IOWA | Health and Human Services

Employees' Manual
Title 4, Chapter A

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Family Investment Program Administration

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Overview

This chapter provides:

- Definitions of terms that are used in the Family Investment Program.
- Administrative responsibilities of the Department.
- Notification requirements.
- Appeal requirements.
- Additional participant benefits.

Legal Basis

The policies and procedures described in all chapters regarding the Family Investment Program have a legal basis in the Social Security Act, the Code of Iowa, and the Iowa Administrative Code.

Title IV-A of the Social Security Act authorizes federal funds to states to help needy children and their families through the Temporary Assistance for Needy Families (TANF) program.

The state legislation that authorizes the program is Iowa Code Chapters 217, "Department of Health and Human Services," and 239B, "Family Investment Program." State law is interpreted in 441 Iowa Administrative Code, Chapters 7, 40, 41, 43, 45, 46, 47, and 93.

Program Administration

Legal reference: Iowa Code Chapters 217 and 239B

The Department administers the FIP program as defined in state laws and Department rules. Administrative responsibilities include:

- Receiving applications.
- Assisting applicants and participants.
- Determining eligibility.
- Authorizing and ensuring prompt and correct payments.
- Providing information to anyone who asks about the Department's programs, regardless of their reason for asking.

Definitions

Legal reference: Iowa Code Chapters 217 and 239B, 441 IAC 40.21(239B)

"Adequate notice" means a written **Notice of Decision** is sent no later than the date benefits would have been issued.

"Applicant" means a person (dependent child) for whom FIP assistance is being requested as well as the parents living in the home with the child or children or the nonparental relative requesting assistance for the child or children.

"Assistance unit" includes any person whose income is considered in determining eligibility or the amount of the grant, whether or not the person's needs are met by the FIP grant.

"Budgeting process" is the procedure used when computing income to determine initial and ongoing eligibility and the amount of assistance.

"Casino, gambling casino, or gaming establishment" means an establishment with a primary purpose of accommodating the wagering of money. It does not include:

- A grocery store which sells groceries, including staple foods and which also offers, or is located within the same building or complex as casino, gambling, or gaming activities; or
- Any other establishment that offers casino, gambling, or gaming activities incidental to the principal purpose of the business.

An automated teller machine (ATM) or a point-of-sale (POS) terminal located within those areas of an establishment where individuals are banned due to age restrictions associated with gambling, established by state or federal law or by any other regulatory entity having the authority to do so, is considered to be in a casino, gambling casino, or gaming establishment.

"Central Office" means the policy staff of the Department's Bureau of Financial, Food and Work Supports.

"Change in income" means a permanent change in the number of hours worked, rate of pay, or the beginning or ending of income.

"CSS" means Child Support Services (in the Division of Community Access). CSS is responsible for providing child support services (e.g. establishment, modification, enforcement, etc.) under Title IV-D of the Social Security Act.

"CSC" means the Department's Collection Services Center (in the Division of Fiscal Management). CSC is responsible for collecting and distributing support payments.

"Department" means the Iowa Department of Health and Human Services.

"Dependent" means a person who can be claimed by another person as a dependent for federal income tax purposes.

"Dependent child" means a child who meets the FIP nonfinancial eligibility requirements, until the child reaches age 18. A child is considered a dependent child at age 18 when the child:

- Is a full-time student in a secondary school or the equivalent level of vocational or technical training, and
- Is reasonably expected to complete the program before reaching age 19.

"Electronic benefit transfer transaction" means the use of a credit or debit card service, automated teller machine, point-of-sale terminal, or access to an online system for the withdrawal of funds or the processing of a payment for merchandise or a service.

"Eligible group" means those persons whose needs are met by the FIP grant.

"Family investment agreement" or **"FIA"** means a contract negotiated between the participant and HHS. This agreement details the steps the household will take to achieve self-sufficiency, the services the state will provide, and the time limits for the participant to achieve self-sufficiency.

"Family Investment Program" or **"FIP"** is the name of Iowa's Temporary Assistance for Needy Families (TANF) cash assistance program. The purpose of FIP is to provide financial and other assistance to needy, dependent children and the parents or relatives with whom they live.

"Hardship exemption" means the six-month period of FIP assistance that may be granted to families with hardship conditions that have exhausted their 60-month FIP limit.

"IMCSC" means the Department's Income Maintenance Customer Service Center.

"Individual development account" or **"IDA**" is an income-producing investment account opened in a financial institution and established through IDA operating organizations. IDAs are held in the name of an individual. Any person whose family household income does not exceed 200% of the federal poverty level and who meets other program requirements can have an IDA.

"Iowa Workforce Development" or **"IWD"** is the agency that provides employment-related services such as work and training programs, applications for job insurance benefits, and job placement services. The agency also provides services to PROMISE JOBS participants.

"Limited benefit plan" or **"LBP"** means a period of terminated benefits that a person chooses instead of signing or cooperating with a family investment agreement.

"Liquor store" means any retail establishment which sells exclusively or primarily intoxicating liquor or other alcoholic beverages. Such term does not include a grocery store which sells both intoxicating liquor and groceries including staple foods (within the meaning of Section 3(r) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(r)).

Unless exempt as described in this definition, a retail establishment meets the definition of a liquor store when it has a North American Industry Classification System (NAICS) number that categorizes the retail establishment as either a beer, wine and liquor store or as a drinking place (alcoholic beverages).

A retail establishment that does not have either type of NAICS code is considered to exclusively or primarily sell intoxicating liquor when 95 percent or more of the retail establishment's gross sales are from intoxicating liquor and it is not a United States Department of Agriculture-certified Supplemental Nutrition Assistance Program (SNAP) retailer.

"Medical institution" means a facility organized to provide medical care, including nursing and convalescent care. The facility must comply with state law and be licensed. A medical facility may be public or private. Examples are:

- Hospitals.
- Extended care facilities (skilled nursing).
- Intermediate care facilities.
- Mental health institutions.
- State resource centers.

"Minor parent" means an applicant or participant parent who is less than 18 years of age and has never been married. A person whose marriage is annulled is considered not to have been married.

"Needy specified relative" means a nonparental specified relative, as listed in **4-C, Specified Relatives**, who meets all the eligibility requirements to be included in the FIP eligible group.

"Operating organization" means an entity selected by the Department for involvement in operating individual development accounts directed to a specific target population.

"Parent" means a legally recognized parent, including an adoptive parent or a biological father if there is no legally recognized father.

"Participant" means a person for whom FIP assistance is paid, including parents living in the home with eligible children or nonparental relatives receiving assistance for eligible children. Unless otherwise specified, a person is not a participant in any month in which:

- Assistance is subject to recoupment because the person was ineligible, or
- The person requested cancellation before the month began **and** returned the warrant issued for that month.

"Payment month" means the calendar month for which assistance is paid. It includes a month that the participant is eligible but for which a FIP payment is not issued due to the limitation on grants below $10 or due to rounding.

"Payment standard" means the total need of the eligible group. It is determined by adding the total needs of a group (based on Schedule of Basic Needs) to any allowable special needs.

"PROMISE JOBS" stands for "PROMoting Independence and Self-sufficiency through Employment, Job Opportunities, and Basic Skills." PROMISE JOBS is the Department's FIP work and training program, as described in **4-J, PROMISE JOBS**.

"Prospective budgeting" means determining eligibility and the amount of assistance for a calendar month based on an estimate of the income and the circumstances that will exist in that month.

"Prudent person concept" refers to the capability of the income maintenance worker to review and analyze information given by the participant and the ability to decide quickly and accurately whether the information is sufficient for making an eligibility determination, or further checking should be done. The "prudent person" must be vigilant, cautious, perceptive, and guided by generally sound judgment.

"Recovery" is the process by which an overpayment is collected from the participant. Department staff are responsible for reviewing each overpayment and determining the circumstances and amount of the overpayment. The Department of Inspections, Appeals, and Licensing (DIAL) is responsible for collection actions.

"Retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment" means an establishment that includes live entertainment at locations such as, but not limited to, strip clubs and gentlemen's clubs. It also includes stores and theaters that exclusively or primarily sell or feature adult-oriented videos and movies such as, but not limited to, adult book stores and adult movie theaters.

A retail establishment meets this definition when the Department has confirmed the primary nature of the business through the description on the business's website, phone contact with the establishment, a site visit, or other means such as common local knowledge.

"Retrospective budgeting" means the computation of the amount of assistance for a payment month based on the actual income and circumstances that existed in the budget month.

"Review/Recertification Eligibility Document" or **"RRED**" is the form a participant uses to provide information for the redetermination reviews.

"Schedule of basic needs" means the payment standard for the assistance unit, based on a percentage of the schedule of living costs.

"Schedule of living costs" combines items of need (such as food, clothing, shelter, utilities, and personal care) into one consolidated standard that represents 100% of need.

"Standard of need" means the total needs of the eligible group according to the schedule of living costs plus any allowable special needs.

"Stepparent" means a person who is not the parent of the dependent child but is the legal spouse of the dependent child's parent by ceremonial or common-law marriage.

"Timely notice" means that the participant is mailed a **Notice of Decision** on the participant's case at least ten calendar days before the effective date of adverse action except in cases of probable fraud.

"Timely notice period" extends from the day after notice is issued to the effective date of the action.

"Two-parent household" is a FIP household that contains two active FIP parents of a common child who are both referred to PROMISE JOBS and one of these parents is the head of household or case name.

Responsibilities of the Department

The following sections describe policies on:

- Assignment of an equitable caseload
- Confidentiality of FIP information
- Compliance with nondiscrimination requirements

Assignment of an Equitable Caseload

Department staff are responsible for assigning an equitable caseload to each worker. Consider situations of potential conflict of interest, such as:

When an applicant or participant is…	Assign the case as follows:
A second cousin or closer to the assigned worker…	the line supervisor must reassign the case or handle it personally.
A personal friend of the assigned worker…	the line supervisor must make appropriate arrangements for handling the case.
An employee of the Department, a volunteer, or a PROMISE JOBS worker…	the income maintenance administrator shall make the assignment. Staff should be especially aware of confidentiality concerns in these types of situations.

Confidentiality

Legal reference: 441 IAC Chapter 9

Information about participants cannot be disclosed except to administer the Department's programs. Information cannot be disclosed to persons or agencies outside the Department unless they are subject to comparable standards of confidentiality.

The following information about participants is confidential, except as described below:

- Names, addresses, and the type of assistance provided.
- Participants' social or economic circumstances.
- Agency evaluations.
- Medical or psychiatric data, including diagnosis and past history of disease or disability.

Information can be disclosed to public officials to administer FIP requirements, such as:

- The Citizens' Aide Ombudsman for complaint investigation.
- Staff of the Department of Inspection and Appeals for hearings and fraud investigations.

See **1-C, Contracts and Agreements With Other Agencies** regarding verification of families' FIP eligibility when local schools conduct an annual audit of eligibility for free meals under the School Meals Program.

A participant's address may be released to a federal, state, or local law enforcement official only if the official demonstrates that:

- The participant:
  - Is a fugitive felon, or
  - Is a probation or parole violator, or
  - Has information that the official needs to conduct official duties; and
- Locating or apprehending the participant is within the person's official duties.

See **1-C, Confidentiality and Records** for more information.

Nondiscrimination Compliance

Legal reference: Title VII of the Civil Rights Act of 1964, as amended, Iowa Civil Rights Act of 1965, as amended, Iowa Executive Order #15

It is the policy of the Iowa Department of Health and Human Services (HHS) to provide equal treatment in employment and provision of services to applicants, employees and clients without regard to race, color, national origin, sex, sexual orientation, religion, age, disability, political belief or veteran status.

Notification

Legal reference: 441 IAC 16.3, 40.25(239B)

Policy: Adequate notice must be provided whenever assistance is approved, denied or changed. Some actions also require timely notice.

"Timely notice" means the notice must be mailed at least ten calendar days before the date the action is effective. Count the day after the notice is mailed as the first day.

Procedure: Issue form **470-0485, 470-0485(S), 470-0486,** or **470-0486(S), Notice of Decision**, when taking action on a case. To be an adequate notice, the notice must include:

- The action taken and the reasons for it.
- The Department Employees' Manual chapter number and subheading describing the policy basis for the action.

- The right to request a fair hearing.
- How assistance is continued (if applicable) when a hearing is requested.

More than one action may be described on the same notice. See **14-B** for information on automated notices.

The client may request a conference to discuss the situation. A representative, legal counsel, friend, or other person may accompany the client. This person may represent the client when the client cannot attend the conference.

At the conference, explain the reasons for the adverse action. Give the client an opportunity to offer any information that may prove that the proposed action is wrong or unnecessary.

The following sections explain:

- When notice is required
- When timely notice is not required

When Notice Is Required

Legal reference: 441 IAC 16.3

Policy: Issue a notice when:

- An application is approved, denied, or withdrawn.
- Assistance is reinstated or reinstatement is denied. See **4-G, Reinstatement**.
- The grant amount is changed.
- A payment adjustment or corrective payment is authorized.
- A special need allowance is authorized, denied, or canceled.
- Assistance is canceled.
- A previously canceled case must remain canceled for a different reason than specified in the original notice.
- A previously canceled case is eligible for reinstatement at a lower level of benefits for a different reason than the one described in the original notice.

Procedure: Families that are granted a six-month hardship exemption or whose hardship exemption period is revised are informed of the original or revised ending date on the **Notice of Decision**. Do not issue an additional **Notice of Decision** at the end of the hardship exemption period. Refer to **4-C, Hardship Exemption** for additional information.

When timely notice is required but cannot be met, do not reduce or cancel the grant until the month following the month in which the action is effective. See **4-G, Effective Date of Adjustment** for information on when to recoup assistance issued pending timely notice.

When a **Notice of Decision** to cancel the FIP case has already been issued, this does not preclude you from issuing a second notice when a new reason for cancellation occurs. The participant must then resolve both issues before FIP can be reinstated.

However, it is not possible to reduce benefits on a canceled case. Do not send a notice to reduce the grant while the FIP case is in a canceled status. Take action to reduce the grant and issue notice of the reduction when FIP is reinstated. If, at that point, it is too late to meet timely notice, delay the reduction until the next month and recover excess FIP assistance issued for the previous month.

1. In June, Ms. A fails to provide verification of income. The worker generates a notice canceling assistance effective July 1. On June 25, Ms. A brings the verification to the worker. This verification shows that Ms. A is over income.

   Since Ms. A has resolved the issue covered by the first notice, and since it is too late to issue timely notice denying reinstatement, the worker generates a new notice reinstating assistance effective July 1.

   Once the case is reinstated, the worker generates a timely and adequate notice to cancel assistance effective August 1. The overpayment Ms. A received in July is subject to recoupment.

2. Mr. B, an employed participant, fails to return a RRED in early April. He is issued a **Notice of Decision** terminating his assistance effective May 1. On April 23, the worker determines that Mr. B failed to apply for benefits from other sources for which he may qualify. The removal of his needs makes the case ineligible.

On April 25, Mr. B returns a complete RRED. Since Mr. B resolved the issue covered by the **Notice of Decision**, and it is too late to issue timely notice based on Mr. B's failure to apply for other benefits, the worker generates a new notice to reinstate assistance effective May 1.

Once the case is reinstated, the worker generates a timely and adequate notice to cancel assistance due to Mr. B's failure to apply for other benefits, effective June 1. The overpayment Mr. B received in May is subject to recoupment.

3. Same situation as Example 2, except the worker determines the failure to apply for other benefits on April 10. The worker manually issues a timely notice to inform Mr. B that his assistance is canceled effective May 1, based on failure to apply for benefits from other sources. Mr. B must resolve the issues covered by both notices before assistance can be reinstated.

When Timely Notice Is Not Required

Legal reference: 441 IAC 16.3(2) and 16.3(3)

Policy: Notice must be adequate but need not be timely when:

- The grant for the month following the month of decision is less than the month of decision on new approval cases.
- Eligibility does not exist the month following the month of decision for new approvals.
- Assistance is terminated or reduced because of information on the RRED.
- Benefits are terminated because the participant did not return a completed RRED.
- There is evidence confirming that a participant died or the FIP payee died and no relative can serve as the new payee.
- A special need allowance granted for a specific period is terminated, and the participant was notified with the initiating **Notice of Decision** it would terminate.
- The participant gives you a clear, written, signed statement that the participant no longer wants assistance. (A written statement is not needed when cancellation is requested in time to provide timely notice.)

- The participant gives information that requires termination or reduction of assistance, and the participant has indicated in writing that the participant understands the consequences of supplying the information. (A written statement is not needed when the participant gives the information in time to provide timely notice.)
- You do not know the location of the participant and the participant's mail has been returned with the post office indicating no known forwarding address.
- The participant has been accepted for assistance in a new jurisdiction.
- A child on the FIP case is removed by the court or voluntarily placed in foster care.

Appeals

Legal reference: 441 IAC 7.5(17A), 7.6(17A), 7.8(17A), 7.9(17A), 7.11(17A), 7.17(17A)

Policy: The applicant or participant has a right to appeal any decision and to request an appeal hearing. No one may limit or interfere with this right.

Appeals for FIP and PROMISE JOBS may be made in writing, by telephone, or in person.

Assistance is continued if the appeal is filed before the effective date of the intended action or within 10 days from the date the notice is received. The date the notice is received is considered to be five days after the date on the notice. If the client is eligible for a special need allowance, the allowance is paid while the appeal decision is pending.

Assistance is not continued if:

- The client directs you in writing to go ahead with the intended action.
- The client appeals cancellation due to failure to return a complete RRED.
- An appeal is filed after the effective date of the intended action.
- The appeal is filed more than ten days from the date the notice is received. The date the notice is received is considered to be five days after the date on the notice. Unless the appellant shows that the appellant did not receive the notice within the five day period.

A pre-hearing conference must be held upon the client's request.

A hearing will be held if the request is made within 30 days after the notice date. The director of the Department will decide if a hearing will be held if the request is more than 30 days but less than 90 days after the notice date. A hearing will not be held if the request is more than 90 days after the notice date.

Procedure: When a client files an appeal:

- Document the receipt of the appeal. When the appeal is in writing, save the envelopes with the postmark. If the envelope is not available, date-stamp the day the appeal is received.
- Advise the client of legal services available in the community. This may include Legal Aid, the county bar association, etc.

When you receive a verbal request to appeal, document the conversation on form **470-0487** or **470-0487(S), Appeal and Request for Hearing**. Complete the:

- Client's name, address, and phone number;
- Program or programs that are being appealed;
- Tell us why you are appealing. For the response to this question, the worker should enter, "Per telephone conversation with the appellant on (enter the date)," and the reason that the client is appealing; and
- Do you want your benefits to continue during your appeal;
- Do you want an informal conference with your worker;
- Do you want a language interpreter for your hearing;
- Worker information section.

Continue to act on other changes occurring in a participant's case while the appeal is pending. Issue a **Notice of Decision** based on other changes. If the client wants to appeal a subsequent action based on a change, the client must file a separate appeal.

If you determine before the hearing that an error was made in the action that resulted in the client filing an appeal:

- Notify the client of the error.
- Indicate what corrective action you will take.
- If this is acceptable to the client and the client withdraws the appeal, immediately implement the corrective action and send a new **Notice of Decision**.

The client may voluntarily withdraw an appeal. The client can withdraw the appeal in writing, in person, or over the telephone. A written request can be made on form **470-0492** or **470-0492(S), Request for Withdrawal of Appeal** or a written statement that the client is aware of the consequences of the action. The written withdrawal request may be submitted in person, by mail, through submission of an online form, email or by fax.

When the client verbally requests to withdraw the appeal, document the conversation on form **470-0492** or **470-0492(S), Request for Withdrawal of Appeal**. Fill in the top portion of the document which includes the appellant's name, address, appeal number, and program that was appealed.

In the Added Comments section, enter "Per telephone conversation with the appellant on (enter the date), the appellant verbally withdrew the appeal." Then sign and date the form.

Upload the **Request for Withdrawal of Appeal** form into the Appeals Information System (AIS) and use the Send Email button feature to notify all parties that the appeal has been withdrawn.

Hold the prehearing conference as soon as possible after the appeal is filed. When applicable, the client's representative may attend and participate in the conference.

The purpose of the pre-hearing conference is to clarify any issues regarding the appeal. During the conference, the client may also examine the contents of the case record and any other documents you plan to use at the hearing. Note that the client need not request a conference to have access to the record or documents.

If the appeal issue is resolved during the conference, the client may wish to withdraw the appeal. If so, the client can withdraw the appeal in writing, in person, or over the telephone. Upload the **Request for Withdrawal of Appeal** into the Appeals Information System (AIS) and use the Send Email button feature to notify all parties that the appeal has been withdrawn.

Do not use the conference to discourage clients from proceeding with their appeals or to interfere with or limit their appeal rights.

Comment: Examples of adverse actions that a client may appeal include:

- The denial of financial or medical assistance.
- The delay in acting on the client's application with reasonable promptness.
- The reduction or termination of assistance.
- The existence and amount of a FIP overpayment.
- The recovery of an overpayment.

Refer to:

- **1-E, Appeals and Hearings** for information on the Department's appeal process, including worker and client responsibilities, time limits, and appeal decisions.
- **4-J, PROMISE JOBS** for specific appeal rights and guidelines relating to limited benefit plans.
- **4-C, Limit on FIP Assistance and Hardship Exemption** for additional information on appeal procedures related to the 60-month FIP limit and the hardship exemption.
- **4-C, Electronic Access Card Usage** for additional information on appeal procedures related to electronic access card usage.

Additional Benefits for FIP Participants

Additional benefits include:

- Child Care Assistance
- Work Opportunity Tax Credit

Child Care Assistance

Legal reference: 441 IAC Chapter 170; Iowa Code Section 239B.24

FIP applicants and participants who are employed may receive assistance with child care costs through the Child Care Assistance (CCA) program. This includes persons whose income is considered when determining eligibility or the FIP grant amount.

All employed members of the assistance unit that are on an active FIP case are considered eligible for CCA without regard to income, number of working hours, or waiting lists (should waiting lists be established). This includes participants who do not get a FIP grant because of rounding or the $10 limit on grants.

Child care providers are subject to CCA requirements. For example, they must be aged 18 or older. They also must pass the required criminal and child abuse record checks conducted by the Department before the Department can make payment.

Give the client a copy of **Comm. 062** or **Comm. 062(S), Child Care Assistance** during the application interview.

Provide basic information about the CCA program to make clients aware of it. Inform clients of the requirements that child care providers must meet to be eligible for payment, and that the Department makes payment to the provider. If necessary, provide the name and phone number of the person designated as CCA contact person for your office.

Provide pertinent case record information when the CCA worker requests it. See **13-G, Child Care Assistance** for more information.

Work Opportunity Tax Credit (WOTC)

Legal reference: P.L. 104-188, as amended by P.L. 105-34

The Work Opportunity Tax Credit (WOTC) is designed to help persons move from economic dependency to self-sufficiency by encouraging employers in the private sector to hire from eight targeted groups of job seekers with significant barriers to employment. These groups are:

- Group A. Qualified IV-A recipients
- Group B. Qualified veterans
- Group C. Qualified ex-felons
- Group D. High-risk youth
- Group E. Vocational rehabilitation referrals
- Group F. Qualified summer youth employees
- Group G. Qualified SNAP recipients
- Group H. Qualified SSI recipients

FIP participation is a qualifying factor for Group A. For purposes of WOTC, a "qualified IV-A recipient" is a family member whose needs were included in the FIP grant for any nine months within the 18-month period ending on the person's hiring date. The minimum age to qualify for WOTC is 14. Employment of children aged 14 or 15 must meet the requirements of the labor laws.

The Iowa Workforce Development Department (IWD) administers WOTC. IWD verifies eligibility and issues certifications to employers. The Department shares eligibility and program participation information electronically with IWD. Refer all requests for WOTC eligibility verification from employers and current or former FIP participants to IWD.

Employers that offer a job in the belief that a person is a member of one of the qualified groups can request certification from the WOTC coordinator. Employers and job applicants with questions should contact:

WOTC Coordinator
Iowa Workforce Development
150 Des Moines Street
Des Moines, Iowa 50309