child's case will depend upon whether the child is placed separately from the child's minor parent.

- Child placed with minor parent.

  If the minor parent is in out-of-home care with the child and both parent and child are under the placement and care responsibility of HHS, separate IV-E determinations need to be completed on both the minor parent and the child.

  If the child is **not** under the placement and care responsibility of HHS, and a payment is made to the minor parent's care provider that covers both the child and the parent, this payment (including the portion for the baby) may be claimed to IV-E if the minor mother is IV-E-claimable.

  Since the child is not in out-of-home care, a IV-E determination is not necessary on the child of the minor parent while the child stays with the minor parent. Also see 8-H, *When a Foster Child is a Minor Parent*.

- Minor parent and child placed separately.

  If HHS did not previously have responsibility for placement and care of the child of a minor parent, an initial IV-E eligibility determination must be completed when that child is removed from the minor parent, just as if the child were removed from a non-foster-care home. This includes:

  - Situations where the child is removed from the care of a minor parent who is placed in out-of-home care, and
  - Situations where the child is removed from the care of a minor parent who remains in the minor parent's own home.

  Use the following guidelines when determining eligibility for a child removed and placed separately from the child's or her minor parent:

  - The child's IV-E status is based on the factors surrounding the child's removal. The child's IV-E status is not related to the minor parent's IV-E status.

- If the child is removed from a minor parent in out-of-home care, consider only the income and resources of the child and minor parent when determining eligibility. Do not consider the out-of-home care maintenance payment as income when determining eligibility.
- If the care provider for the minor parent was previously receiving an enhanced payment that included the needs of the child, this payment should be reduced effective the date of removal. Any overpayments should be recovered.
- When the child is removed from a minor parent who remains in the minor parent's own home, the income of the parent of the minor parent may need to be considered. See Eligible Group for further discussion.

Retroactive Claims and Adjustments

Throughout the child's out-of-home placement, it may be necessary to make either positive or negative retroactive changes to the child's IV-E status. Examples of situations where this may occur include the following:

- An application for a social security number has not yet been filed, so the child cannot be set as IV-E-eligible in the FACS system.
- The child's initial eligibility is not established in the removal month.
- A change in the child's situation affecting the child's claiming status is not identified until after it occurs.
- Additional information becomes available which changes the child's eligibility or claiming status.

When this occurs, it is necessary to notify the IV-E Eligibility Unit of the need for a retroactive adjustment to the child's claiming. Contact the IV-E Eligibility Unit Policy Specialists in Central Office for the current retroactive claiming procedure.

Retroactive adjustments are processed in the FACS nightly batch update and are reflected on the RCML screen.

Out-of-State Placements

Responsibility for establishing and maintaining IV-E eligibility for children placed outside of Iowa and children placed in Iowa from other states is shared between the two states.

For purpose of discussion, the state the child was removed from is the "placing state" and the state the child is placed in is the "supervising state." It is the job of the placing state to determine initial IV-E (and ongoing) eligibility and provide documentation of the determination to the supervising state.

- When Iowa is the placing state

  When a child who is initially eligible in Iowa is placed in another state:

  - The IV-E IM worker will determine initial IV-E eligibility based upon information provided by the SWCM or service area liaison, and provide documentation of the child's IV-E status to the SWCM or service area liaison.

- The SWCM or service area liaison will provide documentation of the child's IV-E status to the supervising state. The supervising state uses this information to acquire Medicaid in that state for the child.
- The IV-E IM worker will track the child's ongoing eligibility and claiming in terms of RE2 and type of placement, based upon information provided by the SWCM or service area liaison.
- The SWCM or service area liaison will ensure that the child's placement is fully licensed to the standards of the supervising state.
- If a child is IV-E-claimable, including placement in a licensed setting, a retroactive claim must be completed, as claiming will not be established in ABC to update FACS. See Retroactive Claims and Adjustments.

If the child is not IV-E-eligible, the supervising state will generally not provide Medicaid for the child. The IV-E IM worker will be asked to process Iowa Medicaid for the child, and the SWCM will coordinate with the child's caregiver to facilitate medical care for the child.

- When Iowa is the supervising state

  When a IV-E-eligible child from another state is placed in Iowa, Iowa staff provide courtesy supervision of the child and home. Once documentation is received from the placing state that the child is IV-E-eligible:

  - The IV-E IM worker will set up Medicaid for the child; and
  - The SWCM or service area liaison will provide documentation to the placing state that the child's placement is fully licensed on a continual basis, so that the placing state may claim IV-E for the child's placement costs.

  If the child is not IV-E-eligible, the child's caretaker can apply for Medicaid through the local office if the caretaker is related to the child. Otherwise, the caretaker must work with the placing state to coordinate medical care for the child.

Requirements for Ongoing Out-of-Home Eligibility

If a child meets the initial eligibility requirements examined during the initial determination, there are several requirements for Title IV-E that must continue to be examined on an ongoing basis, as well as some that are considered **only** on an ongoing basis. These requirements can be grouped into two types: ongoing eligibility requirements and claiming requirements.

When an ongoing **eligibility** requirement is no longer met, the child's eligibility ends for the remainder of the out-of-home care episode. If a **claiming** requirement is no longer met, the child's IV-E claims must be suspended until all criteria are met again. The criteria examined on an ongoing basis are summarized in the table below, and discussed in more detail in the sections that follow.

Requirement	Requirement Type	Explanation of Requirement
Age	Ongoing eligibility	The child must remain under age 18, or if 18, be a full time student expected to graduate by 19.
Continued responsibility for placement and care	Ongoing eligibility or claiming, depending upon situation	HHS or JCS must maintain responsibility for placement and care of the child through a court order or VPA.
End of court ordered trial home visit	Ongoing eligibility	Court ordered trial home visits are limited to six months.
Best interests within 180 days (VPA removals only)	Ongoing eligibility	For the child to remain eligible, there must be a court order containing CTW/BI language within 180 days of placement pursuant to a VPA.
Reasonable efforts towards the permanent plan (RE2)	Claiming	HHS or JCS must obtain a judicial determination to the effect that reasonable efforts have been made towards the child's permanent plan at least once every 12 months.
Claimable placement	Claiming	The child must be placed in a licensed, foster care type placement.

Changes That Permanently End Eligibility

Once a child is initially determined Title IV-E-eligible, the child's eligibility must continue to be examined for the remainder of the episode of out-of-home care to ensure the child continues to meet Title IV-E requirements.

Eligibility ends permanently if one of the following changes occurs:

- The child reaches the age limit,
- The child is no longer under the placement and care responsibility of HHS (with one **exception**, as described below),

- The child was home on a court ordered trial visit for longer than six months, even if custody with HHS was continuous, or
- The child was placed by a voluntary placement agreement and CTW/BI language was not obtained within 180 days of the placement.

Child Reaches Age Limit

Legal reference: 441 IAC 41.1(1) and 41.4(1) as of July 16, 1996

A child can remain eligible for Title IV-E only if the child is under 18 or is a full–time student and is reasonably expected to graduate secondary school or an equivalent level of vocational or technical training by age 19. Eligibility is permanently terminated on the last day of the month in which the child no longer meets this requirement.

A child who is over 18 must be enrolled full time in a secondary school, certified home schooling arrangement, or an equivalent level of vocational or technical training leading to a certification or diploma.

If the child is working on a GED, enrolled in a "drop-in" school, or otherwise enrolled in a public educational program with irregular hours, the school determines whether the child's hours of attendance are considered full time.

Note that 18-year-old children must also agree to their continued placement in out-of-home care. If a child reaches 18 and still meets the school requirement, the child's continued eligibility is dependent upon the child signing a voluntary placement agreement for the child's continued placement. This is typically done on or just after the child's 18th birthday. Voluntary placement agreements for children 18 and over expire in 6 months. 18-year-old children must also meet the requirements for **Reasonable Efforts to Achieve Permanency (RE2)**.

1. Joyce's eighteenth birthday is May 19. She is not in school or an equivalent program. The effective eligibility termination date is May 31.
2. Timothy turns 18 years old on April 22. He is just finishing the eleventh grade and is not expected to graduate until June. Since he is not expected to graduate by his nineteenth birthday, the effective eligibility termination date is April 30 (the month of his eighteenth birthday).
3. Anna turns 18 on January 12. She expects to graduate from high school in June. The effective eligibility termination date is June 30.

End of HHS or JCS Responsibility for Placement and Care

Legal reference: 42 USC 672 (a)(2)

A child can no longer be Title IV-E-eligible once HHS or JCS responsibility for placement and care has been terminated. Eligibility in these cases is permanently ended effective on the exact date the court ruled that HHS or JCS no longer has that responsibility, **with one exception**.

Consider termination of responsibility for placement and care to have occurred in the following situations:

- The child has a return home which is intended to be permanent and a court order no longer places custody with the Department by specifically placing custody with the caretaker or by remaining silent regarding custody upon the return of the child..
- The child was removed via voluntary placement agreement but returns home during the period of the agreement and no court order granting responsibility for placement and care has yet been issued.
- Guardianship is transferred to another person, and the court specifically places custody with the caretaker or remains silent regarding custody of the child.
- Another family adopts the child and the child leaves out-of-home care. (The child can be considered for IV-E adoption eligibility if the adoptive family receives a maintenance subsidy.)

The exception to permanent termination of eligibility for the out-of-home care episode is when a voluntary placement agreement expires before the date a court order is obtained to continue HHS care and placement responsibility. Consider this a lapse, provided the child remained in foster care placement during that time.

The child may not be claimed to IV-E for the period between the last effective date of the VPA and the first effective date of the court order resuming HHS responsibility, but the child's claiming may resume as long as other ongoing requirements continue to be met.

This is the **only** situation in which a lapse in care and responsibility **does not permanently end eligibility** for the remainder of the out-of-home care episode**.** See Best Interest Within 180 Days (VPA).

1. Gertrude enters out-of-home placement on June 25, 2018, and is initially Title IV-E eligible. She is adopted on September 16, 2019. Her effective eligibility termination date is September 16, 2019.
2. Blanche is initially Title IV-E-eligible in foster care. On July 30, she is placed in her grandmother's home. However, the court orders HHS to continue supervising the placement. In a court order on November 11, the court ends the state's responsibility for placement and care of Blanche. Her effective eligibility termination date is November 11.
3. Sebastian is removed on April 9 by a voluntary placement agreement. He is placed in a foster home on that date where he remains continuously for a year. The last effective date of the VPA is July 7, but the first court order related to his placement is issued on August 3.

   IV-E claiming is suspended effective July 7 and is reinstated on August 3, when HHS regains care and responsibility.

End of Court Ordered Trial Home Visit

Legal reference: 45 CFR 1356.21(e)

Title IV-E eligibility is permanently terminated for the remainder of the episode of out-of-home care when six months have elapsed since the child was returned home on a court ordered trial home visit, even if the court has not relieved the state of custody and the responsibility for supervision. See also Child in Home of Parent (Court Ordered Trial Home Visit). Eligibility ends effective exactly six months from the date the child began the court ordered trial home visit.

1. Eddie, who is initially IV-E eligible, returns to his father's home on January 7. The court actively reviews the case and HHS retains custody for supervising the placement during the next year. At the end of the year, HHS responsibility is terminated and Eddie continues to reside with his father.

   Eddie's effective eligibility termination date is July 7.

2. Carrie's uncle is awarded guardianship of her on May 11. HHS continues to have custody and monitor the child in the uncle's home for the next year and half. Carrie's effective eligibility termination date is November 11.

Best Interest Within 180 Days (VPA)

Legal reference: 45 CFR 1356.22(b)

For children removed by a voluntary placement agreement who remain in care longer than 180 days, Title IV-E requires that a judicial determination to the effect that remaining in out-of-home care is in the best interests of the child.

Acceptable examples of "best interest/contrary to welfare" language are the same as CTW for initial eligibility in court-ordered cases, and may include statements such as:

- It is contrary to the welfare of the child to remain in the home.
- It is not in the child's best interest to remain in the parental home.
- The placement of said child is necessary for the child's protection.
- The child will be in imminent danger unless removed from the home.
- This least restrictive placement is in the best interest of the child.
- It is in the best interest of the child to remain outside the home.

(See Contrary to Welfare/Best Interest Determinations for more detail.)

To determine the 180-day period, count the day the child is placed as day 1. If this required judicial determination is not obtained within 180 days, eligibility is permanently ended effective on the 180th day after the child was placed out of the home. The child remains ineligible from the 181st day through the remainder of the out-of-home care episode.

Leonard is placed pursuant to a valid VPA on August 9, 2018. An order with required CTW/BI language is not obtained within 180 days of this date.

Leonard is no longer eligible as of February 5, 2019, the 181st day after his placement. Leonard cannot be eligible for the remainder of the out-of-home care episode.

Changes That Temporarily Suspend IV-E Claiming

In addition to the factors that can end Title IV-E eligibility, several other requirements must be monitored on an ongoing basis while the child remains in care. If they are not met, a child's IV-E claiming is suspended until the month in which the requirement is met again.

Ongoing requirements and changes discussed in the following sections include:

- Reasonable efforts toward a permanent plan (RE2)
- Receipt of SSI
- Claimable placements

Reasonable Efforts Toward a Permanent Plan (RE2)

Legal reference: 45 CFR 1356.21(b)(2)

The agency with responsibility for placement and care of the child must make a permanent plan for every child, and must make reasonable efforts toward achieving that plan.

To ensure compliance with this dictate, HHS or JCS must obtain a judicial determination at least once every 12 months confirming that HHS or JCS has made "reasonable efforts toward a permanent plan," or RE2. RE2 must be obtained in a timely manner for any child remaining in out-of-home care, regardless of the type of placement the child resides in.

A judicial determination regarding RE2 must be obtained within 12 months of the date the child was first removed and placed in out-of-home care. Once RE2 is obtained, a new RE2 determination is due within 12 months of the last determination, even if the previous determination was completed early.

An RE2 determination covers the entire month in which it is obtained, including any remaining days in the month it is due and any days before the actual date it was obtained within the same month. A child's eligibility must be suspended for any full month in which RE2 was due but not obtained.

1. Patsy is removed from her home on January 15, 2018. The first RE2 order is due on January 15, 2019, but is obtained on November 15, 2018. The next RE2 order is due on November 15, 2019.
2. Burt is removed from his home on March 3, 2018. The first RE2 order is due on March 3, 2019, but does not occur until April 6, 2019.

   There is no lapse in ongoing eligibility. Although the RE2 finding was due March 3, Burt remains claimable for the remainder of that month. The April 6 RE2 finding covers a full 12-month period, including the beginning portion of the month it was obtained.

3. Haley is removed on June 17, 2018. The first RE2 order is due on June 17, 2019, but does not occur until August 27, 2019.

   Although RE2 was due June 17, 2019, Haley remains claimable for the remainder of that month. The August 27 finding covers the entire month of August 2019. However, there is a lapse in ongoing eligibility for the entire month of July 2019, so Haley is not claimable during the month of July.

Acceptable RE2 Language

A child may have any one of a number of permanency plans. To meet the RE2 requirement, the court must find that HHS or JCS is making efforts towards achieving the child's plan. A finding regarding reasonable efforts to reunify the child and family is also acceptable to meet this requirement.

The court may refer to the permanency plan, in general, or to a specific plan. Depending on how the determination is expressed, the order may stand on its own to meet the RE2 requirement. Other times, it may be necessary to include a case plan to demonstrate the intent of the language within the order. Examples of acceptable language include:

- Reasonable efforts have been made to finalize the permanency plan.
- Reasonable efforts have been made to achieve the case goal (or permanency plan).
- Reasonable efforts have been made to reunify the child with the parents.
- Reasonable efforts have been made to achieve/finalize the goal of adoption.
- HHS has made all efforts towards finalizing another permanent planned living arrangement for the child.
- Reasonable efforts have been made to eliminate the need for the child's removal. These include supervised home visits, counseling services, etc.

To be acceptable for RE2, the finding must make clear that HHS or JCS is making efforts towards the child's permanency plan. Where the order references efforts made towards a specific plan, documentation of the child's goal may be required.

If the court order makes a statement that reasonable efforts were made towards a specific plan, such as reunification, adoption, guardianship, or another permanent planned living arrangement, this is acceptable to meet RE2 without additional documentation, provided the court order does not contain information which conflicts with this reasonable efforts statement.

If the order contains conflicting information regarding the goal and the efforts made, obtain a copy of the child's case plan or other documentation of the child's goal to make sure that the RE2 statement applies to the child's current plan or a plan that was in effect within the last 12 months. If at least one of the child's goals matches the goal referenced in the RE2 statement, the statement is acceptable to meet the RE2 requirement.

1. The court order states, "Reasonable efforts have been made towards adoption." But the order also contains facts that contradict this, including the fact that the child is happy with the child's foster parent, who is not interested in adoption.

   A review of the child's case plan indicates that the child's case plan was adoption at one time, but has been 'another permanent planned living arrangement' for the past six months. The RE2 statement does meet IV-E requirements because it references a goal that was in effect within the last 12 months.

2. The court order states, "Reasonable efforts have been made towards guardianship," but also talks about efforts to reunify the child and the parents.

   A review of the child's case plan confirms that guardianship is the child's goal. The RE2 statement is acceptable, but a copy of the case plan shall also be maintained in the eligibility file with the court order as documentation that the requirement is met.

Receipt of SSI

Legal reference: ACYF PA 01-02

Either SSI or Title IV-E can cover the cost of foster care for a child, but never both at the same time. For this reason, a child's maintenance costs cannot be claimed to IV-E in any month in which the child receives SSI benefits. However, if all other IV-E requirements are met, the administrative funding and training costs can still be covered by IV-E.

If SSI benefits stop during an episode of out-of-home care, IV-E claiming could resume if the child continues to meet all other ongoing IV-E requirements.

Claimable Placement

Legal reference: 42 USC 672 (b), 45 CFR 1355.20

A child can be Title IV-E-claimable only while in a licensed setting. Since placements for children in out-of-home care are subject to frequent change, the child's claiming status may change any number of times during one out-of-home episode, depending on whether each new placement is a licensed family foster care setting, Child Care Institution (CCI) or Qualified Residential Treatment Program (QRTP). QRTPs will be discussed in IV-E Requirements for Qualified Residential Treatment Programs.

The Family First Prevention Services Act of 2018 modified the definition of foster family home to a "home of an individual or family," and requires that the foster parent resides in the home with the child. This means that the term may no longer include "group homes, agency-operated boarding homes or other facilities licensed or approved for the purpose of providing foster care…" as previously permitted. Placements that no longer meet the definition of a foster family home are now considered Child Care Institutions (CCI). This would include shelter placements.

HHS may claim 14 days of title IV-E Foster Care Maintenance Payments (FCMP) each time a child is "placed in a child care institution" regardless of whether the child has had previous CCI placements during his or her foster care episode.

Title IV-E FCMPs may continue after 14 days if the CCI setting meets all the requirements described below:

- A setting specializing in providing prenatal, post-partum or parenting supports for youth.
- A setting providing high-quality residential care and supportive services to children and youth who have been or are at risk of becoming sex trafficking victims.
- A supervised setting in which the child is living independently.

The setting limitations described above apply to new placements in these settings made on or after July 1, 2020. HHS may claim otherwise allowable administrative costs for a child's placement in a CCI regardless of whether the facility meets the requirements described.

For **each** of the child's placements throughout the entire out-of-home care episode, follow the guidelines for placement eligibility described at Claimable Placement.

Changes Requiring Review of IV-E Status

Review the child's IV-E status when a change occurs in the child's case that could affect eligibility or claiming. This review is not necessary if the child has never been IV-E-eligible or can never again be IV-E-eligible.

Changes may be reported by the SW or service area liaison, identified in a court order, or discovered by the IV-E worker through other means. Examples of changes that could affect eligibility or claiming include:

- A change in the child's placement or level of care.
- A judicial determination that "reasonable efforts have been made to achieve permanency."
- A change in responsibility for placement and care, e.g., an end to HHS supervision of a child's placement.
- A change in the child's circumstances (e.g., school attendance).
- The child leaving out-of-home care.

The following chart describes responsibilities when the child's situation change.

STAFF RESPONSIBLE	TASKS
SWCM or service area liaison	▪ When one of the factors identified above changes, promptly complete section one of form 470-3918, *IV-E Changes* in JARVIS / IV-E Tracking. When new court orders are received, upload them to JARVIS / IV-E Tracking.
IV-E IM worker	▪ If the SWCM or service area liaison completes form 470-3918, *IV-E Changes*, review reported information and determine if the change affects the child's eligibility as discussed in Requirements for Ongoing Out-of-Home Eligibility. ▪ If the SWCM or service area liaison uploads a court order, review the order for applicable information which could affect case. ▪ Notify SW 4 that court orders issued 60 days after the child is placed are available to be reviewed for RE2 findings. ▪ Refer QRTP placements to SW4 for review of eligibility criteria. ▪ If the SWCM or service area liaison uploads a court order, review the order for any change to placement and care responsibility or changes in placement that may not have been identified by the SWCM or service area liaison. ▪ If the child's status has changed, update JARVIS / IV-E Tracking and make appropriate changes in the ABC system. Submit a form for retroactive claim or adjustment if appropriate.
SW 4	▪ Review QRTP criteria for IV-E eligibility • 30 day evaluation • 60 day court determination • Ongoing need for placement ▪ Review court order for RE2 finding. ▪ Notify IV-E IM and IV-E liaison of cases still needing RE2. ▪ Modify the court event on the FCTL screen to indicate whether the order contains an RE2 finding. ▪ Update JARVIS / IV-E Tracking.

IV-E Requirements for Qualified Residential Treatment Programs

This section provides information on IV-E claiming for children placed in Qualified Residential Treatment Programs (QRTP), previously referred to as foster group care services. These changes are effective October 1, 2020. QRTP is a newly defined level of care for placement created under the Family First Prevention Services Act of 2018. QRTP is an out of home placement option that offers a structured living environment for children up to age 18 for whom an assessment determines that the child's needs cannot be met in a less restrictive, family-based setting because of their serious emotional, behavioral disorders or disturbances. HHS can seek federal reimbursement for foster care maintenance payments (FCMP) for children that are Title IV-E eligible and meet specific requirements related to their placement in QRTP.

The specific requirements needed for Title IV-E reimbursement of FCMP in a QRTP setting are:

- Title IV-E eligible child
- Placement in a QRTP Certified Facility.
- An Assessment by a Qualified Individual has been completed within 30 days before or after placement indicating QRTP level of care is required.
- A Determination by The Court within 60 days of placement that the child requires QRTP level of care.
- Ongoing review that documents QRTP placement is warranted.

The setting limitations described above apply to new placements in these settings made on or after October 1, 2020. HHS may claim otherwise allowable administrative costs for a child's placement in a QRTP regardless of whether the child meets the requirements described.

QRTP Certified Facility

A Certified Qualified Residential Treatment Program (QRTP) is a specific category of a non-foster family home setting, for which title IV-E agencies must meet detailed assessment, case planning, documentation, judicial determinations and ongoing review and permanency hearing requirements for a child to be placed in and continue to receive title IV-E FCMPs for the placement (sections 472(k)(1)(B) and 475A(c) of the Act). The facility must also meet the definition of a CCI at sections 472(c)(2)(A) and (C) of the Act, including that it must be licensed (in accordance with section 471(a)(10) of the Act) and that criminal record and child abuse and neglect registry checks must be completed in accordance with section 471(a)(20)(D) of the Act. Further, it must be accredited by one of the independent, not-for-profit organizations specified in the statute or one approved by the Secretary.

If the placement does not meet the above criteria then foster care maintenance payments cannot be claimed to IV-E.

QRTP can include Problematic Sexualized Behavior (PSB) and Neurodevelopmental and Comorbid Conditions (NACC) beds that may be subject to claiming restrictions based upon the facility being locked. A review of each placement will be necessary to determine the ability to claim IV-E FCMPs.

See 18-D(3), *Qualified Residential Treatment Programs (QRTP)/Group Care* for detailed information regarding these specific bed types.

Assessment by a Qualified Individual

A qualified individual must assess a child placed in a QRTP within 30 days of the start of each placement in a QRTP (section 475A(c)(1)(A) of the Act).

In Iowa, the qualified individual must be considered a Licensed Practitioner of the Healing Arts (LPHA). The preference would be for this clinician to have a working relationship with the child/family, for example a current therapist or mental health provider. If the child/family were currently not accessing this type of service, another option would be to utilize an LPHA provided by the CWES contractors across the state. All CWES/Shelter providers have identified a clinician that can be accessed by children needing an assessment, regardless of whether or not the child is physically placed in the CWES/Shelter. The third option is to utilize an LPHA provided by the QRTP contractors across the state.

The qualified individual may conduct this assessment prior to the placement in the QRTP, but must complete it no later than the end of the 30-day period. If the assessment is not completed within 30 days prior to or 30 days after placement, the title IV-E agency cannot claim title IV-E FCMPs for the entirety of the QRTP placement (including not for the first 14 days as allowed under CCI criteria).

If the assessment is completed timely and recommends placement in a QRTP setting, the title IV-E agency can claim title IV-E FCMPs for the QRTP placement pending other claiming requirements.

If the assessment is completed timely and does not recommend placement in a QRTP setting, the title IV-E agency can claim title IV-E FCMPs for the placement up to the date of the determination not recommending placement. The IV-E agency may also claim FCMPs during the transition out of QRTP. (See IV-E Claiming for a Child Exiting a QRTP)

Determination by The Court within 60 days

Within 60 days of the placement in QRTP, the court must make a determination that the child's needs cannot be met in a family-like setting and that the QRTP provides the most effective and appropriate level of care in the least restrictive environment. The court must review the clinical assessment/Treatment Outcome Package (TOP) in order to make this determination. The assessment will be uploaded as an exhibit by HHS/JCS for the judge to access to complete this review. Upon completion of the administrative review, the judge will issue an order indicating their decision. This order will be maintained in the HHS/JCS legal file, uploaded into JARVIS, and maintained in the court file.

If at the 60-day point, the court has not approved the placement or the court disapproves of the placement, federal IV-E reimbursement for FCMPs may only be claimed for the first 60 days of the placement. The IV-E agency may also claim FCMPs during the transition out of QRTP. (See IV-E Claiming for a Child Exiting a QRTP)

Ongoing Review of QRTP Placement

For every QRTP the child is placed in for more than 12 consecutive months or 18 nonconsecutive months (or, in the case of a child who has not attained age 13, for more than six consecutive or nonconsecutive months), HHS must document in the child's case plan that the Director of the Department of Health and Human Services, or the head of the tribal, or local agency approved the child's continued placement in the QRTP. The documentation must be made available for federal inspection and/or review upon request, during a title IV-E eligibility review, joint planning, or a partial review.

If there is not documentation demonstrating that the assessments of the child support continued QRTP placement, claiming for title IV-E FCMPs must end when 12 consecutive months or 18 nonconsecutive months (or, in the case of a child who has not attained age 13, for more than six consecutive or nonconsecutive months) have been reached or documentation shows the child's placement is no longer warranted.

IV-E Claiming for a Child Exiting a QRTP

The title IV-E agency may claim title IV-E FCMPs to transition a child from the QRTP to the next placement or permanent home up to 30 days after:

- The 30 day assessment determines that QRTP is not appropriate
- A court disapproves of the QRTP placement
- A determination is made that a child in an approved QRTP placement is going to return home or be placed with a fit and willing relative, a legal guardian, or an adoptive parent, or in a foster family home

Adoption Assistance

The primary goal of the Title IV-E Adoption Assistance program is to provide financial and medical support to families who adopt children from the foster care system that might not otherwise be adopted.

In certain situations, the benefits may be extended to private adoptions of special needs children. The benefits are an individual entitlement for qualified children, eligibility for which must be determined on a child-by-child basis by HHS.

Iowa operates a subsidized adoption program available to families who adopt special needs children. If the child meets the requirements of the federal Adoption Assistance program as outlined in this chapter, the state is entitled to federal reimbursement of a portion of the subsidy already being paid to the family.

Types of IV-E Adoption Assistance

A child may qualify for two types of federal adoption assistance under Title IV-E: reimbursement of nonrecurring adoption expenses and full reimbursement of the adoption subsidy.

The child has to meet certain requirements to qualify for nonrecurring expense reimbursement. The child must meet those same requirements, plus some additional requirements, for the state to seek reimbursement of the child's adoption subsidy.

Nonrecurring Adoption Expenses

Legal reference: 45 CFR 1356.41

Nonrecurring adoption expenses are one-time expenses, such as adoption fees, court costs, attorney fees, and other expenses that are directly related to the legal adoption of a child.

If a child meets the general IV-E eligibility requirements discussed later in this section, the federal government will reimburse 50% of what the adoptive parents or the state of Iowa has paid to cover these expenses, up to $2,000 for each adoptive placement.

IV-E Adoption Subsidy

Legal reference: 42 USC 673

Families who adopt children with special needs may also receive a monthly subsidy maintenance payment. The maintenance subsidy, when combined with the resources of the child and adoptive family, is intended to cover the ordinary and special needs of the adopted child.

The amount is determined through negotiation between the adoptive parents and HHS, but cannot exceed what the family would have received as a foster care maintenance payment.

If the child meets the IV-E adoption requirements discussed later in this chapter, approximately 60% of this subsidy maintenance payment can be claimed for reimbursement from the federal government.

Since children are often adopted at a young age and the subsidy maintenance continues for most children until age 18, federal funding of the adoption represents an enormous cost savings to the state.

Medicaid for Subsidized Adoptions

Legal reference: 42 USC 673 (b)

In addition to a maintenance subsidy, adoptive families receive Medicaid for the child. For the adoptive family, federal support of the adoption is particularly important because of this Medicaid.

If the child meets the IV-E adoption requirements, the child will be granted federally funded Medicaid, and this benefit will follow the child no matter where the family lives in the United States.

See 8-H, *Foster Care, Adoption and Guardianship Subsidy*, for information on Medicaid eligibility.

IV-E Adoption Requirements

For a child's nonrecurring adoption expenses to be claimed to IV-E, the child must meet four general requirements. For a child's subsidy maintenance to be claimed to IV-E, the child must meet the general requirements and also meet one of the four categories of adoption assistance.

These requirements are described in the table that follows and are discussed in detail in the sections that follow.

REQUIREMENT	TYPE	EXPLANATION
Adoption subsidy agreement	General requirement	The adoptive parents and HHS must sign a subsidy agreement on or before the date the adoption is finalized.
Special needs	General requirement	The child must meet all three components of special needs, including: ▪ Cannot or should not return to parents ▪ Efforts made to place without subsidy ▪ Difficult to place
Age	General requirement	The child must be under 18, although benefits may be continued to age 21 in special circumstances.
Citizen or alien status	General requirement	The child must be a citizen or a qualified alien.
Child of a minor parent	One of four options	The child must reside with the child's IV-E claimable parent before finalization and the out-of-home care payment for minor parent covered the parent and child.

REQUIREMENT	TYPE	EXPLANATION
SSI eligibility	One of four options	The child must be eligible for SSI before finalization.
Previous adoption assistance	One of four options	The child must have received IV-E in a previous adoption.
AFDC eligibility	One of four options	The child must meet some, but not all, of the IV-E out-of-home care requirements. A child who was claimed to IV-E in out-of-home care meets this category.

Comparison of HHS and Private Adoptions

While the eligibility requirements for nonrecurring expenses and IV-E adoption subsidy are exactly the same whether a child was adopted from HHS care or through a private agency, private adoptions present some unique challenges for eligibility determination.

Children adopted through HHS are already legally involved with HHS, with case records and legal files tracking the process leading up to the adoption. In contrast, in private agency adoptions HHS likely has had no prior involvement with the child, has no legal file, and has little information regarding the circumstances of the child's birth family.

Although this fact may make the eligibility determination process more difficult for private adoptions, those children can also be eligible for IV-E adoption provided the necessary documentation is obtained to demonstrate that the IV-E requirements are met.

Since federal funding will be beneficial to the adoptive family and represent a significant cost savings to the state, every effort should be made to obtain the information necessary to qualify the child for IV-E adoption.

General Adoption Eligibility Requirements

There are four general requirements that must all be met by any child in order to qualify for federal IV-E adoption benefits. These include:

- An adoption subsidy agreement
- Special needs
- Age
- Citizenship or qualified alien status

If the child does not meet these requirements, the child cannot receive IV-E funding for nonrecurring adoption expenses and cannot be considered for IV-E reimbursement of the adoption subsidy. Each of these requirements is discussed in detail in the sections that follow.

Adoption Subsidy Agreement

Legal reference: 42 USC 673, 45 CFR 1356.40

The first general eligibility requirement is that both the prospective adoptive parents and an HHS representative must sign an adoption subsidy agreement **on** or **before** the day the adoption is finalized. This requirement can be satisfied by:

- The subsidy agreement signed by the adoptive parents and HHS when the child is placed in the home as a pre-subsidy home (which shows the child's birth name); or
- The agreement signed just before finalization (which shows the child's adoptive name); or
- The agreement for future needs.

Either agreement may be used, provided it meets the requirements discussed above. To determine that this requirement is met, the IV-E IM worker must be able to confirm the date of the adoption finalization and the signature date for each party.

A child cannot meet this requirement and, therefore, **cannot be eligible** for any IV-E funding of the adoption if any one of the following is true:

- The adoptive parents or an HHS representative did not sign the agreement.
- The adoptive parents or an HHS representative signed the agreement after the adoption was finalized.
- The signature of the HHS representative or the adoptive parent was not dated, unless corroborating evidence of the signature date can be obtained.
- The subsidy agreement is not available.

Some service areas mail the subsidy agreement to the prospective adoptive parent for signature. If the agreement is missing the adoptive parent's signature or is missing altogether, the adoptive family may have a copy of the signed agreement. Contact the SWCM to obtain a copy from the adoptive family before denying the case for failing to meet this requirement.

Special Needs

Legal reference: 42 USC 673 (c)

The second general requirement is the child must be considered to have special needs. Each individual child must meet all three federal special needs criteria to be considered a special needs child:

- The child cannot or should not be returned to the child's parents;
- Efforts have been made to place the child without subsidy; and
- The child meets the definition of a "difficult to place" child.

Note that state policy also classifies children as "special needs" as a prerequisite for an adoption subsidy. However, the state definition corresponds with the federal "difficult to place" criteria. The IV-E IM worker must ensure that a child meets all three federal special needs criteria, even where HHS documents refer to the child as a "special needs" child.

Child Cannot or Should Not Be Returned to Parents

The federal government does not want to fund adoptions where returning home to the natural parent is still an option for the child. Therefore, for a child to qualify for IV-E adoption assistance, the state must have made a determination before the finalization of the adoption that the child cannot or should not be returned to the child's natural parents.

This requirement is met if any of the following is true for each of the child's natural parents:

- HHS has filed for the termination of the parent's rights, as evidenced by a petition for termination of parental rights (TPR).
- The rights of the natural parent have been voluntarily or involuntarily terminated before finalization of the adoption, as evidenced by the TPR order.
- The natural parent died before the finalization of the adoption.
- HHS has documented, before finalization, another reason why the child cannot or should not be returned to the child's parents.

The state of Iowa will not allow a child to be adopted unless the above is true. However, documentation to prove this point must be maintained in the child's eligibility file to demonstrate that this requirement is met for eligibility purposes.

> Dominique is removed and placed into foster care after being abandoned by her mother with a family friend. Dominique's father has never been established. On June 14, 2018, HHS files a petition for termination of parental rights of both parents. Shortly after this, Dominique's mother consents to the TPR.
>
> During the court proceedings, HHS has to demonstrate its efforts to identify and search for Dominique's father. On March 2, 2019, the court terminates the rights of both parents and awards guardianship to HHS for purposes of adoption.
>
> Dominique meets the "cannot/should not return to parents" criteria of special needs. Either the petition for TPR or the TPR order could be used as documentation.

Efforts Have Been Made to Place the Child Without Subsidy

Adoption assistance is intended to encourage the adoption of children who might otherwise not achieve this level of permanency. The federal government does not intend to subsidize the adoption of children for whom subsidy was not necessary for the child to be adopted.

Therefore, for the child to be considered "special needs," the state is required to determine before the finalization that a reasonable, but unsuccessful effort has been made to place the child without a subsidy. In certain situations, an exception to this requirement is allowed when it can be justified based on the best interests of the child.

Efforts Were Made

Efforts to identify adoptive homes willing to adopt without subsidy might include the use of adoption exchanges, photo listings, referrals to appropriate specialized adoption agencies, or other such activities.

The requirement for efforts to place a child without subsidy does not mean that HHS or the private adoption agency is required to "shop around" for a home that is willing to accept the child without a subsidy.

If an appropriate home has been identified for the child and that home is unwilling or unable to accept the child without assistance, the requirement is also met.

Reasonable, but unsuccessful efforts have been made when:

- The prospective adoptive parent has indicated that they cannot take the child without a subsidy, as documented in the case file.
- HHS or private agency documentation demonstrates that the efforts were made to place the child without a subsidy, such as using the adoption exchange or photo listing.
- HHS or private agency documentation demonstrates other unsuccessful efforts made to place the child without a subsidy.

Exception Is Allowed

HHS is not required to make efforts to place the child without assistance if the child's best interests would conflict with those efforts.

Most commonly, a child would meet this exception if the child had significant emotional ties with foster parents who were also the prospective adoptive parents. A child being adopted by a relative would also meet this exception, given the federal mandate for states to preference placing the children with individuals related to the child.

1. Rachel is being adopted by her foster parents, with whom she has lived for three years. The SWCM provides information showing the HHS determination that adoption by her foster parents is in Rachel's best interests. Rachel meets the exception to the "efforts to place without subsidy" criteria.
2. Mr. and Mrs. Jayne are adopting George through a private agency, Smedt Adoption Services. Smedt has provided the application for the Jaynes family, which shows that the Jaynes indicate a willingness to adopt a child with developmental disabilities, but only if a subsidy and Medicaid could be provided for the child.

   George has Down's Syndrome. Therefore, the Jaynes require a subsidy to adopt him. The requirement for efforts to place without subsidy is met.

Child is Considered "Difficult to Place"

Legal reference: 441 IAC 201.3(1), 42 USC 673

The agency is required to determine, before finalization, that a child is considered "difficult to place." A child is considered "difficult to place" when there exists a specific factor or condition because of which it is reasonable to conclude that the child cannot be placed with adoptive parents without adoption assistance or Medicaid.

In Iowa Administrative Code and other parts of this employees' manual, this is referred to as "special needs." The following factors and conditions are markers of a "difficult to place" child, under Iowa law:

A child is considered "difficult to place" if:

- The child has a medically diagnosed disability, as determined by a physician, an advanced registered nurse practitioner or a physician assistant, which substantially limits one or more major life activities, requires ongoing professional treatment, impacts the child's ability to perform daily living skills, and is expected to last 12 months or longer.
- The child has been determined intellectually disabled by a qualified intellectual disability professional.
- The child has been diagnosed by a qualified mental health professional to have a psychiatric condition which impairs the child's mental, intellectual, or social functioning and for which the child requires ongoing professional services.
- The child has been diagnosed by a qualified mental health professional to have a behavioral or emotional disorder characterized by situationally inappropriate behavior which deviates substantially from behavior appropriate to the child's age or interferes significantly with the child's intellectual, social, and personal adjustment and which requires ongoing treatment.
- The child is age five or over.
- The child is a member of a sibling group of three or more who are placed in the same adoptive home.

- The child is at high risk of:
  - Developing an intellectual disability, as determined by a qualified intellectual disability professional;
  - Developing an emotional or behavioral disorder, as determined by a qualified mental health professional; or
  - Developing a medical or physical disability, as determined by a physician, an advanced registered nurse practitioner or a physician assistant.

  NOTE: If a child is diagnosed **after** finalization as having had the condition before finalization, the child may qualify for an adoption subsidy under state law, but the adoption subsidy can never be claimed to IV-E.

For subsidy agreements signed before February 1, 2019 the following additional conditions or factors were used to define a "difficult to place" child:

- The child has been determined to be intellectually disabled by a qualified intellectual disability professional.
- The child is age eight or over and is Caucasian.
- The child is age two or over and is a member of a minority race or ethnic group or has biological parents of different races.

Before April 20, 2004, Iowa had a broader definition of "difficult to place." For subsidy agreements signed before that date, the following additional conditions or factors were used to define a "difficult to place" child:

- The child is a member of a minority race or ethnic group, or the child's biological parents are of different races (without age limit).
- The child is a member of a sibling group of two if one of the children meets any of the other "difficult to place" criteria.

1. Jasmine is a six-year-old African-American child. Jasmine meets the special needs criteria of "difficult to place" because she is aged 5 or over.
2. Dinah was born with a heart condition, and her caseworker reports that she requires use of a heart monitor at home and frequent check-ups with a heart specialist.

   Dinah meets the special needs criteria of "difficult to place" because of her heart condition, provided the caseworker can provide medical documentation showing the doctor's diagnosis and assessment that Dinah's condition requires purchase of a heart monitor.

Age

Legal reference: 42 USC 673 (a)(4)

The third general requirement is that the child must be under the age of 18 to be eligible for any assistance. Once a child is established as eligible, eligibility can continue past the age of 18 in certain circumstances. See Termination of Assistance.

Citizen or Qualified Alien

Legal reference: ACYF PA 01-01, Public Law 104-193

To receive nonrecurring adoption expenses, the child must be either a citizen or qualified alien before the adoption finalization, with one exception outlined below. A child who does not meet the citizen/qualified alien requirement may not receive nonrecurring adoption expenses and may not be considered for reimbursement of the adoption subsidy.

Children born in the United States or U.S. territories are citizens, as are children who have at least one parent who was born in the United States or a U.S. territory. Children who are naturalized citizens also meet this requirement.

The term "qualified alien" is defined in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), Public Law 104-193, and includes, but is not limited to, the following:

- A refugee admitted under federal law,
- Certain battered aliens or victims of a severe form of trafficking,
- Cuban or Haitian entrants, and
- Children legally admitted for permanent residence in the U.S.

Refer to 4-L for a detailed discussion of the definition of a qualified alien.)

Qualified aliens under PRWORA are subject to a five-year residency requirement for most means-tested federal programs; however, IV-E was not included in this requirement.

Qualified alien children can qualify for IV-E adoption subsidy and nonrecurring adoption expenses even if they have resided in the United States for less than five years, unless adopted by an ineligible alien (one who does not meet the definition of a qualified alien). In this situation, the child **would** be subject to the five-year residency requirement.

The only exception to this requirement is that children who are declared orphans and brought to this country **for the purpose of adoption** may qualify for nonrecurring adoption expenses, provided they meet the other general IV-E requirements. They do not have to meet the definition of a citizen or qualified alien. However, these children may **not** be considered for full reimbursement of an adoption subsidy.

Adoption Maintenance Subsidy Requirements

A child's adoption subsidy maintenance payment may be claimed to IV-E if a child meets **all** of the requirements under General Adoption Eligibility Requirements, and **one** of four categories of assistance. The four categories are:

- Previous adoption assistance
- SSI-eligible
- Child of a minor parent
- AFDC-eligible

These categories and their requirements are discussed in more detail in this section. Note that the child must only meet one of these four criteria for the maintenance payment to be claimed to IV-E.

Previous Adoption Assistance

Legal reference: 42 USC 673 (a)(2)(C)

A child qualifies for IV-E adoption assistance under the previous IV-E adoption assistance provision if the child:

- Meets all of the general requirements, and
- Received IV-E in a previous adoption that has dissolved.

Although the reason the adoption dissolved is not relevant, possible situations include the death of the adoptive parent, disruption of the adoption after finalization, or the removal of the child from the adoptive parents and subsequent termination or relinquishment of the rights of the adoptive parents.

To prove this requirement is met, include a copy of the FACS ADOD screen showing the IV-E status for the prior adoption.

> Nicholas was removed from his mother at birth and quickly adopted by his then foster parents, the Smiths, who received subsidy maintenance for him after his adoption. FACS shows that this was a IV-E subsidy.
>
> Three years after the adoption, HHS removes Nicholas from the Smiths after abuse was discovered in the home. Nicholas does not qualify for IV-E foster care when removed from the Smiths because he is not deprived in that home and the Smiths' income is too high. After he spends two years in foster care again, an aunt adopts Nicholas.
>
> Nicholas could qualify for IV-E adoption for his second adoption under the "previous adoption assistance" category because FACS shows that his previous subsidy maintenance was federally funded.

SSI Eligibility

Legal reference: 42 USC 673 (a)(2)(A)(ii)

A child qualifies for IV-E adoption assistance under the Title XVI Supplemental Security Income (SSI) provision if the child:

- Meets all of the general requirements, and
- Received SSI benefits before finalization of the adoption, or
- Was eligible for, but not receiving SSI benefits, before finalization of the adoption.

A Social Security Administration representative must determine the child's eligibility for SSI.

If the child meets this category of assistance, the child qualifies for IV-E adoption regardless of the circumstances surrounding the child's removal from the child's birth home and the child's Title IV-E status while in out-of-home care.

Use State Data Exchange (SDX) information showing the child was in receipt of SSI as proof the child meets this requirement. Where the child is eligible for, but not receiving SSI, letters from the Social Security Administration or other documentation provided by Social Security is required to prove the child qualifies under this category of assistance.

> An SSI application was submitted for George due to his Downs Syndrome. SDX does not yet show George as an SSI recipient. However, the licensed child-placing agency handling George's case has provided a letter from the Social Security Administration as well as a copy of the adoption decree. The letter noting George's approval for benefits is dated before finalization.
>
> Although George has never been in HHS care and the circumstances of his birth parents are unknown to HHS, he can qualify for IV-E adoption under the SSI category.

Child of a Minor Parent

Legal reference: 42 USC 673 (a)(2)(A)(iii)

In some highly specific instances, a child may qualify for IV-E adoption assistance based on the child's status as the child of a minor parent in foster care. Note that this situation is extremely rare. Any case made eligible on this basis should be scrutinized carefully to ensure full compliance with the requirements.

To meet this category of assistance all of the following must be true:

- The child must meet all of the general requirements; and
- The child must live with the child's minor parent in foster care at time of finalization; and
- The minor parent must be eligible for and receiving IV-E maintenance payments at time of finalization; and
- The maintenance costs of the minor parent must include costs for the child, i.e., a joint payment. (If the child received an individual maintenance payment at time of finalization, the child does not qualify for IV-E adoption.)

A child of a minor parent who was not living with that minor parent at time of finalization is not eligible under this category. Since in most cases the adoption would not be moving forward if the child were still with the child's parent, this circumstance will be highly unusual.

To prove this requirement is met, include documentation of the following in the case file:

- The child resided with the minor parent, and
- The minor parent's maintenance payment was claimed to IV-E, and
- The out-of-home care payment for the minor parent covered the parent and child.

AFDC Eligibility

To qualify for IV-E adoption assistance under the AFDC provisions, the child must meet some, but not all of the criteria used to determine eligibility for IV-E in out-of-home care. While this is referred to as the "AFDC-eligible" category, the requirements go beyond the AFDC status of the child.

A child qualifies for IV-E adoption assistance under this category if the child meets:

- All of the general requirements, and
- Certain requirements related to the method of removal from the home, and
- Certain AFDC eligibility criteria at the time of the removal.

AFDC financial eligibility criteria are gradually being de-linked from eligibility for IV-E adoptions as a result of the Fostering Connections to Success and Increasing Adoptions Act of 2008. This legislation implements a time table for applying de-linked policies to children based on:

- The date the adoption assistance agreement is signed, and
- The child's age, or
- The length of time in care, or
- Sibling eligibility.

A child who is eligible under the de-linked provision is referred to as an "applicable child."

The following chart summarizes the criteria under this provision for both an applicable child and a non-applicable child. These requirements are discussed on the pages that follow.

CRITERIA	APPLICABLE CHILD	NON-APPLICABLE CHILD
Method of Removal	Child must be removed via: ▪ Court Order: CTW must be obtained in applicable order depending on removal date. ▪ Voluntary Placement Agreement: Agreement must contain appropriate signatures.	Child must be removed via: ▪ Court Order: CTW must be obtained in applicable order depending on removal date. ▪ Voluntary Placement Agreement: • Agreement must contain appropriate signatures, and • A payment must have been claimed to IV-E for at least one day during the child's out-of-home care episode.

CRITERIA	APPLICABLE CHILD	NON-APPLICABLE CHILD
Specified Relative	Not applicable	Child must be removed from home of a specified relative.
Deprivation	Not applicable	Child must meet AFDC deprivation criteria in removal home.
Income and Resources	Not applicable	Removal household income and resources must be under AFDC limits.

Court-Ordered Removals

Legal reference: 42 USC 673 (a)(2)(A)

Children who were removed from the home by a court order can be eligible for IV-E adoption under the "AFDC-eligible" category if there was a judicial determination of contrary to welfare (CTW) in keeping with IV-E requirements. Language acceptable to meet this requirement is discussed in more detail in Contrary to Welfare.

If the child was IV-E-eligible while in foster care, this requirement has been met. If the child was not IV-E-eligible, or IV-E eligibility has never been determined, this requirement must be examined individually.

- For a child entering care a CTW determination must be obtained in the very first order authorizing the child's removal from the home.

  NOTE: The following IV-E out of home care requirements do not affect eligibility for IV-E adoption subsidy. If these requirements were not met in out-of-home care, the child may still qualify for IV-E adoption assistance:

  - Reasonable efforts to prevent removal (RE1)
  - Reasonable efforts toward the permanency plan
  - Placement type
  - Claiming history

  Even if the child was never eligible for IV-E foster care, the child can be eligible for IV-E adoption provided the requirements discussed in this section are met.

Removal by Voluntary Placement Agreement

Legal reference: 42 USC 673 (a)(2)(A)

If the child was removed from the home and placed into foster care pursuant to a voluntary placement agreement, certain requirements must be met for the child to meet the AFDC-eligible category of adoption assistance.

- The voluntary placement agreement must be a valid agreement, signed by both an HHS representative and the parent or legal guardian of the child. If signed by a legal guardian, proof of guardianship must be included in the eligibility file.

- In the case of a non-applicable child only, the child must have been IV-E-eligible and had a payment claimed to IV-E for at least one day during the child's out-of-home care episode, as evidenced by the child's FACS payment history. (A retroactive claim can satisfy this requirement.) It is not necessary to demonstrate the child's continuous IV-E eligibility.

NOTE: The following IV-E out-of-home care requirements do not affect eligibility for IV-E adoption subsidy. If these requirements were not met in out-of-home care, the child may still qualify for IV-E adoption assistance:

- Best interest finding within 180 days
- Reasonable efforts toward the permanency plan (RE2)
- Continuous responsibility for placement and care.

Voluntary Relinquishments

Legal reference: ACYF PA 01-01

A child who enters HHS or child-placing agency responsibility via a voluntary relinquishment (surrender of parental rights, voluntary termination of parental rights, or abandonment through Safe Haven law) may not qualify for IV-E adoption based on this removal authority.

The statutory requirements of IV-E necessitate that the child enter care via a voluntary placement agreement or court order, and a relinquishment does not meet the federal definition of either.

If a child is placed pursuant to a relinquishment, the only possibilities for making the child eligible for IV-E adoption are as follows:

- Try to qualify the child under a category other than the "AFDC-eligible" category.
- If there was a court order within six months of the date the child last lived with the child's parents that includes a CTW determination regarding the parents, treat this as a court-ordered removal. The child can be eligible under the "AFDC-eligible" category provided the other requirements discussed in the AFDC Eligibility section are met.

NOTE: This section is focused on children who enter care based on a relinquishment. This discussion does not include children who enter care through a court order but for whom a parent later voluntarily consents to termination of parental rights.

AFDC Relatedness at the Time of Removal

Legal reference: 42 USC 673(a)(2)(B)

The Fostering Connections to Success and Increasing Adoptions Act of 2008 (Public law 110-351) de-links eligibility for adoption assistance from AFDC income eligibility. This means that more children with special needs will be eligible for federally funded adoption assistance because the family's income at the time of removal will not be considered.

The Family First Prevention Services Act of 2018 (Public Law 115-123) made amendments to the phasing in of "applicable child". Beginning January 1, 2018, title IV-E agencies must determine whether a child is an "applicable child" based on the child's age by the end of the fiscal year their adoption assistance agreement was entered into as demonstrated by the table below. Title IV-E adoption assistance agreements entered into prior to January 1, 2018 are not affected by these changes.

- Children who meet the applicable age requirements before the end of the federal fiscal year in which the adoption assistance agreement is signed (see following chart):

FEDERAL FISCAL YEAR (FFY)	**AGE OF CHILD IN FFY** (Meets age limit if child reaches minimum age any time during FFY)
FFY 2010 (10/1/09 – 9/30/10)	16 and older
FFY 2011 (10/1/10 – 9/30/11)	14 and older
FFY 2012 (10/1/11 – 9/30/12)	12 and older
FFY 2013 (10/1/12 – 9/30/13)	10 and older
FFY 2014 (10/1/13 – 9/30/14)	8 and older
FFY 2015 (10/1/14 – 9/30/15)	6 and older
FFY 2016 (10/1/15 – 9/30/16)	4 and older
FFY 2017 (10/1/16 – 9/30/17)	2 and older
FFY 2018-2023 (10/1/17 – 9/30/23)	2 and older
FFY 2024 (10/1/23 – 6/30/24)	2 and older
FFY 2024 (7/1/24 – 9/30/24)	All ages
FFY 2025 (10/1/24 – 9/30/25)	All ages

- Children who have spent at least 60 consecutive months in out-of-home care under HHS or JCS responsibility for placement and care.
- Siblings of either of these children who are placed in the same adoptive home.

The term "applicable child" refers to a child who meets one of the criteria listed above.

To qualify for the "AFDC-eligible" category of assistance, the child must meet some, but not all of the AFDC-related criteria in the home from which the child was originally removed and placed into out-of-home care. As with IV-E out-of-home care determinations, the AFDC criteria used are in accordance with the AFDC requirements as in effect in July 1996, and discussed earlier in the out-of-home care section.

First determine whether the child is an applicable child or not. Then apply the AFDC criteria as outlined below.

Applicable Child

An applicable child is eligible for IV-E adoption subsidy if the child:

- Meets all of the general requirements, and
- Meets removal requirements based on method of removal from the home.

NOTE: An applicable child does not have to meet AFDC specified relative, deprivation, income, or resource criteria.

Non-Applicable Child

A non-applicable child is eligible for IV-E adoption subsidy if the child:

- Meets all of the general requirements, and
- Meets removal requirements based on the method of removal from the home, and
- Was removed from the home of a specified relative, and
- Is deprived in the removal home, and
- Meets financial need (income and resources) criteria in the removal home.

If the child was claimed to IV-E at some point while in foster care, this AFDC relatedness at removal requirement has been met. The initial determination documentation in the IV-E out-of-home care file can be used to demonstrate this requirement is met.

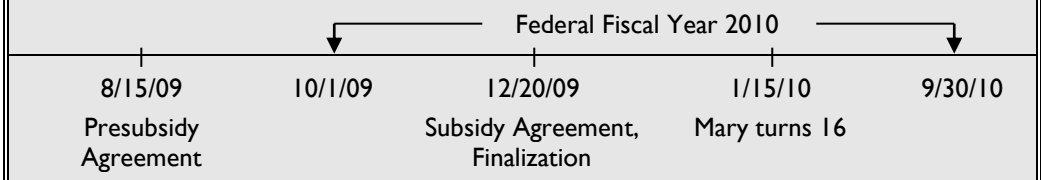
In determining the eligibility for adoption assistance payments of a child in a legal guardianship arrangement described in section 471(a)(28), the placement of the child with the relative guardian involved and any kinship guardianship assistance payments made on behalf of the child shall be considered never to have been made.

If the child was not IV-E while in foster care, or if the child's IV-E status has never been determined, the criteria will have to be examined individually.

1. An adoption agreement is signed for Mary, age 15, on August 15, 2009. Since the adoption assistance agreement was signed before October 1, 2009, Mary's eligibility for IV-E adoption assistance will be determined according to the policies for a non-applicable child.

2. Mary, age 15, is currently in out-of-home care. The following events happen on her case:

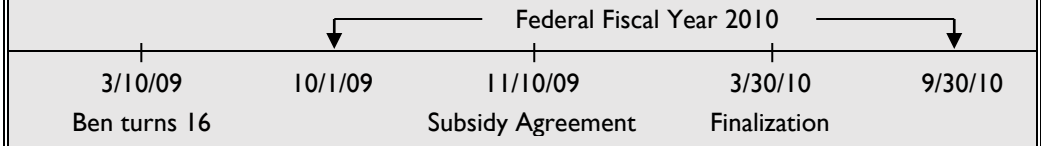
   - 8/15/09 – pre-subsidy adoption agreement signed
   - 12/20/09 – subsidy agreement signed
   - 12/20/09 – adoption finalized
   - 1/15/10 – Mary turns 16



   Mary's eligibility for IV-E adoption assistance will be determined according to the policies for an applicable child, since the subsidy agreement is signed after October 1, 2009, and she will turn 16 before the end of the fiscal year in which the agreement is signed (2010).

3. Ben, age 16, is in out-of-home care. The following events happen on his case:

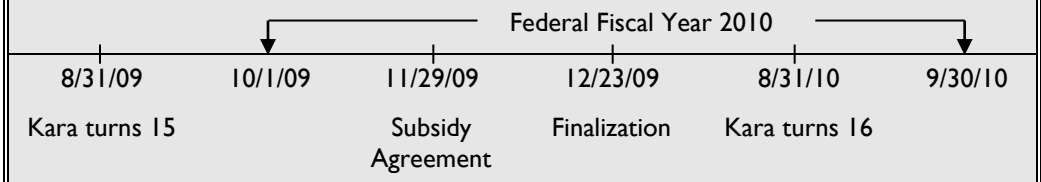
   - 11/10/09 - subsidy agreement signed
   - 4/30/10 - adoption finalized



   Ben's eligibility for IV-E adoption assistance will be determined according to the policies for an applicable child, since the adoption assistance agreement was signed after October 1, 2009, and Ben meets the applicable child age requirements.

4. Kara, age 15, is in out-of-home care. The following events happen on her case:

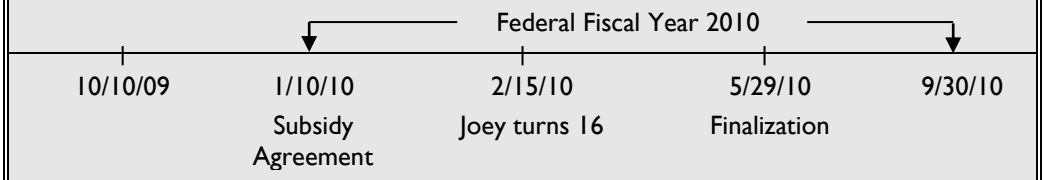
   - 11/29/09 – subsidy agreement signed
   - 12/23/09 - adoption finalized
   - 8/31/10 - turns 16



   Kara's eligibility for IV-E adoption assistance will be determined according to the policies for an applicable child, since the adoption assistance agreement was signed after October 1, 2009, and Kara will meet the applicable age requirement, 16, before the end of the fiscal year in which the agreement is signed.

5. Joey, age 15, and his sibling Mark, age 10, are in out-of-home care. The following events happen on their cases:

   - 1/10/10 - adoption assistance agreement signed for Joey and Mark
   - 2/15/10 - Joey turns 16
   - 5/29/10 - adoption finalized



Joey
Joey's eligibility for IV-E adoption assistance will be determined according to the policies for an applicable child, since the adoption assistance agreement was signed after October 1, 2009, and Joey will meet the applicable age requirement, 16, before the end of the fiscal year in which the agreement is signed.

Mark
Mark's eligibility for IV-E adoption assistance will be determined according to the policies for an applicable child since the adoption assistance agreement was signed after 10/1/09 and, even though Mark does not meet the applicable age requirement, his sibling Joey does and they are being adopted by the same family.

6. Jessica, age 12, has been in out-of-home care placement for the past 6 years. The following events happen on her case:

   - 11/7/09 - adoption subsidy agreement signed
   - 11/26/09 - adoption finalized

   Jessica's eligibility will be determined according to the policies for an applicable child since the adoption agreement was signed after October 12009 and Jessica had been in out of home care for more than 60 consecutive months.

IV-E Adoption Procedures

The determination of a child's IV-E status for adoption is a joint process involving activities by IM and adoption subsidy staff. The determination of IV-E for adoption is completed one time, after the adoption has been finalized. Once the child's status is established, it is not necessary to review the child's IV-E adoption status, as is necessary for IV-E out-of-home care.

To make this determination, the IV-E IM worker relies upon information provided by the adoption subsidy worker, as outlined in the table that follows. In the case of private agency adoptions, the adoption subsidy worker acts as a coordinator, obtaining required information from the private agency or adoptive parents.

STAFF RESPONSIBLE	TASKS
Adoption subsidy worker	▪ Complete form 470-4075, *Adoption IV-E Checklist*. Attach copies of necessary documents, including the adoption subsidy agreement, petition for adoption, adoption decree, termination of parental rights, orders for the birth parents, and child's background report, and send to the IV-E IM worker. ▪ Provide evidence that efforts were made to place the child without a subsidy, or that an exception was appropriate and in the best interests of the child. ▪ Provide supporting (medical) documentation of the child's special needs if the child's special needs status is related to a medical condition. ▪ Provide other necessary information as requested by the IV-E IM worker.
IV-E IM worker	▪ Review materials received from adoption subsidy worker for completeness and request any information needed to complete determinations. Additional requests are directed to the adoption subsidy worker. ▪ Review the subsidy agreement for compliance with IV-E requirements. ▪ Establish that child meets the three IV-E special needs criteria, as discussed in Special Needs. ▪ Review other criteria discussed in General Adoption Eligibility Requirements and Maintenance Subsidy Requirements. ▪ Document child's eligibility on form 470-4163, *IV-E Adoption Subsidy Determination*. ▪ Enter the child's IV-E status on ADOD screen in FACS to ensure correct IV-E claiming. ▪ Refer the case to the HIPP unit if the adoptive parents are employed. ▪ Notify the adoption subsidy worker of child's IV-E adoption status.

If a child has been previously determined IV-E-eligible for out-of-home care, the out-of-home care information in the eligibility file will provide the other documentation needed to complete the IV-E adoption determination.

If a IV-E determination was not previously completed for the child's out-of-home care episode, take the following steps:

- First, try to qualify the child based upon a category of assistance other than the "AFDC-eligible" category: SSI-eligible, previous adoption assistance, or child of a minor parent.
- Only when the child does not qualify under one of the other categories, consider whether eligibility under the AFDC eligible category is possible.

You will have to obtain additional information through the adoption subsidy worker to verify that the child meets all of the criteria discussed under AFDC Eligibility, including information regarding the legal authority for the child's original removal and placement into out-of-home care, and household composition and income information from the child's original removal home.

If the child has been living with a relative under HHS supervision who is now intending to adopt the child, the removal and household information from the child's initial removal and subsequent placement with the relative will be necessary.

Eligibility File

Information supporting the IV-E adoption decision must be maintained in the child's eligibility file. Form 470-4163, *IV-E Adoption Subsidy Determination*, is the certification form for IV-E adoption status. The file should also include other documents that support each of the requirements discussed under General Adoption Eligibility Requirements and Maintenance Subsidy Requirements.

Include the following information and supporting documentation in the child's adoption eligibility file.

- Adoption IV-E Checklist, form 470-4075.
- IV-E Adoption Subsidy Determination, form 470-4163.
- Adoption petition and decree.
- Proof that the general requirements are met, including:
  - Adoption subsidy agreement.
  - Termination of parental rights for both birth parents.
  - Child background report.
  - Medical documentation if child's "difficult to place" reason is medical in nature.
  - Evidence of efforts to place without subsidy.
  - Proof of qualified alien status, if an alien.
- If child qualifies under the "previous adoption assistance" category, ADOD FACS screen from previous adoption showing IV-E status.
- If child qualifies under the "SSI-eligible" category, a print of the SDX screen or letter from the Social Security Administration showing the child was eligible for SSI before finalization of the adoption.

- If child qualifies under the "child of a minor parent" category, proof that, at time of finalization of the adoption:
  - The child resided with the minor parent.
  - The child's minor parent was claimed to IV-E.
  - The out-of-home care payment for the minor parent covered the parent and child.
- If child qualifies under the "AFDC-eligible" category, proof that the child meets each of the requirements discussed under AFDC Eligibility. This information can be copied from the IV-E out-of-home care eligibility file if the child was previously determined eligible for IV-E out-of-home care. Note that a screen print showing IV-E status is not sufficient to meet this requirement.
- Any other information or documentation needed to support the IV-E determination.

Effective Date of Eligibility

Legal reference: 42 USC 673 (a)(5)

If a child meets the IV-E adoption requirements, the child's adoption subsidy maintenance and nonrecurring expenses can be claimed to IV-E effective the date the child was both placed in the adoptive home and a valid subsidy agreement was signed. This includes periods in which the child was placed in the home as a pre-subsidy placement.

If the child was placed in the adoptive home before the subsidy agreement was signed, that period may be claimed only if the child was IV-E-eligible as an out-of-home care case, and the placement was licensed as a foster home. If this is the case, the costs during that time may be claimed as IV-E out-of-home care costs.

Since children who are IV-E-eligible in out-of-home care will generally be IV-E-eligible in adoption, when the child is placed in a pre-subsidy home, the child's IV-E status from IVED screen in FACS will be repeated in the ADOD screen.

If the child was IV-E-eligible in out-of-home care, the child's pre-subsidy payments will be claimed to IV-E adoption. If the child was not IV-E-eligible in out-of-home care, FACS will not automatically claim the child's pre-subsidy to IV-E adoption.

The process for submitting a negative or positive retroactive adjustment is the same as that used for children in out-of-home care. See Retroactive Claims and Adjustments.

When the child's IV-E adoption status is established after finalization, prior pre-subsidy periods may require correction if the child's IV-E adoption status differs from the child's IV-E out-of-home care status. A retroactive claim will be necessary when:

- The child was IV-E-eligible in out-of-home care, but fails to meet one of the IV-E adoption general requirements. Any previously claimed pre-subsidy payments must be corrected unless the pre-subsidy home was dually licensed as a foster home.
- The child was not IV-E-eligible in out-of-home care, but meets the IV-E adoption requirements (e.g., did not meet RE1, RE2, etc.). The child may be claimed effective the date the child was both placed in the (pre-subsidy) adoptive home and a subsidy agreement was signed; a retroactive claim will be necessary to pick up the missed period.

Once the child's adoption is finalized, a new FACS case will be created under the child's adoptive identity. The child's IV-E status on the ADOD screen will carry over to the child's new FACS case; no action by the IV-E IM worker is necessary.

Extension of Assistance

Legal reference: 42 USC 673 (a)(4)

Once a child is determined eligible, claiming of the child's subsidy maintenance to IV-E continues until the child reaches age 18 unless one of the situations discussed in Termination of Assistance occurs.

Annual reviews are not required for continued IV-E adoption eligibility. However, if the child reaches 18, a reconsideration of the child's situation is required to determine if the child's eligibility may be extended to age 21. A child may continue to receive IV-E adoption until age 21 provided the child has a mental or physical disability that warrants the continuation of assistance until age 21.

The adoption subsidy worker will request verification from the adoptive family when the child's eighteenth birthday is approaching. If the adoptive family provides information showing continued assistance is warranted, the adoption subsidy worker will allow the child's subsidy to continue until age 21.

This verification must be in the IV-E IM file in order to continue IV-E claiming after age 18. Acceptable verification is either:

- A medical professional's determination of an ongoing medical condition or disability current within one year of the child's eighteenth birthday; or
- Documentation of a director's exception granted based upon the severity of the child's medical condition or disability.

When such documentation is on file, the IV-E claim will continue. No other action is necessary on the part of the IV-E IM worker.

Child Enters Out-of-Home Placement

When a child enters out-of-home placement from an adoptive home, treat this removal like any other removal and placement into out-of-home care. The child's IV-E status in adoption and in out-of-home placement are distinct and separate.

Determine the child's eligibility for IV-E out-of-home care based upon the authority for removal and the financial circumstances in the child's removal home (the adoptive home).

When the child enters out-of-home placement, the adoption subsidy worker may renegotiate the amount of the monthly subsidy maintenance upon discussion with the adoptive family. Whether the subsidy is maintained, reduced, or discontinued will depend on the individual circumstances of the adoptive family, the child's removal, and the future plan for the child.

If a subsidy continues to be paid, this case may continue to be claimed to IV-E. The adoptive family's continued receipt of IV-E adoption subsidy does not prevent or limit the child's ability to receive IV-E funding for the out-of-home care maintenance payment.

If the child later returns to the care of the adoptive family, the child's IV-E claiming may also continue without regard to the length of time the child has been in out-of-home placement.

Termination of Assistance

Legal reference: 42 USC 673(a)(4)

The child's subsidy (and claiming to IV-E) may be terminated completely only in one of the following situations:

- The child reaches the age of 18, and continued assistance until age 21 cannot be justified based on a mental or physical disability.
- HHS determines that the adoptive parent is no longer legally responsible for the child. (For example, the adoptive parents' rights are terminated, the child becomes an emancipated minor, the child marries, or the child enlists in the military.)
- HHS determines that the adoptive parent is no longer financially supporting the child; for example, by providing room and board, or by paying for family therapy, tuition, clothing, maintenance of special equipment in the home, or special services for the child.

If the adoption subsidy worker becomes aware that such a situation exists, the child's adoption subsidy will be terminated. No action is necessary on the part of the IV-E IM worker.

Guardianship Assistance

The primary goal of the Title IV-E Guardianship Assistance program is to provide financial and medical support to families who enter into the guardianship of children from the foster care system for whom a return home or adoption are not appropriate permanency options.

Iowa operates a subsidized guardianship program available to families who become the guardians of children. If the child meets the requirements of the federal Guardianship Assistance program as outlined in this chapter, the state is entitled to federal reimbursement of a portion of the subsidy already being paid to the family.

Types of IV-E Guardianship Assistance

A child may qualify for two types of federal guardianship assistance under Title IV-E: reimbursement of nonrecurring guardianship expenses and full reimbursement of the guardianship subsidy.

The child has to meet certain requirements to qualify for nonrecurring expense reimbursement. To be reimbursed for nonrecurring expenses the guardianship does not have to be finalized. The child must meet those same requirements, plus the guardianship needs to have finalized, for the state to seek reimbursement of the child's guardianship subsidy.

Nonrecurring Guardianship Expenses

Legal reference: 42 USC 673

Nonrecurring guardianship expenses are one-time expenses, such as guardianship fees, court costs, attorney fees, and other expenses that are directly related to the legal guardianship of a child.

If a child meets the general IV-E eligibility requirements discussed later in this section, the federal government will reimburse 50% of what the prospective guardians or the state of Iowa has paid to cover these expenses, up to $2,000 for each guardianship.

IV-E Guardianship Subsidy

Legal reference: 42 USC 673

Families who enter into a guardianship of foster care children may also receive a monthly subsidy maintenance payment.

The amount is determined through negotiation between the prospective guardian and HHS, but cannot exceed what the family would have received as a foster care maintenance payment.

If the child meets the IV-E guardianship requirements discussed later in this chapter, approximately 60% of this subsidy maintenance payment can be claimed for reimbursement from the federal government.

The subsidy maintenance continues for most children until age 18, unless the Department determines that the subsidy may continue until the child reaches the age of 21 due to the child's physical, intellectual, or mental health disability.

Medicaid for Subsidized Guardianships

Legal reference: 42 USC 673 (b)

In addition to a maintenance subsidy, families receive Medicaid for the child. For the guardian, federal support of the guardianship is particularly important because of this Medicaid.

If the child meets the IV-E guardianship requirements, the child will be granted federally funded Medicaid, and this benefit will follow the child no matter where the family lives in the United States.

See 8-H, *Foster Care, Adoption and Guardianship Subsidy* for information on Medicaid eligibility.

General Guardianship Eligibility Requirements

Legal reference: Iowa Code Section 232.104(2)(d)(1), 441 IAC 204.2(234)

The Subsidized Guardianship Program became effective July 1, 2019. New rules regarding changes in eligibility became effective August 1, 2021. Both eligibility factors are addressed below.

The guardian named in a permanency order for a child who was previously in the custody of the Department is eligible for subsidy when all the following conditions exist:

- The Department has determined the option of reunification has been eliminated and termination of parental rights is not appropriate and the child has a documented permanency goal of guardianship or another planned permanent living arrangement.
- The child has lived in continuous foster family care with the prospective guardian for the six consecutive months before initiation of the guardianship subsidy.
- The child is either:
  - 10 years of age or older (14 years of age or older prior to 8/1/2021) and consents to the guardianship; or
  - Part of a sibling group with a child aged 10 years of age or older (No younger than 12 years of age and part of a sibling group with a child aged 14 or older prior to 8/1/2021).
- A child part of a sibling group with a child aged 10 years of age or older (A child 12 years of age or older and part of a sibling group with a child 14 years of age or older prior to 8/1/2021) may be eligible for subsidy if all criteria are met. The following conditions for the younger sibling shall also be met:
  - The sibling is placed as a foster child in the same prospective guardian's home.
  - The guardian and the Department agree it is appropriate for guardianship to be granted for the sibling.

- The prospective guardian is a licensed relative foster parent who has a significant relationship with the child and demonstrates a willingness to make a long-term commitment to the child's care.
    - The guardian may be a relative. **"Relative"** means, for the purpose of this chapter only, a person to whom a child is related by blood, marriage, or adoption, or a person who has a significant, committed, positive relationship with the child, otherwise known as fictive kin.
- Placement with that guardian must be in the best interest of the child. The best interest determination must be documented in the case file.

If the child does not meet these requirements, the child is not eligible for nonrecurring guardianship expenses and cannot be considered for IV-E reimbursement of the guardianship subsidy.

Guardianship Subsidy Agreement

Legal reference: 42 USC 673

For a child to be eligible for a subsidized guardianship both the prospective guardian and an HHS representative must sign a guardianship subsidy agreement **on** or **before** the day the guardianship is finalized in court. This includes any order that transfers guardianship and custody to the prospective guardian.

- To determine that this requirement is met, the IV-E IM worker must be able to confirm the date the guardianship is assigned by court order and the signature date for each party.

A child cannot meet this requirement and, therefore, **cannot be eligible** for any IV-E funding of the guardianship if any one of the following is true:

- The guardian or an HHS representative did not sign the agreement.
- The guardian or an HHS representative signed the agreement after the guardianship was finalized.
- The signature of the HHS representative or the guardian was not dated, unless corroborating evidence of the signature date can be obtained.
- The subsidy agreement is not available.

Some service areas mail the subsidy agreement to the prospective guardian for signature. If the agreement is missing the guardian's signature or is missing altogether, the guardian may have a copy of the signed agreement. Contact SWCM to get a copy from the guardian before denying the case for failing to meet this requirement.

Guardianship Maintenance Subsidy Requirements

A child's guardianship subsidy maintenance payment may be claimed to IV-E if a child meets the requirements under General Guardianship Eligibility Requirements, and the categories listed below.

AFDC Eligibility

To qualify for IV-E guardianship assistance under the AFDC provisions, the child must meet all of the criteria used to determine eligibility for IV-E in out-of-home care. While this is referred to as the "AFDC-eligible" category, the requirements go beyond the AFDC status of the child.

A child qualifies for IV-E guardianship assistance under this category if the child meets:

- The general requirements, and
- Requirements related to the method of removal from the home, and
- AFDC eligibility criteria at the time of the removal, and
- The child was eligible for IV-E foster care maintenance payments while residing for at least 6 consecutive months in the home of the prospective relative guardian.

Court-Ordered Removals

Legal reference: 42 USC 673 (a)(2)(A)

Children who were removed from the home by a court order can be eligible for IV-E guardianship subsidy if they meet all of the criteria required for IV-E foster care maintenance payments. Children need to meet the following criteria:

- For a child entering care a CTW determination must be obtained in the very first order authorizing the child's removal from the home.
- Reasonable efforts to prevent removal (RE1) finding within 60 days of removal
- Reasonable efforts toward the permanency plan (RE2)
- Continuous responsibility for placement and care
- If the child was IV-E-eligible while in foster care, this requirement has been met. If IV-E eligibility has never been determined, this requirement must be examined individually. If the child was not IV-E-eligible in foster care the child will not be IV-E eligible for subsidized guardianship.

Removal by Voluntary Placement Agreement

Legal reference: 42 USC 673 (a)(2)(A)

If the child was removed from the home and placed into foster care pursuant to a voluntary placement agreement, certain requirements must be met for the child to meet the AFDC-eligible category of guardianship assistance.

- The voluntary placement agreement must be a valid agreement, signed by both an HHS representative and the parent or legal guardian of the child. If signed by a legal guardian, proof of guardianship must be included in the eligibility file.

- A court order must be obtained within 180 days of the date the child is placed containing:
- A CTW/BI determination, or
- A determination that remaining in foster care is in the child's best interests.
- Continuous responsibility for placement and care

NOTE: The following IV-E out-of-home care requirements do not affect eligibility for IV-E guardianship subsidy. If these requirements were not met in out-of-home care, the child may still qualify for IV-E guardianship assistance:

- Reasonable efforts to prevent removal (RE1) finding within 60 days of removal
- Reasonable efforts toward the permanency plan (RE2)

Age

Legal reference: 42 USC 673 (a)(4)

The child must be under the age of 18 to be eligible for any assistance. Once a child is established as eligible, eligibility can continue past the age of 18 in certain circumstances. See Termination of Assistance.

Citizen or Qualified Alien

Legal reference: ACYF PA 01-01, Public Law 104-193

To receive guardianship expenses, the child must be either a citizen or qualified alien before the guardianship finalization. A child who does not meet the citizen/qualified alien requirement may not receive nonrecurring guardianship expenses and may not be considered for reimbursement of the guardianship subsidy.

Children born in the United States or U.S. territories are citizens, as are children who have at least one parent who was born in the United States or a U.S. territory. Children who are naturalized citizens also meet this requirement.

The term "qualified alien" is defined in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), Public Law 104-193, and includes, but is not limited to, the following:

- A refugee admitted under federal law,
- Certain battered aliens or victims of a severe form of trafficking,
- Cuban or Haitian entrants, and
- Children legally admitted for permanent residence in the U.S.

Refer to 4-L for a detailed discussion of the definition of a qualified alien.

Qualified aliens under PRWORA are subject to a five-year residency requirement for most means-tested federal programs; however, IV-E was not included in this requirement.

Financial Need

A child is eligible for IV-E guardianship subsidy if the child:

- Meets the general requirements, and
- Meets removal requirements based on the method of removal from the home, and
- Was removed from the home of a specified relative, and
- Is deprived in the removal home, and
- Meets financial need (income and resources) criteria in the removal home.

If the child was claimed to IV-E at some point while in foster care, this AFDC relatedness at removal requirement has been met. The initial determination documentation in the IV-E out-of-home care file can be used to demonstrate this requirement is met.

Child was eligible for IV-E foster care maintenance payments

Legal reference: 42 USC 673 (d)(3)(A)

To qualify for a kinship guardianship assistance payments, a child would have to have been eligible to receive Title IV-E foster care maintenance payments while residing for at least 6 consecutive months in the home of the prospective relative guardian. Title IV-E payments did not have to be made, but the child had to be eligible to receive them.

IV-E Guardianship Procedures

The determination of a child's IV-E status for guardianship is a joint process involving activities by IM and Social Work Case Managers (SWCM). The determination of IV-E for guardianship is completed one time, after the guardianship has been finalized. Once the child's status is established, it is not necessary to review the child's IV-E guardianship status, as is necessary for IV-E out-of-home care.

To make this determination, the IV-E IM worker relies upon information provided by the SWCM, as outlined in the table that follows.

STAFF RESPONSIBLE	TASKS
SWCM	▪ Completes form 470-5599, *Guardianship IV-E Checklist*. Attach copies of necessary documents, including the guardianship subsidy application, guardianship subsidy agreement, court order assigning guardianship and send to the IV-E IM worker. ▪ Provides documentation of how the youth meets eligibility for the program including that the child has been placed in the prospective guardian's home as foster care for 6 consecutive months prior to initiation of guardianship agreement. ▪ Provides documentation that the child is age 10 or older and consents to the guardianship. Or a child part of a sibling group with a child aged 10 years of age or older may be eligible for subsidy if all criteria are met that has consented to the guardianship. ▪ Provides evidence that reunification and adoption are not appropriate. ▪ Provides supporting documentation to show that guardianship was appropriate and in the best interests of the child. ▪ Provides supporting documentation showing efforts to discuss guardianship with the youth's parents or reason efforts were not made. ▪ Provides other necessary information as requested by the IV-E IM worker.
IV-E IM worker	▪ Review materials received from SWCM for completeness and requests any information needed to complete determinations. Additional requests are directed to the SWCM. ▪ Review the subsidy agreement for compliance with IV-E requirements. ▪ Establish that child meets the AFDC criteria. ▪ Review other criteria discussed in General Guardianship Eligibility Requirements and Maintenance Subsidy Requirements. ▪ Document child's eligibility on form 470-5598, *IV-E Guardianship Subsidy Determination*. ▪ Take appropriate action to establish FSDT screen in FACS to ensure correct IV-E claiming. ▪ Notifies the SWCM of child's IV-E guardianship status.

If a child has been previously determined IV-E-eligible for out-of-home care, the out-of-home care information in the eligibility file will provide the other documentation needed to complete the IV-E guardianship determination.

If a IV-E determination was not previously completed for the child's out-of-home care episode, you will have to obtain additional information through the SWCM to verify that the child meets all of the criteria discussed under AFDC Eligibility, including information regarding the legal authority for the child's original removal and placement into out-of-home care, and household composition and income information from the child's original removal home.

Eligibility File

Information supporting the IV-E guardianship decision must be maintained in the child's eligibility file. Form *IV-E Guardianship Subsidy Determination*, is the certification form for IV-E guardianship status. The file should also include other documents that support each of the requirements discussed under General Guardianship Eligibility Requirements and Maintenance Subsidy Requirements.

Include the following information and supporting documentation in the child's guardianship eligibility file.

- IV-E Guardianship Subsidy Determination.
- Guardianship order.
- Proof that the eligibility requirements are met, including:
    - Guardianship subsidy application.
    - Guardianship subsidy agreement.
    - Proof of qualified alien status, if an alien.
    - Proof that the child meets each of the requirements discussed under AFDC Eligibility. This information can be copied from the IV-E out-of-home care eligibility file if the child was previously determined eligible for IV-E out-of-home care. Note that a screen print showing IV-E status is not sufficient to meet this requirement.
- Any other information or documentation needed to support the IV-E determination.

Effective Date of Eligibility

Legal reference: 42 USC 673 (a)(5)

If a child meets the IV-E guardianship requirements, the child's guardianship subsidy maintenance can be claimed to IV-E effective the date the guardianship order is entered and the agreement is signed by the prospective guardian and a representative of the department.

Nonrecurring expenses can be claimed even if a guardianship order is never finalized, as long as the child meets all other IV-E subsidized guardianship eligibility criteria.

The process for submitting a negative or positive retroactive adjustment is the same as that used for children in out-of-home care. See Retroactive Claims and Adjustments.

Extension of Assistance

Legal reference: 42 USC 673 (a)(4)

Once a child is determined eligible, claiming of the child's subsidy maintenance to IV-E continues until the child reaches age 18 unless one of the situations discussed in Termination of Assistance occurs.

Annual reviews are not required for continued IV-E guardianship eligibility. However, if the child reaches 18, a reconsideration of the child's situation is required to determine if the child's eligibility may be extended. A child may continue to receive IV-E guardianship until age 21 under the following circumstances:

A child less than 18 years of age or a person 18 to 21 years of age who meets any of the following:

- Is in full-time attendance at an accredited school pursuing a course of study leading to a high school diploma.
- Is attending an instructional program leading to a high school equivalency diploma.
- Has been identified by the director of special education of the area education agency as a child requiring special education as defined in section 256B.2, subsection 1.

A person over eighteen years of age who has received a high school diploma or a high school equivalency diploma is not a "child" within the definition in this subsection.

Successor Guardian

Legal reference: 42 USC 673 (d)(3)(C)

A guardian may name a successor guardian should the guardian become incapacitated or if the guardian dies. If a successor is named, the successor must be named on the Guardianship Subsidy Agreement. The successor must obtain guardianship from the court for payments to continue. The child is not required to have lived with the successor prior to the guardianship order. The successor does not have to be a licensed foster parent, or be a relative as defined in this chapter.

A new agreement must be negotiated with the successor guardian. Payments will begin effective the later of the date the agreement is signed by the successor guardian and a representative of the Department.

Guardian Family Moves out of Iowa

The guardianship subsidy agreement remains in effect if the family moves out of the state of Iowa.

Child Enters Out-of-Home Placement

When a child enters out-of-home placement from a guardian's home, treat this removal like any other removal and placement into out-of-home care. The child's IV-E status in guardianship and in out-of-home placement are distinct and separate.

Determine the child's eligibility for IV-E out-of-home care based upon the authority for removal and the financial circumstances in the child's removal home (the guardian's home).

When the child enters out-of-home placement, the guardianship subsidy worker may renegotiate the amount of the monthly subsidy maintenance upon discussion with the guardian. Whether the subsidy is maintained, reduced, suspended, or discontinued will depend on the individual circumstances of the guardian, the child's removal, and the future plan for the child.

If a subsidy continues to be paid, this case may continue to be claimed to IV-E. The guardian family's continued receipt of IV-E guardianship subsidy does not prevent or limit the child's ability to receive IV-E funding for the out-of-home care maintenance payment.

If the child later returns to the care of the guardian, the child's IV-E claiming may also continue without regard to the length of time the child has been in out-of-home placement.

Termination of Assistance

Legal reference: 42 USC 673(a)(4) and 441 IAC 204.6(234)

The child's subsidy (and claiming to IV-E) may be terminated completely only in one of the following situations:

- The child reaches the age of 18, unless the Department determines that the subsidy may continue until the child reaches the age of 21 to facilitate the child's completion of high school or a high school equivalency diploma.
- The child marries or enlists in the military.
- The child no longer lives with the guardian, except for placement outside of the guardian's home for treatment and the plan is for the child to return to the guardian's home.
- The relationship ends due to the death of the child or the death of the guardian of the child (one in a single-parent family or both in a two-parent family).
- The death of the guardian when a successor guardian is not named in the *Guardian Subsidy Agreement,*
- The terms of the *Guardianship Subsidy Agreement* are concluded.
- The guardian requests that the guardianship payment cease.
- Due to incapacity, the guardian can no longer discharge the responsibilities necessary to protect and care for the child, the guardianship has been or will be vacated, and a successor guardian was not named in the *Guardianship Subsidy Agreement.*
- The guardian fails to abide by the terms of form 470-3631, *Guardianship Subsidy Agreement*.

- The guardianship case is terminated by court order.
- Guardianship subsidy payments have been suspended and it has been determined the guardian is no longer legally responsible for the child or has not been providing financial support to the child.
- The Department funds for subsidized guardianship are no longer available.

If the guardianship subsidy worker becomes aware that such a situation exists, the child's guardianship subsidy will be terminated. No action is necessary on the part of the IV-E IM worker.

Suspension of Subsidy

The child's subsidy (and claiming to IV-E) may be suspended. When the Department has reason to believe the guardian is not providing financial support to the child, or is no longer legally responsible for the child, eligibility for continued subsidy will be investigated. Situations may include, but are not limited to:

- Custody of the child has been placed with another person.
- The child has applied for food assistance or other benefits.

Reinstatement

Legal reference: 441 IAC 204.7(234)

Reinstatement of the subsidy shall be made when the subsidy was terminated because the guardian requested that the guardianship payment cease. Upon the request of the guardian to reinstate the guardianship subsidy, the guardian shall submit a new application. Request a copy of the new *Subsidized Guardianship Agreement*, 470-3631.