IOWA | Health and Human Services

Employees' Manual
Title 4, Chapter C

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Family Investment Program
Nonfinancial Eligibility

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Overview

This chapter covers nonfinancial eligibility requirements of the FIP program. Nonfinancial requirements are such factors as age, residency, and cooperation. The chapter is arranged alphabetically starting with absence.

The fundamental qualification for FIP benefits is that there is a dependent child who is living with a specified relative. The relationships of other household members to the dependent children determine who is in the eligible group and thus is subject to FIP eligibility requirements.

The legal basis for this chapter is found in Title IV-A of the Social Security Act, Iowa Code Chapter 239B, and 441 Iowa Administrative Code, Chapters 40 and 41.

Absence

Legal reference: 441 IAC 41.23(3)

Do not include in the assistance unit any person who is absent from the home, unless the person meets the temporary absence provisions. Consider a parent to be absent from the home when:

- The parent is committed, imprisoned, or admitted to an institution.
- The parent is a convicted offender who is permitted to live at home while serving a court-imposed sentence by performing unpaid public work or unpaid community service during the workday.
- The parent is absent because of the performance of active duty in the uniformed services of the United States. “Uniformed service” means the Army, Navy, Air Force, Marine Corps, Coast Guard, National Oceanographic and Atmospheric Administration, or Public Health Service of the United States.

NOTE: Although a parent on active duty in the uniformed services is considered “absent,” do not make a referral to CSS. See 4-B, Referrals to CSS.

Mr. A is on active duty with the U.S. Army, based in Texas. Mrs. A and their children live in Iowa. Mr. and Mrs. A do not consider themselves estranged. Mr. A is absent only because of his military service. If Mrs. A applies for FIP, Mr. A is not included in the eligible group. His income is considered only to the extent he makes it available.

Do not consider a parent to be absent from the home when the parent is absent solely because of employment, such as sales representatives and truck drivers.

1. Mr. and Mrs. B receive FIP for themselves and their children. Mr. B takes a job as a truck driver. Due to the nature of the job, he will be home only one or two days a week and on the road the rest of the week. Mr. B is away solely because of his employment. He is not considered to be absent. He must be included in the eligible group and his income considered in determining eligibility for the family.
2. Mr. C and Ms. D receive FIP for themselves and their common child. Mr. D takes a job with a carnival that will require him to be away from home for six months. He is away solely because of his employment. He is not considered to be absent. Mr. C must be included in the eligible group and his income is considered in determining eligibility for the family.

Questionable Cases

Legal reference: 441 IAC 41.23(3)

In questionable cases, you may need verification to determine whether a parent is absent. Do not take action based on suspicion or complaint alone when you believe that an “absent parent” is not absent. Try to get several items that support your belief. The following are examples of situations that could be questionable and justify more verification.

- The case was recently denied or canceled because the “absent” parent’s income or resources were considered.
- The absent parent moves in and out of the home frequently.
- Living expenses exceed income.
- The parent’s absence occurs when the parent is on strike or during slack times for a self-employment business, etc.
- There is no verifiable residence for the absent parent.
- The verifiable residence for the absent parent is very close to the child’s home.
- The absent parent may be out of contact with the family, especially if the separation was recent. The client may verify the circumstance by providing a statement from the landlord, minister, lawyer, or other knowledgeable nonrelative. Apply the “prudent person” concept and document the basis for the decision on all questionable cases.

If the case is complex, consult your supervisor. Also, if the case meets the error-prone profile described on form 470-5130, DHS Investigative Referral to DIA refer the case to DIAL for a front-end investigation. See 6-Appendix for information on form 470-5130.

Temporary Absence

Include in the eligible group the needs of a person who is temporarily out of the home, if otherwise eligible. A temporary absence exists when the person is:

- Out of the home to secure education or training.
- In a medical institution for less than a year.
- Out of the home for another reason and the payee intends that the person will return to the home within three months.

The following sections describe each of these temporary absence provisions.

Temporary Absence for Education

Legal reference: 441 IAC 41.23(3)“b”

Include in the assistance grant the needs of a person who is temporarily out of the home for the purpose of education or training. A temporary absence exists as long as the parent or specified relative retains supervision of a child.

The child may secure education or training outside the home community. If the child was in the home before leaving for education or training, continue assistance as long as the parent or specified relative retains supervision. The child must remain a member of the person’s family group.

When a child is attending Job Corps, the Iowa Braille and Sight-Saving School, or the Iowa School for the Deaf, consider the child in a public educational or vocational training institution. Include the child in the assistance grant if otherwise eligible.

A parent or specified relative who is temporarily out of the home for training or education may be included in the assistance grant, provided the person was in the home before leaving to secure education or training. “Education and training” means any academic or vocational training program that prepares the person for a specific professional or vocational area of employment.

Temporary Absence in a Medical Institution

Legal reference: 441 IAC 41.23(3)“b”

Include in the assistance grant the needs of a person who is temporarily absent from the home and in a medical institution. A temporary absence exists when a person is anticipated to be in a medical institution for less than a year, as verified by a physician’s statement. If the person does not return within one year, remove the person’s needs from the grant.

Assistance may be approved for a person who is confined to or living in a medical institution as long as:

- The person left the home to enter the institution.
- The total length of absence from the home is expected to be less than one year.
- The person will be returning directly to the home from the medical institution.

A “medical institution” is a facility that provides medical care, including nursing and convalescent care, in accordance with accepted standards as authorized by state law and as evidenced by the facility’s license. A medical institution may be public or private. Medical institutions include:

- Hospitals
- Nursing facilities
- Intermediate care facilities for mentally retarded
- Psychiatric medical institutions for children
- Psychiatric institutions
- State hospital schools
- Mental health institutions

Include in the grant a person who is otherwise eligible and was living in the home before entering the medical institution, and is expected to return directly to the home from the institution in less than a year.

EXCEPTION: Children in a psychiatric medical institution for children who are in court-ordered foster care status are not eligible for FIP. See Duplicate Assistance.

A person who enters a medical institution from foster care (or from any place other than the home) is not eligible for FIP. This is true even if the person is anticipated to be in the medical institution for less than a year and to return to the home when leaving the medical institution.

EXCEPTION: Include in the eligible group a child who has remained in a medical institution since birth, but is expected to enter the home in less than one year.

1. Mrs. A applies for assistance for herself and her child, who has been in the hospital for five months. The child left the home to enter the hospital and is expected to return to the home in two months. Mrs. A and the child are eligible, because the total time the child is expected to be out of the home and in a medical institution is less than one year.
2. Mrs. B applies for assistance for herself and her child, who has been in a nursing facility for ten months. The child is expected to return home in four months. There is no FIP eligibility because the total length of time the child is expected to be out of the home is more than one year.
3. Mrs. C applies for FIP for herself and her child. The child was in foster care for two months before entering the medical institution. The child is expected to return to the home within three months. There is no FIP eligibility, because the child did not enter the medical institution from the home.

Temporary Absence for Less Than Three Months

Legal reference: 441 IAC 41.23(3)“b”

Include in the grant the needs of a person who is temporarily absent from the home. A “temporary absence” exists when:

- A person is out of the home for reasons other than care in a medical institution or education or training, and
- The payee intends that the person will return to the home within three months.

The three-month period begins with the first full calendar month after the person has left the home. If the person does not return home within three months, remove the person’s needs from the grant.

The temporary absence policy applies only to people who do not receive public assistance under any other program, including state-funded or IV-E foster care and kinship caregiver payments. See Duplicate Assistance.

A child may be out of the home for purposes such as visiting the absent parent or vacation. The child remains eligible if the child's absence is anticipated to last less than three months.

Even though the payee's responsibility for care and control is lost, as long as the loss is temporary, continue eligibility. For example, a child visiting the other parent or a person who is in jail is eligible to be included in the grant, as long as the absence is expected to be less than three months and all other factors of eligibility are met.

Assistance may be approved for a person when the total length of time the person is anticipated to be out of the home is less than three months. The "total length of time" is from the date the person left the home (not the date of application) until the date the person is expected to return.

1. Jim, who is a member of the FIP eligible group, leaves home on May 2 to visit his father. He is expected to return home August 29. His needs continue to be included in the FIP grant.
2. Mrs. A applies for assistance for herself and four children. Three of her children live with her. The fourth child has been living with his father for the past two months and will be returning to Mrs. A's home in two months.

   Mrs. A is eligible to receive assistance for the three children living in the home. The fourth child is not eligible until he returns to the home because his total length of absence from the home is anticipated to be greater than three months.
3. Mrs. B applies for assistance for herself and one child. The child was living with her grandmother for one month. Before this, the child had been living with Mrs. B. The child will be returning to Mrs. B's home in one month.

   If the grandmother is not receiving assistance for the child, the worker approves assistance for Mrs. B and the child, because the total length of absence is anticipated to be less than three months.

4. Ms. C receives FIP for herself and one child. On May 5, Ms. C leaves town to care for a sick relative. She expects to return by the end of July. Ms. C will not be maintaining her current apartment. Her child will stay with a friend while she is gone.

   FIP eligibility continues for Ms. C and her child. Even though Ms. C is not maintaining her current home, this is considered a temporary absence, since she will return home to her child within three months.

5. Mr. D receives FIP for himself and two children. On May 15, Mr. D goes to jail. The children go to stay with Mr. D's mother. Mr. D is expected to get out of jail on May 20 after his court appearance.

   FIP eligibility for Mr. D and his children continues during their absence from the home. This is considered a temporary absence because Mr. D and his children will be returning to the home within three months.

6. Ms. E receives FIP for herself and one child. On May 10, Ms. E goes to prison. The IM worker is notified that Ms. E is in prison and will be incarcerated for three years. The IM worker cancels the household's FIP benefits. The temporary absence policy does not apply because Ms. E will be out of the home for more than three months.

Age

Legal reference: 441 IAC 41.21(1)

A child in need can receive FIP assistance until the age of 18 without regard to school attendance. An 18-year-old can receive FIP assistance if a full-time student in a secondary school (or in the equivalent level of vocational or technical training) and reasonably expected to complete the program before reaching age 19. See School Attendance later in this chapter.

A child is eligible on the date of decision if the child was eligible on the first day of the month of decision. The child remains eligible the entire month of the child's eighteenth (or nineteenth) birthday, unless the birthday is on the first day of the month.
For example, a 17-year-old applicant is still eligible if the child becomes 18 during the month of data entry, unless the birthday falls on the first day of that month.

For FIP purposes, a child becomes an adult when the child gets married, unless the marriage is annulled. However, the child remains an adult if divorced.

Assignment of Support

Legal reference: 441 IAC 41.22(7)

Policy: Each applicant or participant must assign to the Department any rights the person has to support from any other person. This includes rights to support for each family member for whom assistance is received.

The assignment of support rights includes all rights to support payments that accrue during the time the person is on assistance, up to the total amount of assistance received.

Support owed for a period the person was not on FIP is not assigned to the Department.

Comment: Although alimony is assigned to the Department, the Child Support Services(CSS) does not pursue enforcement of alimony. See 4-E, Alimony for information on considering alimony as income.

Procedure: At the application interview and later whenever appropriate, explain the effect of the assignment of support payments to the applicant or participant.

When CSS collects support owed for a period the person was not on FIP, CSS will release that amount to the client. See 4-E, Treatment of Support for Participants for information about how to consider support released to clients.

> Ms. A is approved for FIP effective November 1. The absent parent has been ordered to pay $100 per month in child support and is $1,200 behind on the payments when the application is approved. In January, the absent parent makes a payment of $800.
>
> $300 of the payment is retained by the Department as it is considered assigned support for the months of November through January when the family received FIP. The remaining $500 is considered unassigned support for the period when FIP was not received and will be released to the family.

When a support order covers two or more children with the same absent parent, and one child is ineligible, support for the ineligible child is not assigned to the Department. CSS will determine what amount of the child support belongs to the ineligible child and release that amount to the client.

The following sections explain:

- The effective date of assignment
- Terminating the assignment
- Suspending and reinstating child support orders

Effective Date of Assignment

Legal reference: 441 IAC 41.22(7)

Policy: The assignment is effective the date the eligibility information is successfully entered into the Department's computer system approving FIP.

The assignment remains in effect for the entire period for which assistance is paid.

Procedure: The rights to support are assigned automatically when FIP is approved. However, you must do the actual referral of the absent parent through the Iowa Collection and Reporting (ICAR) system. See 14-D(1), IABC/ICAR Referral for specific instructions.

EXCEPTION: Make the referral manually for battered alien cases. See 4-L, Battered Aliens for instructions on referrals for battered alien families.

CSS processes assignments and terminations to out-of-state clerks of court. If you become aware that an out-of-state court order exists, enter that information on the ICAR system to notify CSS.

Terminating the Assignment

Legal reference: 441 IAC 41.22(7)

Policy: The support assignment is terminated as of the effective date of FIP cancellation. NOTE: When the assignment covers two or more children by the same absent parent, the assignment is terminated when the last child by that parent becomes ineligible for FIP.

Procedure: Termination of the support assignment is system-generated on cases that are linked with the ICAR system. The system distributes copies of the termination to the clerk of court and CSS but not to the client.

If there are two or more assignments for two or more absent parents of children in the FIP eligible group, the system will terminate each separate assignment effective the date that each absent parent's children become ineligible for FIP.

EXCEPTION: CSS must manually terminate the assignment when a battered alien case is canceled. See 4-L, Battered Aliens for more information.

CSS processes terminations to out-of-state clerks of court.

Suspending and Reinstating Child Support Orders

Legal reference: Iowa Code Section 252B.20

Policy: CSS is authorized by law to provide assistance in suspending certain ongoing support obligations for cases that are under Iowa support orders and are receiving CSS services or for which a referral to CSS would be appropriate.

Six months after a suspension order is filed, the suspension will automatically result in termination of the support obligation. CSS is authorized to initiate reinstatement of a suspended support obligation.

Procedure: Use electronic mail to communicate with CSS regarding suspension or reinstatement activities. Save copies of any communication on suspension or reinstatement activities in the permanent section of the case record.

When contacted by a client about suspension or reinstatement services, refer the person to CSS for further information.

Suspension Services

Legal reference: 441 IAC 99.103(252B), 99.104(252B)

Policy: Support orders may be suspended when:

- The person who is ordered to pay the support (payor) and the person to whom the support is owed (payee) have reconciled and are living with at least one of the children on whose behalf the support is ordered, **or**
- One or more of the children covered by the support order live with the payor.

Procedure: CSS will:

- Notify the income maintenance (IM) worker within ten days when contacted by a household about suspension services because:
  - Thes payor has returned to the household, or
  - One or more of the children covered by the support order have left the FIP household to live with the payor.

- Start suspension activities after IM has acted on the reported change in household composition. However, CSS will not file the suspension order until on or after the first day of the month after the change occurred rather than during the month of change.
- Notify the assigned IM worker within ten days of the date that a suspension order was entered CSS will not report to IM inquiries from a household in which a change in household members has not actually taken place (e.g., the inquiring party merely wants to know how the suspension process works).

When an absent parent returns to an active FIP household:

- Report to CSS regardless whether the absent parent's return results in FIP cancellation or adding the parent to the FIP case.
- Notify CSS within ten days of issuing a *Notice of Decision* because the absent parent has returned to the FIP household.
- Provide the date of the *Notice of Decision* and the date of the actual change to CSS.
- Document this information in the case record.

Reinstatement Services

Legal reference: 441 IAC 99.107(252B), 99.108(252B)

Policy: CSS is authorized to reinstate a suspended support order within six months of the date a suspension is entered. A new support order may be established when the suspended order is not reinstated within the six-month period.

Reinstatement may be initiated by CSS or upon request of any party to the suspension order who has physical custody of one or more children covered by the suspended order, when one the following conditions exist:

- FIP is approved during the suspension period and the payor is absent.
- FIP continues but the payor has left the household.
- One or more of the children covered by the suspended support order have left the payor's household and started to receive FIP.

Procedure: CSS will:

- Notify IM of any reinstatement inquiries or requests for an active FIP case within ten days of receipt.

- Determine whether reinstatement of support applies or whether to establish a new support order (in cases where the six-month reinstatement period has run out).
- Notify IM of a reinstatement order within ten days of the date that CSS receives the order. Reinstatement of support is effective the date that FIP benefits are issued based on absence of the payor.

When you are notified by CSS of an inquiry or request for reinstatement:

- Contact the household for information about the possible change in household (unless you are already aware of the change and are pursuing appropriate action).
- Notify CSS within ten days of issuing a **Notice of Decision** because the obligor has left the FIP household or the children have left the obligor's home and start to receive FIP.
- Provide the date of the **Notice of Decision** and the actual date of the change to CSS.
- Document this information in the case record.

Benefits from Other Sources

Legal reference: 441 IAC 41.27(1)"g" and "j"

Every person in the eligible group and any parent living in the home of a child on FIP must apply for and accept other benefits for which the person qualifies. The most common sources of other benefits are:

- Social Security benefits.
- Supplemental Security Income (SSI) benefits.
- Railroad Retirement benefits.
- Worker's Compensation.
- Union benefits.
- Veteran's benefits. The client must also apply for and accept any "improved VA pension" which provides higher VA benefits than the regular VA pension for those who qualify.
- Unemployment benefits. The client must apply and draw benefits when the client is eligible even if early application results in reduced benefits.

- Iowa Public Employees Retirement System (IPERS). If the client who leaves public employment covered by IPERS is 55 or over and has four years or more of service, the person must apply for early retirement. See 4-D, Resources and 4-E, Income for instructions on how to treat payments from a retirement fund.

NOTE: This policy does **not** apply to:

- Earned sources of income.
- Financial assistance for education or training.

When you have reason to believe that someone in the eligible group may be eligible for other benefits, instruct the client in writing to apply for the benefits. Give the client ten days to provide proof of application.

The following sections address procedures for:

- Requiring application for and acceptance of Social Security and SSI benefits
- A client refuses to apply for or accept Social Security or SSI benefits
- A client refuses to apply for benefits other than Social Security or SSI benefits
- A client who has refused to apply for benefits decides to cooperate

Application for and Acceptance of Social Security and SSI Benefits

Legal reference: 441 IAC 41.27(1)“g”

Require a person to apply for and to accept Social Security Disability (SSD) or SSI benefits due to disability when:

- The person claims a physical or mental disability that is expected to last continuously for 12 months from the time of the claim or that is expected to result in death,
- The person claims to be unable to engage in substantial activity due to the disability, and,
- The person is in the FIP eligible group or is a parent living in the home of the child on FIP. This policy applies to a needy specified relative or an incapacitated stepparent when the person is applying for or receiving FIP for the person’s own needs.

Inform PROMISE JOBS of an SSD or SSI application at the time of referral. When the person claiming a disability is currently referred to PROMISE JOBS, use your local communication procedures to inform PROMISE JOBS staff if the person applies for SSD or SSI benefits.

Keep PROMISE JOBS informed of any changes in the SSD or SSI application status that you become aware of, such as an approval or denial. For more information, see 4-J, Referring Disabled People and Sharing Disability Information with PROMISE JOBS.

A person may be eligible for Social Security retirement benefits when the person is retired and aged 62 or older. Social Security survivor's benefits may be available to the spouse or child of a deceased person. Require a person to apply for and accept the Social Security benefit when the person is in the FIP eligible group or is a parent living in the home of the child on FIP.

Require a person who is aged 65 or older or who is blind or disabled to apply for and accept SSI benefits when the person is in the FIP eligible group or is a parent living in the home of the child on FIP.

Refusal to Apply for or Accept Social Security or SSI Benefits

Legal reference: 441 IAC 41.27(1)"g"

A client who refuses to cooperate in applying for or accepting Social Security or SSI benefits when required creates FIP ineligibility for the entire FIP eligible group for as long as the person's circumstances indicate potential eligibility for the benefits.

For applicants, deny the application for the entire eligible group when the refusal occurs. For participants, cancel FIP for the entire eligible group effective the first of the month after the refusal occurs.

When timely notice cannot be met, cancel FIP effective the second month after the refusal occurs. Recover excess assistance issued for the first month after refusal.

Draw a distinction between situations when a person **refuses** to apply for or accept Social Security or SSI benefits and situations when a person **fails to provide requested information**.

When a person indicates refusal to apply for or accept Social Security or SSI benefits, the refusal creates FIP ineligibility for the entire eligible group. Deny or cancel FIP based on the refuse.

However, when a person fails to return the requested proof of application for Social Security or SSI benefits, the failure to provide information creates ineligibility for the entire eligible group. Deny or cancel FIP based on the failure to provide requested information needed to determine eligibility.

Refusal to Apply for or Accept Other Benefits

Legal reference: 441 IAC 41.27(1)“g” and “j”

A client who refuses to cooperate in applying for or accepting benefits other than Social Security or SSI benefits, is ineligible for FIP benefits for as long as the other benefit is available upon request. This includes health or medical insurance that is available at no cost.

For applicants, do not include the person’s needs when approving FIP. For participants, remove the person’s needs from the grant the month after the refusal to apply for the other benefits, subject to timely notice.

When timely notice cannot be met, remove the person’s needs effective the second month after the refusal to apply for or accept other benefits. Recover excess assistance issued for the first month after the refusal.

If a parent who refuses to apply for or accept other benefits has nonexempt earned or unearned income, apply the following deductions, disregards, and diversions:

- The 20% earned income deduction.
- A diversion for court-ordered child support for a child not living in the home.
- A diversion for the needs of the parent’s ineligible dependents in the home.
- The 58% work incentive deduction.

Do **not** allow a diversion from the parent’s income for the parent’s own needs.

Draw a distinction between situations when a person **refuses** to apply for or accept other benefits and situations when a person **fails to provide requested information** that is needed to determine the eligible group.

When a person indicates refusal to apply for or accept the other benefits, the refusal creates FIP ineligibility for only that person. The refusal does not affect your ability to determine the eligible group. Thus, exclude only the needs of that person.

However, when a person fails to return the requested proof of application for the other benefits without any further communication, you do not know if the person has applied for the other benefits.

As a result, you do not know if the person is eligible for FIP. Since you do not have enough information to determine the eligible group, the entire household is ineligible for FIP.

Do not remove the client's needs when the client applies for other benefits but is then disqualified from receiving the other benefits because of not complying with the particular requirements for the other program's benefits.

> Ms. A and her child are on FIP. Ms. A receives $75 biweekly in unemployment benefits. She fails to provide required job search documentation to Iowa Workforce Development (IWD).
>
> Therefore, Ms. A is disqualified by IWD from receiving unemployment benefits. Ms. A's needs remain included in the FIP grant because she failed to meet an IWD requirement rather than a FIP requirement.

When a Client Decides to Cooperate

Legal reference: 441 IAC 41.27(1)"g" and "j"

When a client who is excluded from the eligible group for refusing to apply for other benefits decides to cooperate, the date of application to add the client is the date the client expresses willingness to cooperate.

If otherwise eligible, the person may be added to the grant effective seven days from the date the person expresses willingness to cooperate. Do not take action to add the person until the person has actually cooperated.

For example, if a client is excluded for refusing to apply for VA benefits for which the client may be eligible, the date of application is the date the client expresses willingness to apply for the benefits. Document that date in the case record. Also instruct the client in writing to provide proof of application for the benefits within ten days.

If the excluded client fails to provide the requested information by the due date (or the extended filing date, if applicable), cancel the existing FIP case and deny the application. Timely notice is required. When timely notice cannot be met, cancel FIP assistance effective the second month after the failure to return the required proof. Recover excess assistance issued for the first month.

When the excluded client provides the requested information in time for reinstatement, reinstate FIP. Since the original application was denied earlier, the date the information is provided constitutes a new application date to add the person.

When FIP is denied to a household due to a person's refusal to apply for or accept Social Security or SSI, or for a person's failure to provide proof of application for these benefits, the household must reapply for FIP eligibility to be considered.

When the entire FIP case is canceled due to a client's refusal to apply for or accept Social Security or SSI benefits, reinstate FIP if the client decides to cooperate and provides proof of application before the effective date of cancellation.

The household must reapply for FIP when proof of application for Social Security or SSI is received on or after the effective date of cancellation. The household must also reapply when the person decides to cooperate after the effective date of FIP cancellation.

Citizenship

Legal reference: 441 IAC 41.23(5)"b"

As a condition of eligibility, all applicants and participants must declare their citizenship or alien status by signing either:

- Form **470-0462** or **470-0462(S), Food and Financial Support Application**, or
- Form **470-2549, Statement of Citizenship Status**.

In this policy, "participant" refers only to the person for whom assistance is being paid. It does not include an ineligible parent living in the home with the eligible child or a nonparental relative who receives the grant for the child.

If the applicant or participant is incompetent or incapacitated, a person acting responsibly on the applicant's or participant's behalf must sign. If both parents or a parent and stepparent are in the home, either parent or stepparent may sign the form to attest to citizenship for the household. An adult participant must sign the form for dependent children.

If form 470-2549 is not signed when requested, the entire group is ineligible. See 6-Appendix for more information on form 470-2549.

Applicants and participants must attest to their citizenship or alien status **once**. When the participant has already attested to this status on form 470-0462 or form 470-0462(S), the participant is not required to complete the **Statement of Citizenship Status**. Once a participant has attested to the citizenship or alien status on the **Statement of Citizenship Status**, the participant is not required to do so again.

When a person claims to be a U.S. citizen, verification of citizenship is not required unless the person's statement appears to be questionable. Refer to 4-L for additional information.

When a child enters an existing FIP household and the child's citizenship or alien status was not previously declared on a FIP application or on form 470-2549, the adult FIP participant must attest to the child's citizenship or alien status on form **470-2881, Review and Recertification Document (RRED)** at the annual review.

Issue form **470-2549, Statement of Citizenship Status** when a parent who did not previously sign a FIP application or form 470-2549 enters an existing FIP household. The parent must complete and return the form before the parent can be added to the eligible group.

When the form is returned, approve the case. The effective date of assistance is seven days from the date of report, provided eligibility exists. (Extend the due date, if appropriate.)

When the household fails to return the required statement by the due date, cancel the existing FIP case (subject to timely notice). The eligible group cannot be established without the statement. Also deny the application to add the parent.

When timely notice cannot be met, cancel the case effective the second month after the failure to return the required statement. Recover excess assistance issued after the first month following the failure.

If the household returns the required statement in time for reinstatement, reinstate the existing FIP case. Since the application to add the parent was denied, the date the statement is received constitutes the new date of application to add the parent to the eligible group.

Contract for Support

Legal reference: 441 IAC 41.25(4)

A person entitled to total support under the terms of an enforceable contract is not eligible to receive FIP when the party obligated to provide such support is able to fulfill that part of the contract.

Cooperation with Child Support Services

Legal reference: 441 IAC 41.22(6), Iowa Code Section 239B.2(6)

Unless good cause is established, all applicants and participants must cooperate with IM and CSS for purposes of child support recovery on behalf of a child whose needs are included in the grant. “Child” includes a minor parent who receives FIP on the adult parent’s case.

Cooperation is required in providing information about the absent parent that is needed to establish paternity and obtain support. Cooperation is required from both parental and nonparental specified relatives, regardless if they are included in the FIP grant. If an applicant or participant refuses to cooperate without good cause, the family’s FIP grant is reduced by 25%.

CSS determines when a FIP client has not cooperated. CSS delegates IM to make this determination in application situations or when a participant receives direct support and fails to refund the nonexempt portion. When a client fails to cooperate with CSS, CSS issues notification to the IM worker.

When an applicant has failed to cooperate or CSS notifies you of a participant’s noncooperation, take action as described in Sanction for Failure to Cooperate.

A parent’s failure to cooperate with CSS while on Medicaid only does not affect the person’s eligibility for FIP. Also, a FIP parent or specified relative is not required to cooperate on behalf of a child who is not on the grant, such as:

- A child receiving SSI.
- A child excluded from the FIP eligible group due to sanction.
- A child excluded from the FIP eligible group due to age limits.

1. Ms. M and her children are on FIP. Ms. M fails to cooperate with CSS on behalf of one of the children, and her FIP grant is reduced by 25%. Her case is canceled for another reason. She later applies as a needy specified relative for a niece.

   Assuming all other eligibility factors are met, Ms. M can be included as a needy specified relative on the case. The previous noncooperation on her former parental case has no effect on the nonparental case.

2. Same as Example 1, except Ms. M later reapplies for a parental case for herself and her children. The child for whom she failed to cooperate with CSS in the previous FIP period is 18 and will not be included in the grant. As long as Ms. M cooperates with CSS on behalf of the eligible children, her FIP grant will no longer be subject to a 25% reduction.

3. Mrs. E receives FIP for herself and two children. She also receives FIP for a niece on a separate nonparental case. CSS notifies IM that Mrs. E failed to cooperate on behalf of the niece. The grant on Mrs. E's nonparental case is subject to a 25% grant reduction. The parental case is not affected.

4. Mr. A is on SSI. He receives FIP for his two children. CSS notifies IM that he failed to cooperate. Even through Mr. A is not included in the grant, he is still required to cooperate with CSS on behalf of his children who are on FIP. Consequently, the FIP grant is reduced by 25%.

See the following sections for more information on:

- What the client must do to cooperate
- Sanction for failure to cooperate
- Action when the parent or nonparental specified relative begins to cooperate
- Action when a participant fails to refund direct support
- Determining if a client has good cause for failure to cooperate

See 4-B, Referrals to CSS for information on referring the absent parent to CSS.

What the Client Must Do to Cooperate

Legal reference: 441 IAC 41.22(6), 41.22(7), 41.22(8)

Unless good cause exists, clients must cooperate in the following areas:

- Identifying and locating the parent of the child for whom the aid is requested.
- Establishing the paternity of a child born out of wedlock for whom aid is requested.

- Obtaining support payments for the applicant or participant and for a child for whom aid is requested.
- Supplying enough information about the absent parent, the receipt of support, and the establishment of paternity (when needed) to establish FIP eligibility and to permit an appropriate referral to the CSS.
- Appearing at the local office or the CSS to provide verbal or written information needed to establish paternity or secure support for the children in the eligible group. This includes information or documentary evidence that the client knows about, possesses, or could reasonably obtain.
- Appearing as a witness at judicial or other hearings or proceedings.
- Providing information, or attesting to the lack of information, under penalty of perjury.
- Paying to the Department any nonexempt cash support payments received by a participant after the date of decision.
- Completing and signing documents needed by the state's attorney for any relevant judicial or administrative purpose.

Sanction for Failure to Cooperate

Legal reference: 441 IAC 41.22(6)"f," Iowa Code Section 239B.2(6)

Cooperation with child support services is required from parents as well as nonparental specified relatives. When an applicant or participant does not cooperate with you or with CSS without good cause, the household becomes subject to sanction.

The sanction is a 25% reduction of the household's FIP grant. The 25% reduction is applied to the family's grant amount before any deduction for recoupment of a prior overpayment. Impose the grant reduction as long as the person who failed to cooperate is in the home and has a child on the grant, regardless whether that person is included in the FIP grant.

$ 426.00	FIP payment standard for three people
- 100.50	Countable income
325.50	Deficit before sanction
- 81.37	Child support sanction (25% of $325.50)
$ 244.13	Deficit after sanction
$ 244.00	Grant amount (rounded)
- 42.60	Recoupment (10% of $426)
$ 201.40	**Payment amount**

The reduction is applied only in calculating the grant. It is not applied in any of the three income tests. FIP eligibility continues when the payment amount is zero because the grant amount is under $10 when the reduction is applied.

$ 426.00	FIP payment standard for three people
- 414.50	Countable income
11.50	Deficit before sanction
- 2.87	Child support sanction (25% of $11.50)
$ 8.63	Deficit after sanction
$ .00	**Payment amount**

For any month a reduction is in effect, the reduction is applied whenever the grant is recalculated for any reason other than the child support sanction. The reduction is also applied to one-time and ongoing special needs-special allowance codes “E” (school expenses) and “G” (guardianship/conservatorship fee).

When a participant fails to cooperate with you, reduce the grant effective the first month after the noncooperation occurred, subject to timely notice. When a participant fails to cooperate with CSS, the grant reduction becomes effective the month after CSS notifies you of the noncooperation, subject to timely notice.

If you cannot give timely notice, reduce the grant effective the second month after the noncooperation with you or after being notified by CSS. Recover excess FIP issued for the first month.

When a minor parent and the minor parent’s child receive FIP on the adult parent’s FIP case, and the minor parent fails to cooperate with IM or CSS without good cause, initiate the 25% grant reduction. Even though the minor parent is considered a child on the adult parent’s case, the minor is also a parent and therefore is required to cooperate with CSS.

The household is subject to only one 25% grant reduction, even if more than one parent who has a child on the grant fails to cooperate. For example, if a minor parent and baby receive FIP on the adult parent's case and both parents fail to cooperate, the household's FIP grant is reduced by 25%. Issue notice each time CSS notifies you of a person's noncooperation.

The 25% reduction is applied to the family's grant amount before any deduction for recoupment for a prior overpayment.

See 14-B(6), CSS Sanction for system coding instructions for imposing or lifting the CSS sanction.

When the Parent or Nonparental Specified Relative Cooperates

Legal reference: 441 IAC 41.22(6)"f"

Remove the 25% grant reduction effective the first day of the **next** calendar month after the parent or nonparental specified relative who failed to cooperate expressed willingness to cooperate. Delay taking the action until the person cooperates. Issue adjustive benefits if appropriate.

- If the person failed to cooperate with IM, delay the action to remove the grant reduction until the client has cooperated with you.
- If the person failed to cooperate with CSS, delay removing the grant reduction until CSS notifies you that the person has cooperated.

1. On March 31, the parent (or nonparental specified relative) who failed to cooperate with CSS, expresses willingness to cooperate. On April 20, CSS notifies the IM worker that the client cooperated on April 15. The worker removes the grant reduction effective April 1.
2. On April 1, the previously noncooperating parent (or nonparental specified relative) expresses willingness to cooperate with CSS. On April 20, CSS notifies the IM worker that the client cooperated on April 17. The worker removes the grant reduction effective May 1.
3. Same as Example 2, except that the client cooperates on May 3 and CSS notifies the IM worker on May 5. The worker still removes the grant reduction effective May 1.

4. On June 5, the IM worker initiates grant reduction effective July 1, based on notification from CSS. On June 20, the client calls the IM worker and expresses willingness to cooperate. The IM worker instructs the client to contact CSS for further instructions. On June 26, CSS notifies the IM worker that the client cooperated on June 25. The IM worker removes the grant reduction effective July 1.
5. On June 23, CSS notifies the IM worker that the FIP parent failed to cooperate. Since the required timely notice cannot be met for July 1, the worker delays the grant reduction until August 1.

   On June 29, the client contacts the IM worker to express willingness to cooperate. On July 5, CSS notifies the worker that the client cooperated on July 3. The worker removes the grant reduction effective August 1. Since the client expressed willingness to cooperate before July 1, no overpayment has occurred for July.

   NOTE: Had the client not expressed willingness to cooperate until July 1 or later, an overpayment would be due for July (i.e., the difference in the FIP grant amount with and without the 25% grant reduction).

If more than one parent who has a child on the grant fails to cooperate, continue the sanction until each parent has cooperated. If you are notified that one of the parents has cooperated, send a memo informing the household that the grant reduction continues until CSS notifies you that the other parent (state the name) has cooperated.

Ms. A, a minor parent, and her baby receive FIP on the adult parent's case. Both the minor parent and the adult parent fail to cooperate on behalf of their respective child on the grant, resulting in a 25% grant reduction.

CSS subsequently notifies the worker that the adult parent has cooperated. The worker notifies the adult parent that the grant reduction continues until CSS notifies the worker that Ms. A has cooperated.

The parent or specified relative's contact with **either** you **or** CSS to express willingness to cooperate determines the effective date for removing the 25% grant reduction. When the noncooperation was with CSS, but the client contacts **you** to express willingness to cooperate, tell the client to contact CSS.

Notify the client in writing that the client must report back to you within ten days the name and phone number of the person the client contacted in CSS. (State this due date.) Also state that the grant reduction continues until the client has followed through on the action required by CSS. Grant an extension of the due date, if appropriate.

If the client fails to provide you with the requested information by the due date, continue the grant reduction. Take no further action. However, this failure to provide the requested information also voids the client's original expression of willingness to cooperate. A new expression of willingness to cooperate is needed from the client to determine the effective date for removing the grant reduction.

When the client provides the name and phone number of the CSS staff who was contacted, call or send an e-mail to the CSS staff to confirm the client's contact. Obtain from CSS the date the client is scheduled to take the required action to cure the noncooperation issue (appear for an interview, provide absent parent information, etc.).

Contact CSS the first working day **after** the date the client was to take the required action. If CSS informs you that the client failed to comply without any explanation, continue the grant reduction. Take no further action. However, failure to comply voids the client's original expression of willingness to cooperate. A new expression of willingness is needed from the client to determine the effective date for removing the grant reduction.

If CSS informs you that the client has rescheduled, consult with CSS on whether the client is continuing to make an effort to cure the noncooperation. If CSS indicates the client is making an effort, contact CSS the first working day after the rescheduled date. If the client has carried out the required action, remove the sanction effective the first of the next month after the date the client originally expressed willingness to cooperate.

If CSS informs you that the client has rescheduled, but CSS indicates a lack of effort by the client, this voids the client's original expression of willingness to cooperate. Continue the grant reduction. A new expression of willingness to cooperate is needed from the client to determine the effective date for removing the grant reduction.

Repeat these steps when the client requests additional extensions.

NOTE: Whenever a delay in completing the cooperation process is due to constraints **by CSS**, remove the grant reduction effective the first day of the next calendar month after the client expressed willingness to cooperate. However, delay the action until CSS notifies you that cooperation has occurred. Issue adjustive payments as appropriate.

CSS will notify you when the client has cooperated. When the client contacted CSS (rather than IM) to express willingness to cooperate, the CSS notification is to include the date the client initially expressed willingness to cooperate. If necessary, contact CSS to confirm this date to determine the effective date for removing the grant reduction. Document in the case record details of any contact with the client or with CSS.

When a Participant Fails to Refund Direct Support

Legal reference: 441 IAC 41.22(7), 41.22(6)“b”(4)

When approved for FIP, the participant signs over to the Department any right to receive direct support. Consequently, sanction a participant for failure to cooperate with Child Support Services (CSS) if the participant directly receives an assigned support payment and does not refund it. See 4-E, Treatment of Support for Applicants for more information.

Do **not** impose a grant reduction on a first failure to refund direct support as long as the parent promises to cooperate in the future. Inform the client **in writing** of the requirement to refund direct support and that a second violation will result in the FIP grant being reduced by 25%. Allow one written warning per period on FIP.

Initiate a 25% grant reduction for a second or subsequent failure to refund direct support. Do not stop the grant reduction until the parent has proven cooperation by refunding any future direct support payment.

NOTE: A change in the client’s circumstances may indicate a need to review the sanction (for example, the absent parent returns home, or other changes occur that make future support payments unlikely). In such cases, or if you are unable to determine if a parent’s sanction should stay in effect, contact central office policy staff through the usual channels.

If the client receives and retains direct support again after a warning letter is issued, begin to consider the nonexempt portion of the child support income prospectively, effective the next month. Continue using the income prospectively until the client shows that the income will not continue, as described above.

Recover any excess FIP issued for months following the first month the direct support was received and retained by the client.

> In June, the IM worker learns that Ms. C, a FIP participant, received and kept direct support in May and June. The worker issues a warning letter.
>
> Ms. C receives and keeps direct support again in July. The worker imposes a 25% grant reduction, considers the child support income prospectively beginning with the month of August, and recoups the excess FIP received in June and July. No recoupment is done for the month of May, as it is the month of change.

Good Cause for Refusal to Cooperate

Legal reference: 441 IAC 41.22(9), 41.22(10)“g”

Policy: Each applicant and participant has the opportunity to claim good cause for refusing to cooperate with the Child Support Services (CSS) in establishing paternity or securing support payments.

Procedure: Give applicants and participants form **470-0169** or **470-0169(S), Requirements of Support Enforcement**. This form explains the client’s right to claim good cause as an exception to the cooperation requirement, and how to file a claim. Document in the case record that the form was provided.

Issue form **470-0170, Requirements of Claiming Good Cause** whenever the client asks for a copy or wants to make a claim of good cause. Give one copy of the signed form to the client and keep the other copy in the case record.

(See 6-Appendix for instructions on forms 470-0169, 470-0169(S), and 470-0170.)

The client has the burden of proof that circumstances providing good cause exist. To meet this requirement, the client must:

- Specify the circumstances that the client claims as good cause for not cooperating.
- Corroborate the good cause circumstances.
- When requested, provide enough information to permit an investigation.

If an **applicant** claims good cause, do not act on the application until the period for providing the evidence has lapsed or until the applicant provides the evidence, whichever is sooner. You have good cause to delay the eligibility determination if the period for providing the evidence exceeds the 30-day period for processing applications.

If the applicant is making efforts but can't provide the evidence within the required time frame, allow an extension of the due date and continue pending the application until all members are eligible.

If a **participant** claims good cause, do not impose the 25% grant reduction during the required time frame for submitting evidence. If the participant fails to provide the needed proof by the due date, initiate the grant reduction effective the first of the following month.

Once the client has provided all necessary proof, process the good cause claim.

The following sections explain:

- Standards for determining whether good cause exists
- Client responsibilities when filing a good cause claim
- Worker responsibilities when a good cause claim is filed
- Procedures for making the decision about good cause

Determining if Good Cause Exists

Legal reference: 441 IAC 41.22(8)

Good cause exists when cooperation in establishing paternity and securing support is against the best interest of the child. Cooperation is against the best interests of the child only if one of the following exists:

- The child for whom support is sought was conceived as a result of incest or forcible rape.
- Legal adoption proceedings are pending before a court of competent jurisdiction.
- The applicant or participant has been working with a public or licensed private social agency less than three months to decide whether to keep the child or relinquish the child for adoption.
- It is reasonably anticipated that the client's cooperation would result in physical or emotional harm to the child for whom support is being sought.

- It is reasonably anticipated that:
  - The client's cooperation would result in physical or emotional harm to the parent or specified relative with whom the child is living, and
  - The harm would reduce the person's capacity to care for the child adequately.

Definition of Physical and Emotional Harm

Legal reference: 441 IAC 41.22(11)

Physical and emotional harm must be of a serious nature in order to justify a finding of good cause.

A finding of good cause because of emotional harm must be based on a demonstration of an emotional impairment that substantially affects the person's functioning. Consider the following when deciding if good cause exists based on anticipated *emotional* harm:

- The current and past emotional state of the person subject to emotional harm.
- The emotional health history of the person subject to the emotional harm.
- The intensity and probable duration of the emotional impairment.
- The degree of cooperation required.
- The involvement of the child in the paternity establishment or support enforcement activity to be undertaken.

When a claim is based on the client's anticipation of *physical* harm, and corroborative evidence is not submitted in support of the claim, investigate the claim if you believe that:

- The claim is credible without corroborative evidence, and
- Corroborative evidence is not available.

Grant good cause if the claimant's statement and the investigation that is conducted provide sufficient evidence that the client has good cause for refusing to cooperate. Your immediate supervisor must approve or disapprove your decision. Record the findings in the case record.

Client Responsibilities When Filing a Good Cause Claim

Legal reference: 441 IAC 41.22(9) and 41.22(11)

The client must prove the existence of good cause circumstances. Evidence must be provided within 20 days from the date of the claim. If your supervisor approves, you may allow more time in exceptional cases where the evidence is especially difficult to obtain.

A good cause claim may be supported by the following types of evidence:

- Birth certificates or medical or law enforcement records that indicate the child was conceived as the result of incest or forcible rape.
- Court documents or other records that indicate that legal proceedings for adoption are pending before a court of competent jurisdiction.
- Court, medical, criminal, child protective services, social services, psychological, or law enforcement records that indicate that the putative father or absent parent might inflict physical or emotional harm on the child or the caretaker relative.
- Medical records that indicate emotional health history and present emotional health status of the caretaker relative or the child for whom support would be sought.
- Written statements from a mental health professional indicating a diagnosis or prognosis concerning the emotional health of the caretaker relative of the child for whom support would be sought.
- Written statements from a public or licensed private social agency that the client is being assisted by the agency to resolve the issue of whether to keep the child or relinquish the child for adoption.
- Sworn statements from people other than the client with knowledge of the circumstances that provide the basis for the good cause claim.

Written statements from the client's relatives only are not sufficient to grant good cause but may be used to support other evidence provided.

If requested, the client must also provide additional evidence that may be needed and help with an investigation of good cause. Failure to meet these requirements is sufficient basis for determining that good cause does not exist.

Worker Responsibilities When a Good Cause Claim Is Filed

Legal reference: 441 IAC 41.22(10), (11), and (12)

Immediately notify the child support services office whenever a client files a claim for good cause. Enter all information relating to the claim and determination of good cause into the case record.

When a client asks for help in getting evidence, offer suggestions about how to obtain the necessary documents. Make a reasonable effort to obtain necessary documents that the client has been unable to obtain.

Further investigation of good cause may be necessary if the client's claim and the supporting evidence are not enough to make a decision. Notify the client in writing if additional supporting evidence is needed, and what types of documents are needed.

If you need to contact the putative father or absent parent, notify the client first. The client can choose to:

- Give additional supporting evidence so that you will not need to make the contact.
- Withdraw the application or have the case closed.
- Withdraw the good cause claim.

Consult the child support services office before contacting an absent parent, and document details in the case record. If there is any indication the absent parent may try to harm the child or the caretaker either physically or emotionally, be especially careful not to reveal any information about their location.

Confer with the CSS before making a final decision about good cause.

Making the Decision About Good Cause

Legal reference: 441 IAC 41.22(10)

Within 45 days from the date the claim is filed, determine whether or not good cause exists. Determine each good cause claim at the earliest possible date. Do not use the 45-day time frame as a waiting period before determining good cause or as a basis to deny the good cause claim.

Extend the time frame only if:

- You cannot obtain evidence needed to verify the claim within the 45-day time limit, or
- The client cannot provide supporting evidence within the required 20-day time limit.

Document any time extensions in the case record.

Grant good cause if the claimant's statement and the investigation that is conducted provide sufficient evidence that the client has good cause for refusing to cooperate. Your immediate supervisor must approve or disapprove your decision. Record the findings in the case record. Update ICAR to show that good cause has been granted (See 14-D(1)).

Notify the child support services office within two working days after the final decision to deny or grant good cause has been made. Give the child support recovery office the opportunity to participate in any appeal hearing.

Notify the client of your final decision in writing. This notification must explain the decision and the basis for the decision.

- If the decision is that good cause does *not* exist, give the client the opportunity to cooperate, withdraw the application, or have the case closed. Also notify the client that continued refusal to cooperate will result in imposition of sanctions.
- If the decision is that good cause *does* exist, consult with the CSS to decide whether child support enforcement can proceed without risk of harm to the child or caretaker relative if the enforcement activities do not involve their participation.

When child support enforcement activities will proceed without the caretaker's cooperation, notify the client in writing, and provide the client the opportunity to withdraw the application or have the case closed.

At least once every six months, review cases where the participant has been excused from cooperation due to circumstances that are subject to change.

If circumstances have changed and good cause no longer exists, notify the participant in writing that child support enforcement activities will proceed. Also, notify CSS within two working days of the determination that good cause no longer exists.

Cooperation With Investigations and Quality Control

Legal reference: 441 IAC 40.27(4)“d”

To be eligible for FIP, applicants and participants must cooperate with Quality Control and the Economic Fraud Control Unit of the Department of Inspections, Appeals, and Licensing (DIAL) when the applicant’s or participant’s case is selected or referred for investigation.

DIAL conducts front-end investigations of applicant as well as participant cases. DIAL also conducts fraud investigations.

When Quality Control or the Economic Fraud Control Unit notifies you that a client has failed to cooperate in an investigation, deny or cancel FIP assistance. (Do not cancel or deny FIP if the investigation centers solely around a person whose income and resources do not affect FIP eligibility.)

Issue a timely **Notice of Decision** to cancel FIP. When timely notice cannot be met, cancel the FIP case effective the second month after you are notified of the failure to cooperate. Recover assistance issued in the first month.

Procedures for front-end investigation and what to do when a client reapplies after being canceled for failure to cooperate are explained in the following sections. Refer to 5-D for more information on Quality Control procedures.

Front-End Investigation Procedures

Refer questionable applicant and participant cases to the Economic Fraud Control Unit of the Department of Inspections, Appeals, and Licensing (DIAL) for front-end investigation. Before making a referral, take a “prudent person” approach to the information the client gives you. Allow the client the opportunity to explain the situation or resolve any questionable information.

Referring a Household to the Investigation Unit

Make referrals for investigation using form **470-5130, DHS Investigative Referral to DIA**. One or more of the factors listed on the form must be present in order to make a referral. See 6-Appendix for more information about filling out the form.

If a client does not cooperate with DIAL and later reapplies, see Application After Failure to Cooperate.

Investigation Process

Legal reference: 481 IAC 72.2(10A), 72.3(10A)

The purpose of a front-end investigation is to prevent households from fraudulently receiving FIP by conducting investigations on applications and reapplications before an eligibility determination is made, and also on participant cases. Front-end investigations are conducted to:

- Determine if information supplied by the client is correct.
- Assist in reducing the program error rate.
- Identify overpayments for recovery.

If an interview is needed, the investigator sets up the interview. The interview request notifies the client that the case has been referred to the Economic Fraud Control Unit. Before the interview, the investigator informs the client of:

- The purpose of the investigation.
- The type of information being reviewed.
- The client's responsibility to cooperate.
- The consequences of refusing to cooperate in an investigation.

Investigators decide which eligibility items need further verification. If the client previously received benefits and there is a discrepancy, the investigation may continue. However, the investigation does not continue if the client withdraws the application and never receives benefits, or the client is denied benefits.

Investigators may request and have access to the HHS client file if they determine it is necessary. They must follow the terms of the contract between HHS and DIAL with respect to confidentiality.

Acting on Investigation Findings

Legal reference: 481 IAC 72.4(10A)

The investigator reports the results of the investigation to the Department IM worker.

When an applicant household was referred, do not pend the application beyond the usual 30-day processing period. Before making a decision, check with the investigator to find out whether the applicant is cooperating in the investigation. If not, deny the application for that reason.

If the applicant is cooperating, pend the application as long as possible in the 30-day period, awaiting outcome of the investigation. If you approve FIP before the investigation is completed, redetermine eligibility and benefits upon receipt of the investigator's findings.

After an investigation has been completed on an ongoing case, determine eligibility and benefits, taking into consideration the findings of the investigator. Consider the evidence in the investigator's findings as verified information. Complete form **470-5129, DHS Investigative Referral Follow-Up to DIA**, within no more than 30 days after receiving the final investigative report from DIAL. See 6-Appendix for more information about how to fill out the form.

If you so request, the investigator will attend appeal hearings and testify to the information gathered by the investigator.

Application After Failure to Cooperate

Legal reference: 481 IAC 72.4(10A)

Assistance cannot be reestablished until cooperation criteria have been met. If a family who failed to cooperate later meets the Quality Control or front-end investigation requirements and is otherwise eligible, approve assistance retroactive to the date the client agreed **in writing** to cooperate. Do not process the approval until you are notified that cooperation has actually occurred.

When a client reapplies on or before the date of cancellation, the client is eligible for benefits on the effective date of cancellation or on the date the client agrees to cooperate, whichever is later. If the application is received after the date of cancellation, assistance is effective no earlier than seven days after the Department receives the application.

Ms. A, a FIP participant, fails to cooperate with the front-end investigation. DIAL informs the IM worker of the failure in early April. The IM worker issues a notice on April 5 to cancel assistance effective May 1.

On April 25, Ms. A contacts the IM worker and writes a note stating her intent to cooperate with the front-end investigation. However, the IM worker must refer the case to DIAL. The investigator is not able to meet with Ms. A until May 10. As a result, Ms. A cannot resolve the issue before the effective date of cancellation. The case is canceled May 1.

Because she cannot be reinstated, Ms. A must file a reapplication on or before May 1 in order to avoid loss of benefits. Since she files the application May 1, cooperates with the investigation, and is otherwise eligible, the application is approved effective May 8. Corrective benefits are issued retroactive to May 1.

Had Ms. A not indicated her desire to cooperate until May 1, the day she reapplied, she would not be entitled to corrective benefits for the period of May 1 through May 7.

When a household reapplies after being denied or canceled for failure to cooperate with front-end investigations decide whether the situation is resolved. If the situation is resolved:

- Document this in the case record.
- Notify DIAL of this decision and approve the application if otherwise eligible.

If the situation has not been resolved, re-refer the case to DIAL by completing a new **470-5130, DHS Investigative Referral to DIA**.

Duplicate Assistance

Legal reference: 441 IAC 41.25(2)

A participant whose needs are included in a FIP grant cannot receive at the same time a grant from any other public assistance program administered by the Department or by another state, including:

- Tribal TANF payments.
- Foster care.
- Kinship caregiver payments.
- Preparation for adult living (PAL) stipends.

- Subsidized adoption (unless excluding the person from the FIP grant would reduce benefits to the family).
- Refugee matching grant.

Consider subsidized guardianship assistance (whether from Iowa or from another state) the same as foster care. That is, a child is not eligible for FIP while receiving subsidized guardianship assistance.

Consider kinship caregiver payments the same as foster care. That is, a child is not eligible for FIP while receiving kinship caregiver payments. For more information on handling foster care, kinship caregiver payments, and adoption placements, see 4-G, When a Child Goes into Foster Care or the Kinship Caregiver Payment Program, 4-E, Adoption Subsidy, and 4-C Foster Care and Kinship Caregiver Payment Program.

Effective October 1, 2006, a tribal TANF program became available to Native Americans living in Woodbury County who are also members of a federally recognized tribe. The Woodbury County Tribal TANF Program is operated by the Winnebago Tribe of Nebraska. Tribal TANF programs may eventually be available in other counties.

Native Americans living in a county that has a tribal TANF program have the option of applying for FIP or for the tribal TANF program, but cannot receive benefits for both programs for the same month.

A person is not considered a FIP participant in any month that FIP assistance was incorrectly paid and is subject to recovery. A person who moves from one eligible group to another can receive assistance in the new household if the payment received by the old household is subject to recovery.

> On June 22, a child moved from household A to household B. Due to timely notice requirements, the child's needs are not removed from household A's case until August 1. However, the FIP that household A receives for the child in July is subject to recoupment since the child is ineligible to receive assistance on household A's case for that month.
>
> Household B applies for FIP for the child on June 22. Provided all other eligibility requirements are met, the child is eligible for FIP in household B effective July 1.

A person may receive public assistance from another state and then apply in Iowa for the same period. They are eligible for in Iowa if assistance from the other state is:

- Subject to recovery by the other state.
- Retained by or returned to the other state and not available to the person.

When a state issues semimonthly payments and a person receives assistance for only part of the month, the person may be eligible in Iowa for the rest of that month. Eligibility in Iowa begins the day **after** the time period the other state's grant was intended to cover or seven days after the date of application, whichever is later. Do not count the assistance from the other state as income.

Electronic Access Card Usage

Legal reference: 441 IAC 41.25(11)

Policy: A participant cannot use an electronic access card (EAC) or personal debit card to access FIP benefits at a:

- Liquor store or any place that mainly sells liquor,
- Casino or other gambling or gaming establishment, or
- Business which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state (such as a strip club).

This includes these types of businesses located in Iowa, on tribal land, or in any other state.

As a condition of eligibility, all applicants and participants must agree in writing, to not use the EAC or their personal debit card at prohibited locations by signing either:

- Form **470-0462** or **470-0462(S), Food and Financial Support Application** or
- Form **470-2881** or **470-2881(S), Review/Recertification Eligibility Document (RRED)**.

When both parents or both a parent and stepparent are in the home, either parent or stepparent may sign the application or RRED agreeing to not use the EAC at prohibited locations. When a minor parent lives with a self-supporting parent and applies for or is receiving FIP, only the minor parent is required to sign the application or RRED to agree to not use the EAC at prohibited locations.

If the applicant or participant is incompetent or incapacitated, a person acting responsibly on the applicant's or participant's behalf must sign. Only one signature is required on the form. When the parent or stepparent signs the application or RRED they are agreeing to this condition for the entire household.

When the Department receives a detailed complaint or suspects that a participant used an EAC at a prohibited location, refer the case to the Department of Inspections, Appeals, and Licensing (DIAL) for further investigation.

When DIAL finds that a participant accessed FIP benefits with an EAC at a prohibited location, the household:

- Will have committed fraud,
- Will have to repay the amount of cash accessed at the location, as well as any access fees, and
- Will be ineligible for FIP for:
  - Three months for the first misuse and
  - Six months for each additional misuse.

NOTE: When FIP funds are deposited into a participant's bank account, the funds are considered comingled with private funds. Do not refer a complaint that a participant has used a personal debit card at a prohibited location to DIAL because we cannot identify if it was FIP funds accessed at the location.

When parents from a two-parent family separate during an ineligibility period, if the DIAL report:

- Identifies the participant who used the EAC at a prohibited location, the ineligibility period will follow that participant.
- Does not identify the participant who used the EAC at a prohibited location, the ineligibility period will follow the participant who is the case name when the violation occurred.

Procedure: At the application interview, at review, and whenever appropriate, explain to the applicant or participant that the EAC or personal debit card cannot be used at certain locations. This includes using the card at the cash register's point-of-sale terminals as either a debit or credit card and at any ATMs at the location.

When the Department receives a complaint that a participant has used an EAC at a prohibited location, gather as much of the following information from the person making the complaint:

- The participant's demographic data (name, date of birth, social security number, address),
- Where the EAC was used (type of business where the card was used and the business's name and address), and
- When the EAC was used (month, day, year).

To make a referral to DIAL we must have enough details to show that the person is:

- A FIP participant who has an EAC,
- The type of prohibited location where the card was used, and
- When the card was used at the prohibited location. (At a minimum, the month and year.)

When the Department has this information, make a referral to DIAL for an investigation. Forward a copy of the DIAL referral to the FIP policy specialist in the Bureau of Financial, Food, and Work Supports (FFWS) in the Division of Community Access.

Appeals

Legal reference: 441 IAC 7.9(6), 41.25(11)“e”

Policy: Follow the instructions in 4-A, Appeals when processing appeals resulting from an electronic access card usage ineligibility period.

In addition, use the following guidelines. An ineligibility period with a new effective date applies when the final appeal decision affirms the ineligibility period and:

- The appeal was filed:
  - Before the effective date of the intended action on the *Notice of Decision* establishing the beginning date of an ineligibility period, or
  - Within 10 days from the date the participant receives the notice establishing the beginning date of an ineligibility period. The date on which the notice is received is considered to be five days after the date on the notice, unless the participant shows that the participant did not receive the notice within the five-day period, and
- FIP assistance continued pending the outcome of the appeal.

FIP assistance issued pending the appeal is not subject to recoupment when an ineligibility period with a new effective date applies.

Procedure: Impose a new ineligibility period in ABC, allowing for timely notice, when the final decision affirming the Department’s action is received.

Eligible Group

Certain people in a household **must** be in the FIP eligible group; others **may** be included in the group. A single household may contain one or more eligible groups, depending on the relationships of household members. See Absence for information on who is considered to be a member of the household.

The following sections explain:

- Who must be in the eligible group
- Who may be in the eligible group
- Defining the number of eligible groups in a household

Who Must Be in the Eligible Group

Legal reference: 441 IAC 41.28(1) and (2), 41.22(3)

The eligible group consists of all eligible people living together. The group is considered a separate and distinct group, regardless of other people in the home and the relationship or liability of these other people to the eligible group.

The following people must be included in the eligible group **if living together** and meeting nonfinancial eligibility requirements:

- The dependent child.
- Any brother or sister of the dependent child (of whole, or half blood, or adoptive) who meets the age, and school attendance requirements. Refer to Age and School Attendance for more information.
- Any natural or adoptive parent of the dependent child, regardless if the parents are married to each other.

Neither the presence of a stepparent nor a friend in the home disqualifies a child from assistance, as long as the child meets the nonfinancial eligibility factors.

A group must have at least one child to be considered eligible for FIP assistance. See 4-B, Effective Date of Assistance for information on when FIP eligibility depends on the birth of a child.

EXCEPTION: The parent or needy specified relative can be the only member of the eligible group if the only eligible child receives SSI. The child who receives SSI is not considered a "dependent child." This also means that siblings of the SSI child (of whole or half-blood or by adoption) who live in the home can be excluded from the eligible group because they are not siblings of a **dependent** child.

1. Mrs. K applies for FIP. She has three children: Mary, age 6, who receives SSI; Bobby age 8; and John, age 10. John is Mrs. K's child from another relationship. He gets $375 per month social security benefits from his deceased father's account.

   Because Mary is on SSI, she is not considered a dependent child. Mrs. K has two options: She can receive FIP (1) for herself only, or (2) for herself, Bobby, and John.

2. Same as Example 1, except that Mary is ineligible for FIP because she has no social security number rather than because she receives SSI. Mrs. K, Bobby, and John have to be **one** eligible group, because Mary is still considered a dependent child even though she is ineligible.

3. Mr. L and Ms. M, who are not married, have one common child, Susan, who receives SSI. Ms. M also has one child, Bill, from another relationship. Because Susan is on SSI, she is not considered a dependent child and the family has two options: They can receive FIP:

   - For Mr. L, Ms. M, and Bill as one eligible group; or
   - For Ms. M and Bill only.

A person cannot be included in the eligible group if that person is ineligible for a nonfinancial reason. Examples are a person who:

- Has no social security number.
- Is an ineligible alien.
- Is sanctioned.
- Is a striker.
- Receives a nonrecurring lump sum.
- Is an SSI recipient.
- Receives duplicate assistance.
- Is not living with a specified relative. (See Specified Relatives for details.)

When a **child** is ineligible for any of these reasons, the income and resources of that child are exempt.

Income and resources of a parent who is an SSI recipient are exempt. Income and resources of a *parent* who is excluded from the eligible group for any other reason are considered. See 4-D, Resources and 4-E, Income for instructions about how to treat the resources and income of an excluded parent.

1. Mrs. T receives assistance for herself and her two children, Kate, age 17, and Terry, age 14. Kate has a baby. Mrs. T is not required to add the baby, because the baby is neither a sibling nor a parent of the two eligible children, Kate and Terry. However, if FIP is requested for the baby, the baby must be added to Mrs. T's case.
2. Mrs. C has two children, a 6-year-old daughter from her most recent marriage and a 15-year-old son by a previous marriage. Both fathers are absent. Her son has a $2,500 savings account.

   Mrs. C would like to apply for just herself and her daughter. However, because the boy is a half-brother to the daughter, he must be included in the eligible group. The worker must deny Mrs. C's application, since the resources of the eligible group exceed the $2,000 applicant resource limit.
3. Mrs. G, a grandmother, has three minor grandchildren living in her home. Child A and Child B are brothers and Child C is their cousin.

   Child A and Child C both have resources that would affect eligibility, so Mrs. G wants to apply only for Child B. She cannot do so. Since Child A and Child B are brothers, both must be in the eligible group. Since Child C is a cousin, he can be excluded from the eligible group.
4. Mr. D applies for assistance for himself and his two children, a boy, age 5, and a girl, age 7. Each child has a different mother. Both mothers are absent. Mr. D has a social security number for himself and his son. He has not been able to apply for a social security number for his daughter. Since the girl is ineligible for FIP, the eligible group consists of Mr. D and his son.
5. When Mrs. E applies for FIP, her household includes Bobby, age 6, her child by a previous marriage, Mr. E, and Rick, their common child, age 3.

   Although Mrs. E would like to apply for only herself and Bobby, Rick must also be included, since he is a half-brother to Bobby. Since this means that Rick is an eligible child, his father, Mr. E, must also be included in the eligible group.

The following sections explain how to determine the eligible group when the household contains a person who receives:

- Supplemental Security Income, or
- State Supplementary Assistance.

SSI Recipient

Legal reference: 441 IAC 41.28(1)

Exclude the needs of a person who receives Supplemental Security Income (SSI).

When a person has applied for SSI, include the needs of the potential SSI recipient in the eligible group. Remove the person's needs prospectively when the Social Security office notifies you that the SSI application is approved.

FIP ineligibility for a person with continuing SSI eligibility begins the month in which the person receives the SSI payment. Remove the person's needs effective the first of the following month.

SSI policy is to make retroactive payment to the first of the month in which application is made. The retroactive SSI payment is adjusted by the amount of FIP paid for the person during the period covered by the retroactive payment. FIP payments issued before the receipt of SSI are not overpayments and not subject to recovery.

When the SSI payment covers only a retroactive period *before* the month of receipt and continuing eligibility is not granted, the person is not considered an SSI recipient. However, a person who receives medical benefits from SSI but no cash SSI benefits is still considered an SSI recipient.

See Limit on FIP Assistance later in this chapter for information on the impact of the 60-month limit on SSI recipients.

State Supplementary Assistance Recipient

Legal reference: 441 IAC 41.26(2)"d"; 41.27(6); 41.28(1)

For FIP purposes, the term "SSI" also includes mandatory or optional State Supplementary Assistance (SSA) payments. The SSA program supplements the income of aged, blind, or disabled people who receive SSI or would be eligible for SSI except that their income exceeds SSI limits.

Consider an SSA recipient the same as an SSI recipient. That is, exclude the needs of the SSA recipient from FIP. Also, do not count the person's income or resources when determining FIP eligibility or benefits for the remaining family members.

The SSA program, in turn, includes the dependent person program. To qualify for an SSA dependent person benefit, the aged, blind, or disabled person must have a dependent family member, such as spouse or child, who is living in the home and who is financially needy. See 6-B, Dependent Person Program for SSA dependent person eligibility criteria.

The aged, blind, or disabled person may receive a dependent person allowance for only **one** dependent family member. If there is more than one dependent in the home, the SSA recipient must choose which of the dependents to include.

A person who is eligible for FIP is not considered financially needy by SSA dependent person policy. Thus, a person cannot receive dependent person benefits if the aged, blind, or disabled person or that person's dependent is eligible for FIP. Consequently, you must first determine FIP eligibility before determining the dependent person eligibility.

Treat the person who is being considered as the dependent the same as an SSA (and thus, SSI) recipient. Do not include the needs of the dependent. Also, do not count the person's income or resources when determining FIP eligibility or benefits for the remaining family members.

Thus, while the entire family may be over income for FIP **before** the SSA dependent person approval, the remaining family members may be FIP-eligible after the dependent person approval.

1. Mrs. A receives $550 monthly social security disability benefits. Her six minor children each receive $10 social security disability benefits based on Mrs. A's disability. The family's social security income is less than a $670 FIP grant for seven people.

   If the family is FIP-eligible, Mrs. A will not qualify for SSA or a dependent person allowance. If FIP is approved, the family is eligible for a $60 grant ($670 basic needs for all seven people minus $610 social security disability benefits).

2. Mr. D receives $600 monthly social security benefits. His wife and two children each receive $80 social security benefits. Their combined social security benefits exceed a four-person FIP grant. Since the family is not eligible for FIP, Mr. D can qualify for SSA for himself and an SSA dependent person allowance for one of his dependents.

   Upon the SSA approval, the two remaining family members could then qualify for FIP. If approved, the family would be eligible for a $201 FIP grant ($361 basic needs for two people minus their $160 social security benefits).

It is important that the FIP worker and the SSA person worker coordinate their efforts when determining a family's eligibility for SSA or FIP.

See Limit on FIP Assistance later in this chapter for information on the impact of the 60-month limit on SSA and dependent person recipients.

Who May Be in the Eligible Group

Stepparents and needy specified relatives may be included in the eligible group, depending on the circumstances. Children receiving subsidized adoption assistance are usually excluded from the eligible group. See 4-E, Adoption Subsidy for information on when a child receiving subsidized assistance may be included in the eligible group.

The following sections explain the policies that apply to:

- Incapacitated stepparents
- Needy specified relatives
- Needy specified relatives and parents

Incapacitated Stepparent

Legal reference: 441 IAC 41.28(1)“b”

An incapacitated stepparent **may** be included in the eligible group if the person:

- Is the legal spouse of the natural or adoptive parent by ceremonial or common-law marriage, **and**
- Does **not** have a child in the eligible group.

When the incapacitated stepparent has a child in the eligible group, the incapacitated stepparent **must** be included in the eligible group, unless not eligible for a nonfinancial reason, such as receiving SSI.

A stepparent is considered incapacitated when a clearly identifiable physical or mental defect has a demonstrable effect upon earning capacity or the performance of the homemaking duties required to maintain a home for the stepchild. The incapacity must be expected to last for a period of at least 30 days from the date of application.

1. Mrs. A receives FIP for herself and her children. Her husband, Mr. A, is also in the home, and they have no common children. Mr. A is being treated for cancer and will be unable to work for several months as a result. If Mrs. A requests to include Mr. A in the eligible group, he can be added as an incapacitated stepparent.
2. Mrs. B receives FIP for herself and her children. Her husband, Mr. B, is also in the home, and they have no common children. Mr. B is unemployed, but has been caring for his stepchildren while Mrs. B works.

   Mr. B breaks his legs in an accident and will be unable to provide care for the children for six weeks. If Mrs. B requests to include Mr. B in the eligible group, he can be added as an incapacitated stepparent.

When a stepparent recovers from incapacity, remove the recovered stepparent from the grant the first month after recovery.

See Limit on FIP Assistance for information on the effect of the 60-month limit on an incapacitated stepparent who is included in the FIP grant.

Verification of Incapacity

Legal reference: 441 IAC 41.28(1)“b”

Receipt of Social Security or SSI payments based on disability or blindness is considered proof of incapacity. All other determinations involving incapacity must be supported by medical or psychological evidence.

Participation in vocational rehabilitation services is not considered proof of incapacity, but it indicates that a disability may exist. Obtain medical evidence from a physician (including a chiropractor) or from the Rehabilitation Services Bureau in the Department of Education.

Evidence can be submitted either by a letter from the physician or on form **470-0447, Report on Incapacity**. See 6-Appendix for instructions on the use of this form.

When an examination is required but medical resources, such as county hospitals or free clinics, are not available, you may authorize a physician to perform the examination. The examination must be limited to verification of the specific illness or physical or mental disability upon which the determination of incapacity will be considered.

Issue form **470-0502, Authorization for Examination and Claim for Payment** to the physician to submit for payment of the claim. See 6-Appendix for instructions on how to use this form.

Needy Specified Relative

Legal reference: 441 IAC 41.28(1)“b”(1), 41.28(2)

A needy specified relative who assumes the role of parent may be included in the eligible group if the specified relative’s:

- Resources are within the resource limits, and
- Income is below the FIP income standards for one person.

See Specified Relatives for information on who can be a specified relative. Also, see Limit on FIP Assistance for information on the effect of the 60-month limit on needy specified relatives.

Explain the advantages and disadvantages of having the specified relative included or excluded from the eligible group, such as the differences in grant amounts and earned income deductions, so that the family can make an informed choice.

1. Aunt M applies for FIP for her two nieces. She has unearned income of $125 a month and no resources. The two nieces have no income. Aunt M wants to have her needs included in the eligible group because her income is under FIP standards for one person.

   The worker explains that if she elects **not** to be included in the eligible group, the total family income would be $486 ($361 FIP for the two nieces + $125). If she elects to be included in the eligible group, the total income would be $426 ($301 FIP + $125 income).

2. Mrs. G applies for FIP for herself and one granddaughter. Mrs. G has $200 gross monthly earnings. The granddaughter has $75 unearned income per month.

   Step 1. The worker first determines if Mrs. G is needy.

   185% Eligibility Test:

   Mrs. G passes the 185% test, as $200 is less than the $675.25 standard for one person.

   Standard of Need Test:

$ 200.00	Mrs. G's gross earned income
- 40.00	20% earned income deduction
$ 160.00	This is less than $365, the standard of need for one person, so Mrs. G passes the standard of need test.

   Payment Standard Test:

$ 200.00	Mrs. G's gross earned income
- 40.00	20% earned income deduction
$ 160.00	
- 92.80	58% earned income incentive
$ 67.20	$67.20 is less than the $183 payment standard for one person, so Mrs. G is considered needy.

Step 2. The worker determines FIP eligibility and benefits for Mrs. G and her granddaughter.

185% Eligibility Test:

$ 200.00	Mrs. G's gross earned income
+ 75.00	Granddaughter's unearned income
$ 275.00	The household passes the 185% test, as $275 is less than the $1,330.15 standard for two people.

Standard of Need Test:

$ 200.00	Mrs. G's gross earned income
- 40.00	20% earned income deduction
$ 160.00	
+ 75.00	Granddaughter's unearned income
$ 235.00	The household passes the standard of need test, as $235 is less than $719, the standard of need for two people.

Payment Standard Test:

$ 200.00	Mrs. G's gross earned income
- 40.00	20% earned income deduction
$ 160.00	
- 92.80	58% earned income incentive
$ 67.20	
+ 75.00	Granddaughter's unearned income
$ 142.20	Countable income
$ 361.00	Payment standard for two people
- 142.20	Countable income
$ 218.00	FIP grant amount (rounded)

When the specified relative has a spouse, determine the fact that one of them is needy by establishing that their combined income and resources are within FIP standards for the needy specified relative and spouse.

1. A grandmother applies for FIP for her grandchild. She has no income, and her spouse has $200 month income from Social Security. They have no resources. One of them may be considered needy, because their income and resources are under FIP standards for two people.

   If the grandfather elects to be in the eligible group, the eligible group will consist of the grandfather and the grandchild. Excess income above the needs of the grandmother ($200 - $183 = $17) will be applied to the basic needs of the eligible group ($361), for a grant of $344.

2. A grandmother is payee on a FIP case for her two grandchildren. She requests to be added to the grant. Also in the home is the grandfather, who has $900 gross earnings.

   Step 1. The worker determines if the grandmother is needy.

   The worker treats the grandparents as if they were an eligible group. The grandfather's $900 earnings pass the 185% gross income test for two people.

   The worker applies all applicable deductions and diversions to the grandfather's earnings and compare the remaining income against a $361 FIP grant for the two-person household. The group is within limits, and the grandmother is considered "needy."

   Step 2. The worker determines how much of the grandfather's income must be attributed toward the FIP grant for the grandmother and the grandchildren:

$900.00	Gross earning
- 180.00	20% earned income deduction
- 183.00	Diversion for the grandfather's needs
- 311.46	58% earned income incentive
$225.54	Countable income

   His countable $225.54 income is considered as unearned income to the eligible group, leaving a $200 FIP grant.

   NOTE: The countable $225.54 plus any gross nonexempt income of the eligible group must pass the 185% gross income test for the eligible group.

Needy Specified Relative and Parent

Legal reference: 441 IAC 41.28(1)“b”(2)

A needy specified relative who acts as payee may be included in the eligible group when the parent is in the household but the parent is unable to act as the payee. The FIP case is still considered as a parental case rather than a nonparental case.

“Unable to act as payee” means that the parent is physically or mentally incapable of caring for the child. There is no time limit on how long the needy specified relative who acts as a payee may be included in the eligible group. The parent could be permanently unable to act as payee (e.g., severely retarded) or temporarily unable (e.g., hospitalized due to a car accident).

> Ms. A and her child are on FIP. Ms. A is in an auto accident and is hospitalized. She will be unable to care for her child until she has recovered. Ms. A’s mother has moved into the home to take care of her grandchild in the interim.
>
> Even though Ms. A remains on the grant, Ms. A’s mother, if needy, may be added to the eligible group for as long as she acts as payee.

See Limit on FIP Assistance for information on the effect of the 60-month FIP limit on this type of FIP case.

Defining the Number of Eligible Groups in a Household

Legal reference: 441 IAC 41.28(1), 41.28(2)“b”

After deciding who **must** be in the eligible group and who **may** be in the eligible group, there are additional considerations involved in determining the composition of each eligible group.

The following sections list different types of household relationships and, in turn, how the relationships affect the eligible group:

- Parents and married couples
- Minor parents
- Nonparental specified relative

Parents and Married Couples

Legal reference: 441 IAC 41.28(1), 41.28(2)“b”

Parents and their children are one eligible group.

Unmarried adults, their respective own children, and common children are one eligible group.

Unmarried adults with their respective own children but no common children are two eligible groups.

A married couple and their respective own children but no common children are one eligible group, if both spouses wish to receive FIP for themselves and their children.

A married couple, their respective own children, and their common children are one eligible group.

1. Ms. G has one child and Mr. S has one child. They are living together but are not married, the FIP grant is computed on the basis of two separate eligible groups.
2. Mr. B has two children and Mrs. B has one child, all from previous relationships. Since there are no common children, the following options exist:
   - Mr. B may receive FIP for just himself and his two children, or
   - Mrs. B may receive FIP for just herself and her child, or
   - Mr. and Mrs. B can both receive FIP assistance for themselves and their respective children. In that case, the FIP grant is computed on the basis of one five-member eligible group.
3. The household consists of a mother and her two children, a father and his two children, and their two common children. The family must apply as one eight-member eligible group, whether or not the parents are married to each other.

Minor Parent

Legal reference: 441 IAC 41.28(2)“b”

Policy: A minor parent and children are one eligible group when living with self-supporting parents.

Ms. H, age 17, lives with her self-supporting parents. She has a baby and applies for FIP. Ms. H and her baby comprise the eligible group.

A minor parent and children living with the adult parent who receives FIP are in the same group with adult FIP parent.

1. Ms. X is 16 and lives with her mother, Mrs. X, who receives FIP for Ms. X and her younger brother. In October, Ms. X has a baby. If assistance is requested for the baby, the eligible group will consist of Mrs. X, the brother, Ms. X, and her baby.
2. Mrs. S receives FIP for herself and her two children, aged 14 and 17. The 17-year-old, Ms. T, has a baby. Mr. U, the 20-year-old father of the child, moves into the home. Mrs. S is not required to apply for assistance for the baby. If she does request assistance for the baby, Mr. U must also be included in the eligible group.

   Ms. T is a minor parent living with her adult parent who receives FIP, so Mrs. S, her 14-year-old child, Ms. T, Mr. U, and the baby are all included in the same eligible group.

Procedure: When the minor parent turns 18 but is in school and will complete the course of study before reaching age 19, the minor parent and the child remain in the adult parent's group until the course of study is completed.

Ms. W is a 17-year-old student who lives with her mother, Mrs. W. Mrs. W receives FIP for herself, Ms. W, and Ms. W's baby. Ms. W will turn 18 in December. However, she is expected to complete her course of study the following May, before she reaches age 19.

Ms. W and her baby remain on her mother's grant through May. Mrs. W's case is canceled effective June 1. Ms. W is eligible to have her own case effective the same date. An application is required.

When the minor parent turns 18 and is **not** in school or will **not** complete the course of study by age 19, remove the minor parent and the child from the parent's group and set them up as a separate eligible group. An application is required.

Ms. Y is 17. She lives with her mother, Mrs. Y, who receives FIP for Ms. Y and two other children. Ms. Y has a baby. If assistance is requested for the baby, the eligible group will consist of Mrs. Y, Ms. Y, Mrs. Y's two other children, and Ms. Y's baby.

Ms. Y will turn 18 on May 15. She is not in school. Since Ms. Y will not be eligible as a child past May, Ms. Y and her baby will be removed from Mrs. Y's grant effective June 1. Ms. Y may receive FIP for herself and her baby as a separate eligible group. An application is required.

When the minor parent is subject to a sanction (other than a CSS sanction) or otherwise ineligible (e.g., has an ineligible alien status), remove the minor parent and her child from the adult parent's case. If there are no other eligible children in the home, cancel the adult parent's case for that reason.

Once the minor parent and child are removed from the adult parent's case, the minor parent can apply for FIP for the baby only. A new application is required. The minor parent remains ineligible until the sanction is fixed.

If the minor parent continues to live with the adult parent who is no longer eligible for FIP, consider the minor parent as living with a self-supporting parent. This means you consider the adult parent's income to determine the baby's FIP eligibility. See 4-E, Income.

If the adult parent has other children and remains FIP-eligible, do not consider the adult parent's income on the minor parent's FIP case for the baby. Whether or not the adult parent remains FIP-eligible on a separate case, consider any income of the minor parent the same as any other excluded parent.

Ann is 16 years old. She has a baby and lives with her mother, Mrs. Z, who receives FIP for Ann and the baby. In May, Ann is sanctioned. Even though both Ann and the baby are on the grant, only Ann is the child of Mrs. Z.

Therefore, when Ann becomes ineligible, Mrs. Z no longer has an eligible child in the home. Mrs. Z's case is canceled effective June 1. A new case is opened with Ann as the payee for her child. Ann's income is treated the same as any other excluded parent.

See 4-J, Minor Parents Living with FIP Parent for information on the effect of a limited benefit plan. See Limit on FIP Assistance in this chapter for information on the effect of the 60-month limit on minor parents.

When the minor parent is living with a nonparental relative or in an independent living arrangement, determine need in the same manner as if the minor parent had attained majority.

However, if the nonparental specified relative assumes a parental role over the minor parent, the nonparental specified relative may establish a caretaker case and may be included in the eligible group if needy.

Nonparental Specified Relative

Legal reference: 441 IAC 41.28(1)"b," 41.28(2)

Children in a nonparental home are one eligible group, whether or not they are siblings. The parent, the needy nonparental specified relative who acts as payee when the parent is unable to act as payee, and the children are one eligible group.

When a nonparental specified relative has children on FIP, this is a separate eligible group from the nonparental children. The two groups are:

- The specified relative and the relative's own children.
- Children for whom the specified relative is responsible.

A needy nonparental specified relative acting as payee who has chosen to be included in the eligible group and the child are one eligible group. The needy nonparental specified relative's needs are determined the same as on a parental case.

1. A sister applies for her brother. She does not want her needs to be considered. The basic needs of the brother are $183.
2. An aunt applies for a niece and a nephew. She does not want her needs to be included. The basic needs of the niece and nephew are $361, whether or not they are siblings.
3. A grandmother who is needy applies for herself and two grandchildren. The needs of the grandmother and two grandchildren are $426.

When a minor nonparental specified relative lives with self-supporting parents, the eligible group consists of only the child for whom the minor is caretaker.

When a minor nonparental specified relative lives with an adult parent who receives FIP, there are two eligible groups:

- The adult FIP parent and children.
- The children for whom the minor specified relative is responsible. (The needs of the minor specified relative are not included in the grant.)

The 60-month FIP limit does not apply to nonparental specified relatives who are not on the FIP grant with the child. See Limit on FIP Assistance.

Family Investment Agreement

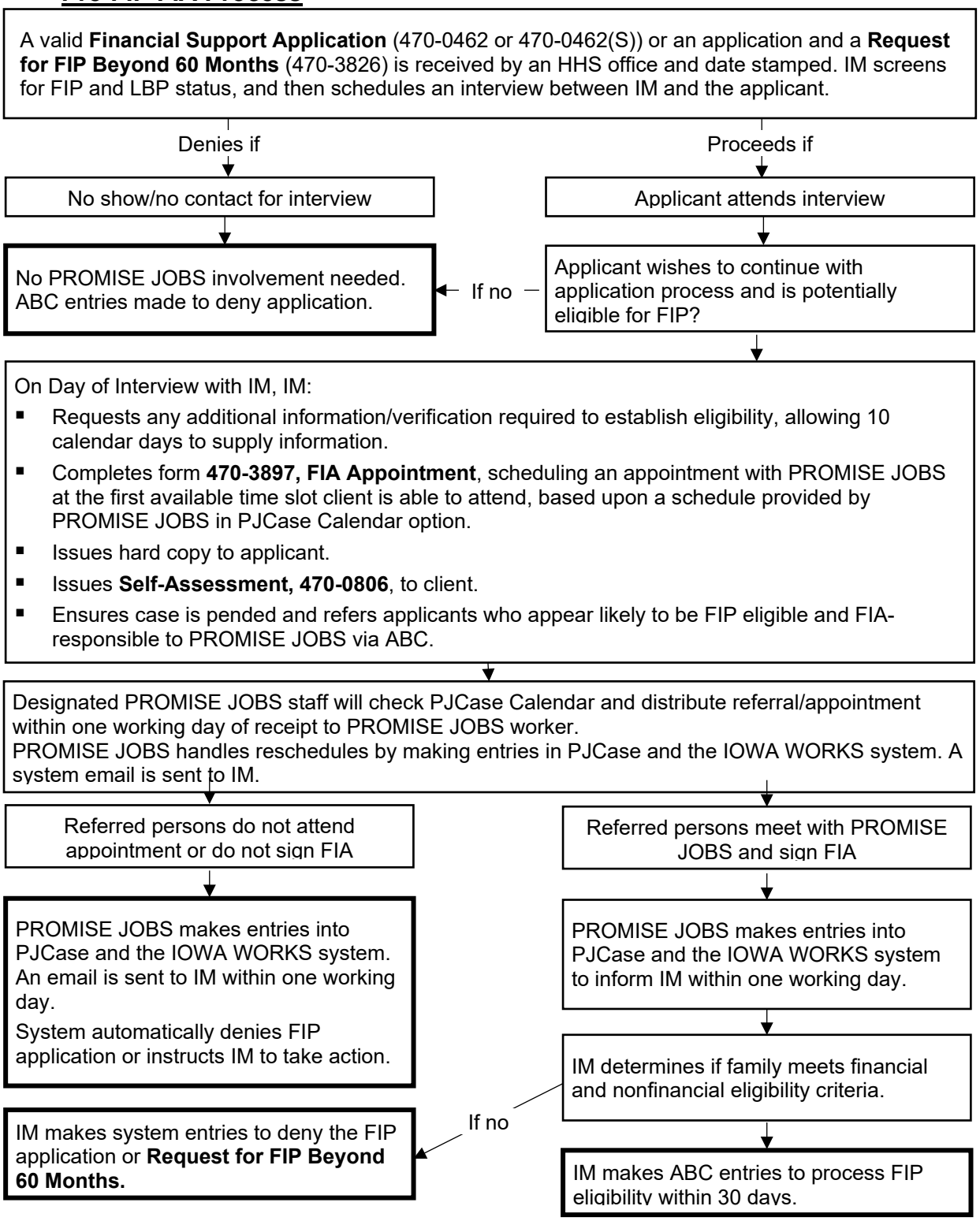
Legal reference: 441 IAC 41.24(239B)

Policy: Applicants who are not exempt from PROMISE JOBS must meet with PROMISE JOBS to write and sign a family investment agreement (FIA) before FIP approval. Do not approve FIP until you have received confirmation from PROMISE JOBS that the family investment agreement is written and signed.

Procedure: As part of the application interview, schedule a PROMISE JOBS appointment for applicants who appear eligible for FIP and who are FIA-responsible. Do not make the referral to PROMISE JOBS before the FIP application interview.

The following flow chart illustrates the procedure to be followed when an applicant is FIA-responsible. See 4-J, Referring Clients to PROMISE JOBS for additional instructions on the actions required to refer applicants to PROMISE JOBS.

Pre-FIP FIA Process



Ms. J applies for FIP on January 15. The application interview is held January 19. Although some additional verification is required, the IM worker determines that Ms. J appears to be eligible for FIP. During the application interview, the IM worker refers Ms. J to PROMISE JOBS and schedules an appointment for her to meet with PROMISE JOBS to write and sign a family investment agreement.

Ms. J signs the family investment agreement on January 23 and the IM worker receives confirmation that the family investment agreement was signed. Ms. J returns the other requested verification on January 25. On January 26, the IM worker approves FIP with an effective date of January 22 (seven days after the date of application).

When an applicant signs the family investment agreement, the PROMISE JOBS worker will make entries in the PJCase system to record the date the family investment agreement was signed. An e-mail will automatically be sent to notify the IM worker of the date the family investment agreement was signed. If all other eligibility factors have been met, make system entries to approve FIP.

If an applicant who is FIA-responsible fails to sign a family investment agreement, FIP eligibility is affected as follows:

Person Failing to Sign the FIA	**Action**
Parent	The entire household is ineligible. In two-parent households, if both parents are FIA-responsible and either fails to sign the family investment agreement, the entire household is ineligible.
Mandatory child	The child is ineligible. The other household members may be eligible if there is an eligible child.
Minor parent	The minor parent and any child of the minor parent are ineligible. The other household members may be eligible if there is an eligible child.
Needy specified relative	The specified relative is ineligible. The children may be eligible.
Stepparent included as an optional household member	The stepparent is ineligible. The other household members may be eligible.

If an applicant fails to sign a family investment agreement, the PROMISE JOBS worker will make entries in the PJCase system to record that the person failed to sign. An email will automatically be sent to notify the IM worker that the person has failed to sign.

If it is a case application and the person who failed to sign the family investment agreement is a parent, the system will automatically deny the pending application. If it is an application to add a person to an active FIP case, or if the person who failed to sign the family investment agreement is not a parent, the e-mail will provide instructions to the IM worker to deny the application.

1. Ms. A applies for FIP for herself and her children. The IM worker refers Ms. A to PROMISE JOBS, but she fails to sign a family investment agreement. The PROMISE JOBS worker records in the PJCase system that Ms. A failed to sign the family investment agreement. An e-mail is sent to the IM worker and the ABC system automatically denies Ms. A's FIP application for herself and her children.
2. Ms. B is a FIP participant, receiving FIP for herself and her children. The absent parent, Mr. B, returns to the home. The worker refers Mr. B to PROMISE JOBS to sign a family investment agreement before he can be added to the FIP case.

   Mr. B refuses to sign a family investment agreement. The PROMISE JOBS worker records the refusal on the PJCase system. An e-mail is sent to the IM worker who denies the application to add Mr. B and cancels the FIP case with timely notice.
3. Mrs. C applies for FIP for herself and her grandchild. The worker refers Mrs. C to PROMISE JOBS, but she fails to sign a family investment agreement. The PROMISE JOBS worker records in the PJCase system to that Mrs. C failed to sign the family investment agreement. An e-mail is sent to the IM worker, who denies FIP for Mrs. C but approves FIP for the grandchild only.

If an application is approved in error before the family investment agreement is signed, take the following actions as soon as the error is discovered:

- If an FIA-responsible has not already been referred to PROMISE JOBS, schedule an appointment with PROMISE JOBS, according to the instructions in 4-J, PROMISE JOBS.
- Contact the person to explain that failure to follow-through with signing the family investment agreement would result in cancellation of FIP and recoupment of the benefits issued in error.

- Notify PROMISE JOBS that the person has been approved in error before signing the family investment agreement.
- If the person follows through and signs the family investment agreement when referred, do not take any negative action.
- If the person does not follow through and sign the family investment agreement, cancel FIP with timely notice for the case or person (as described above) and recoup the benefits issued in error.

If a FIP participant who becomes FIA-responsible while receiving FIP fails to sign a family investment agreement, PROMISE JOBS will impose a limited benefit plan (LBP). The only time an exempt person would become FIA-responsible while on FIP would be when:

- A person age 16 to 18, who is not a parent, drops out of school, or
- A minor becomes a parent.

Fleeing Felons and Probation or Parole Violators

Legal reference: 441 IAC 41.25(10)

Exclude from the FIP eligible group a person who is:

- Violating a condition of probation or parole imposed under any state or federal law; or
- Convicted of a felony under any state or federal law and is fleeing to avoid prosecution, custody or confinement.

EXCEPTION: Convicted people who are pardoned by the President of the United States may be eligible for FIP beginning with the month after the pardon is given. See 4-G, Establishing the Date of Application and Eligibility for additional information on adding a pardoned person to the eligible group.

The disqualification applies only to the convicted person. It extends only over the period that the convicted felon is on the run, or that the person is in violation of probation or parole conditions. Follow the instructions in Treatment of Income and Resources of Disqualified People. Give timely notice when removing the convicted person from the grant.

When you become aware that the eligible group includes a person with one of these statuses, contact the local police or sheriff's department if necessary to verify if there is an outstanding arrest warrant for the convicted felon, parolee, or probationer. A signed release from the client is not needed, as this information is a public record.

Failure to provide needed information about the convicted person when so requested results in FIP ineligibility for the entire household.

Foster Care

Legal reference: 441 IAC 41.25(2)

Depending on school attendance and type of placement, a person may be in foster care up to age 20. When a parent under age 20 and the parent's child are living in a foster care setting, FIP eligibility for the child depends on whether the child's needs are included in the parent's foster care maintenance payment.

When the parent is in either a family or group foster care arrangement, both the parent's needs and the baby's needs must be included in the foster care maintenance payment. Consequently, there is no FIP eligibility for either the parent or the baby.

However, when the parent under age 20 is in a supervised apartment living foster care arrangement with the child, only the parent's needs are included in the foster case maintenance payment. In that case, the parent may apply for and receive FIP assistance for the child, if otherwise eligible. The income and the resources of the parent are exempt, including the independent living payment from foster care.

Verify with the foster care worker whether the child's needs are included in the parent's foster care maintenance payment. Document the reason for the child's FIP eligibility or ineligibility in the case record based on the foster care worker's clarification.

Some former foster children aged 18 to 21 may qualify for a preparation for adult living (PAL) stipend for their own needs. When a person who receives a PAL stipend has a child, the parent may apply for FIP for that child and receive assistance if otherwise eligible. The needs of the parent receiving the PAL stipend are excluded. The income and resources of the parent, including the PAL stipend, are exempt.

Psychiatric medical institutions for children (PMICs) are both medical and foster care facilities. Children in these facilities who are court-ordered into foster care are not eligible to receive FIP even though they do not receive a foster care maintenance payment. Children in PMICs who are **not** in foster care may be FIP-eligible. See Temporary Absence in a Medical Institution for more information.

See 4-G, When a Child Goes into Foster Care or the Kinship Caregiver Payment Program for information on canceling FIP when a child goes into foster care or the kinship caregiver payment program.

Kinship Caregiver Payment (KCP) Program

Legal reference: 441 IAC 41.25(2)

Kinship Caregiver Payment (KCP) program provides an eligible caretaker payments for a child placed in their home by HHS. Caretakers who have a relative or fictive kin* child placed in their home will receive a payment equal to the daily base foster care maintenance rate based on the child's age per child for up to 120 days. Caretakers are not eligible for KCP for the child for the first 14 days they are in the home.

KCP is not optional program. Caretakers don't apply for the KCP, they are automatically placed in the program after a child is in their home for 14 days.

While receiving this payment, the caretaker will be encouraged to become a licensed foster parent but is not required to do so. If the caretaker is approved to receive a foster care payment for the child, they are no longer eligible for the KCP.

A person cannot receive KCP and FIP at the same time. That is duplicate assistance.

* The definition of caretaker for the KCP is different than who can be a caretaker for FIP purposes. For KCP caregiver means a person to whom a child is related by blood, marriage, or adoption. Fictive Kin means an individual who is not related by birth, adoption, or marriage to a child, but who has a significant, committed, positive relationship with the child.

A child can be in KCP until age 18. When a parent under the age of 18 and the parent's child are in the caretaker/fictive kin placement both will receive KCP. Verify with the foster care worker whether the child's needs are included in the KCP payment.

The household must file a new application if they want FIP after KCP ends. If the caretaker has an active FIP case for other specified relative children, the caretaker must request the former KCP child be added to the FIP household. Note: the effective date of FIP must be the day after the last day of KCP eligibility or seven days after the application date, whichever is later. If you have a question if a child is still receiving KCP or the last day the child was eligible for KCP, contact the child's social worker.

Hardship Exemption

Legal reference: 45 CFR 264.1; 441 IAC 41.30(3)

Federal law limits a family's lifetime FIP assistance to a total of 60 months. The program's goal is that the family becomes self-sufficient within this 60-month limit.

However, recognizing that this goal is not attainable for all families, the program allows assistance to be provided beyond 60 months to families in hardship conditions. This is called a “hardship exemption.”

“Hardship” is defined as a circumstance that is preventing the family from being self-supporting. A hardship exemption is not intended as an automatic extension of the 60-month limit but is intended for families that are faced with barriers that are beyond their control and affect their ability to become self-sufficient. The family’s safety takes precedence over the goal of self-sufficiency.

Families with adults that have received 60 months of FIP assistance, as defined in Limit on FIP Assistance, may request a hardship exemption. Requests for hardship exemption must be made on form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**.

Families no longer on FIP that have received FIP for 60 months must also complete an application as a condition for regaining FIP eligibility.

Families may be denied or granted a hardship exemption. The determination is a one- or two-step process:

1. Based on supporting evidence, you determine whether a hardship exists that prevents the family from being self-supporting.
2. For an FIA-responsible person, PROMISE JOBS determines how the hardship issues will be addressed in the family investment agreement (FIA).

A family:

- Without an FIA-responsible person has to meet step 1.
- With an FIA-responsible person has to meet both steps before the hardship exemption request can be granted.

The family requesting the hardship exemption has primary responsibility for identifying hardship barriers and providing supporting documentation.

For a family with an FIA-responsible person, PROMISE JOBS, along with the family and recommendations from the family’s service worker, will determine the focus of the steps to be included in the six-month family investment agreement.

Make the hardship exemption determination as soon as possible but no later than 30 days after the date a valid form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** is received in any HHS or PROMISE JOBS office.

When an application is required for the family to regain FIP eligibility, the 30 days begin the day after the application is received, if that date is later. (See Hardship Exemption Decision.)

Federal regulations require that a hardship exemption must not begin until the adult in the family has received FIP for at least 60 months. A hardship exemption is limited to six consecutive calendar months.

Families may request and be granted more than one hardship exemption if warranted by their hardship circumstances, if they otherwise qualify for the exemption and meet FIP eligibility requirements. A new six-month FIA and a new hardship exemption determination are required for each subsequent hardship exemption period.

Each hardship exemption approval or denial must be disposed of with a corresponding **Notice of Decision**. Families whose request for a hardship exemption is denied are afforded normal appeal rights. In addition, you must record the family's particular hardship exemption approval or denial reasons in the FIP Eligibility Tracking (FET).

The following sections explain:

- Who may qualify for a hardship exemption
- The process for issuing and receiving a hardship request
- The process for determining whether a hardship exists
- Development of the six-month Family Investment Agreement
- Making the final exemption decision
- The six-month hardship exemption period
- PROMISE JOBS participation requirements for families receiving the exemption
- Hardship appeal procedures
- Overpayments related to the hardship exemption

Who May Qualify for a Hardship Exemption

Legal reference: 441 IAC 41.30(3)

A family that includes an adult who is subject to the 60-month FIP limit may receive FIP for more than 60 months if the family requests and is granted a hardship exemption as described in this manual and meets all other FIP eligibility requirements.

"Adult" means:

- The parent in the home with the child (even if the parent is or will be excluded from the FIP grant).
- The parent's spouse in the home with the parent and child, whether or not the stepparent is included in the FIP grant.
- A needy nonparental specified relative who is or requests to be on the FIP grant with the child.
- A minor parent in the home who is payee for the minor's own FIP case, even if the minor parent is excluded from the grant.

When the only parent receives SSI (or both parents or both the parent and stepparent receive SSI), the 60-month limit does not apply. Therefore, a hardship exemption is not needed for the family to be FIP-eligible. The 60-month limit does apply when both parents or the parent and stepparent are in the home but only one parent or stepparent receives SSI.

The 60-month limit does not apply when a specified relative receives FIP for a child but the relative is **not** included in the FIP grant. When the specified relative is needy and is included in the FIP grant, only the relative becomes ineligible at the end of the 60-month period. FIP for the child may continue.

Eligibility for a hardship exemption cannot begin until the adult in the family has received FIP for at least 60 months. See Limit on FIP Assistance for more information.

Families may be eligible for a hardship exemption when circumstances prevent them from being self-supporting. The purpose of the hardship exemption is to allow families that have not been able to achieve self-sufficiency during their 60-month FIP period another opportunity to address the hardship barriers that have prevented them from becoming self-sufficient.

Families who successfully left FIP also may qualify for a hardship exemption if a hardship condition has affected their ability to remain self-sufficient.

The hardship exemption eligibility determination is a one- or two-step process. See Hardship Exemption.

- Based on supporting evidence, you must determine whether the family has a hardship condition that affects its ability to be self-supporting.

- If you determine the family meets hardship criteria, the FIA-responsible adults in the family must meet with PROMISE JOBS to develop and sign a six-month family investment agreement (FIA) that addresses the family's documented hardship condition.

A hardship exemption is not a separate program but is a special eligibility factor that, if met, allows families with hardship barriers to receive FIP beyond the 60-month limit. This means that, in addition to meeting hardship exemption criteria, families must meet all other FIP requirements to continue to receive FIP beyond the 60-month period.

It is important that you and PROMISE JOBS staff, when appropriate, help families to fully understand that their hardship condition does not excuse them from any financial or nonfinancial FIP requirements during the hardship exemption period.

The purpose of the hardship exemption is to involve the family with an FIA-responsible person in activities that can reasonably be expected to lead to self-sufficiency, rather than to use the hardship as a reason for excusing the family from program requirements.

Families with FIA-responsible people who are approved for a hardship exemption must be willing to take steps to overcome their hardship. They must participate to their maximum potential in activities reasonably expected to result in self-sufficiency and demonstrate incremental progress toward that goal. However, a family's' safety shall take precedence over the goal of self-sufficiency.

In two-parent families, both parents must meet the hardship exemption requirements.

Hardship Conditions

"Hardship" is defined as a circumstance that is preventing the family from being self-supporting. The family's safety takes precedence over the goal of self-sufficiency.

The family requesting the hardship exemption has primary responsibility for identifying hardship barriers. The hardship condition may be the result of a past or current experience that is affecting the family's current functioning. "Current experience" may include fear of an event that is likely to occur in the future.

The hardship exemption applicant is a victim of domestic violence. The victim claims to be unable to look for work for fear of being harmed by the abuser.

If the abuser is in prison, this would not be considered a reasonable fear, unless the victim suffers from mental or emotional health problems that affect the person's ability to be self-supporting.

However, if the abuser is in the community and likely to harass or harm the victim or the victim's family, the fear is reasonable and a hardship exemption may be considered.

The definition of "hardship" emphasizes the impact of the hardship circumstance on the family's ability to become self-supporting. Circumstances that may lead to a hardship exemption include, but are not limited to, the following:

- **Domestic violence**, meaning that the family includes someone who has been battered or been subjected to extreme cruelty, including:
  - Physical acts that resulted, or threatened to result, in physical injury.
  - Sexual abuse.
  - Sexual activity involving the child.
  - Threats of, or attempts at, physical or sexual abuse.
  - Mental abuse (includes emotional abuse).
  - Neglect or deprivation of medical care, and/or
  - Being forced to engage in nonconsensual sexual acts or activities.
- **Lack of employability**, which includes situations when the "adult" is functioning at a level that prevents steady or gainful employment, lacks marketable skills, or lacks basic work habits needed to remain employed.
- **Lack of suitable child care**. To be considered "suitable," a child care provider must be registered or licensed or must meet the required criminal and child abuse record checks.
- **Physical or mental health issues**. For the purpose of the hardship exemption, a physical or mental health issue is a condition that affects the family's ability to be self-supporting, but does not appear to be sufficiently serious or long term as to warrant application for Social Security Disability (SSD) or Supplemental Security Income (SSI) benefits.

  The health issue may be the result of a past or current circumstance and may be temporary, recurring, or chronic. "Mental health" also includes emotional health. A medical professional must verify the health issue and prepare a professional treatment plan that addresses the health issue.

NOTE: Normal pregnancy or childbirth does not, in itself, meet hardship exemption criteria.

- **Disability**. For the purpose of the hardship exemption, a disability is a condition that appears to be sufficiently serious or long term as to warrant application for SSD or SSI.

  FIP applicants and participants are required to apply for and accept SSD or SSI benefits when:

  - The person claims a physical or mental disability that is expected to continue at least 12 months or results in death, and
  - The person claims to be unable to engage in substantial activity due to the disability.

  Adults who claim disability must:

  - Be determined by a physician to be unable to work, and
  - Provide verification to substantiate their claim.

  Receipt of SSD or SSI benefits based on disability or blindness is considered proof of disability.

  (Remember, the 60-month limit does not apply when the only parent in the home, or both parents or both the parent and stepparent are SSI recipients.)

- **Housing situations** that make it difficult or impossible to work, such as when:

  - The family's belongings are destroyed in a fire or flood, interrupting or delaying the family's employment arrangement; or
  - Travel time from the family's home to the job exceeds one hour each way, including time needed to take the child to day care.

  Living in another person's home does not in itself qualify for an exemption unless the living arrangement affects the family's ability to become self-supporting.

- **Substance abuse issues**. A claim of substance abuse must be verified by a clinical assessment or other supporting evidence.

- **Having a child with special circumstances** that require the parent (or the needy relative) to be in the home to provide care or supervision. This may be:
  - A child with physical or mental health issues or
  - A child that receives child protective, juvenile court or juvenile justice services, or other child welfare services.

  The child's safety takes precedence over the goal for the family's self-sufficiency.
- **Other circumstances** that prevent the family from being self-supporting. Families whose hardship is not specifically listed are not automatically excluded from consideration for a hardship exemption. Each family is unique and has different circumstances that may hinder its efforts to achieve self-sufficiency.

  NOTE: Needing more time to complete an educational program does not, in itself, meet hardship exemption criteria.

When a hardship exemption is approved based on medically determined physical or mental health issues or disability, PROMISE JOBS may require the affected FIA-responsible adult to participate in vocational rehabilitation services. PROMISE JOBS will contact you to request referral of the adult to the Department of Education, Rehabilitation Services Bureau. Enter the referral into the ABC system.

A barrier to economic self-sufficiency that existed and was identified before the family reached the 60-month limit is not considered as meeting hardship exemption criteria. However, if the person complied with PROMISE JOBS activities offered to overcome the specific barrier, a hardship may still exist.

A parent requests a hardship exemption based on lack of employability because she does not have a GED. The PROMISE JOBS worker verifies that this parent was offered opportunities to complete her GED while on FIP, but she refused the offer or failed to participate and complete the program.

If no other hardship reason exists, the hardship exemption is denied as not meeting hardship criteria.

Types of Supporting Evidence

The family is responsible for identifying the hardship barrier and for providing supporting evidence of the hardship barrier and its impact on the family's ability to become self-supporting. The supporting evidence must identify the circumstance that creates the barrier rather than just the type of barrier. The reason for the barrier and its impact are identified in this example:

> A parent claims hardship because of inability to maintain employment. Statements from previous employers indicate that the parent repeatedly failed to show up for work and was fired.
>
> However, additional evidence from a domestic violence counselor reveals that the absences were caused by domestic violence that the parent did not want divulged to the employers rather than inappropriate work habits.

Examples of supporting evidence include:

- Court, criminal, law enforcement, child protective services, social services, medical, psychological, or psychiatric records that indicate physical, mental, or emotional harm to the child or the parent (or the needy specified relative, if the relative requests to be on the FIP grant).
- Statements from a domestic violence counselor that indicate domestic violence issues. Living in a domestic violence shelter in itself does not automatically qualify the family for a hardship exemption, but is considered strong evidence of domestic violence issues.

  > Families A and B are both living at a domestic violence shelter. Parent A is still able to maintain employment. A hardship exemption based on domestic violence is not appropriate for family A.
  >
  > The domestic violence issue has interrupted Parent B's employment and keeps Parent B from participating in work-related or job-readiness activities. A hardship exemption may be granted for family B.

- Court, criminal, law enforcement, child protective services, social services, psychological or psychiatric records, or statements from a substance abuse counselor that substantiate substance abuse issues.

- Verification from the court system, probation officer, psychiatrist, psychologist, medical professional, protective or social services professional, etc., that the parent or needy specified relative is needed in the home to provide care for or supervision of a child that has special physical, mental, or emotional needs.
- Statements from a medical professional that substantiate a person's physical, mental, or emotional health issues. The statement must:
  - Identify the particular health issue or condition.
  - Specify that the person is unable to participate in work-related or work-readiness activities.
  - Include a date that the condition is expected to last and the date of a scheduled follow-up examination, if any.
  - Follow the procedures in Verification of Incapacity in this chapter for obtaining medical evidence.
- Proof of application for disability benefits from the Social Security Administration. NOTE: Participation in vocational rehabilitation services is not considered proof of disability but indicates that a disability may exist.
- A written statement from the child care resource and referral center that "suitable" child care as defined in not available in the area where the family lives or where the (potential) job is located.
- Media reports substantiating the family's belongings were destroyed in a fire or other natural disaster, or that the family was involved in an accident, resulting in interrupting or delaying the family's employment arrangement or plans.
- Written statements from people with knowledge of the family's hardship circumstance. Written statements from friends or relatives alone are not sufficient to grant a hardship exemption but may be used to support other evidence.
- Lack of employability may be substantiated by any entity that has had contact with the client and is in a position to know the client's limitations, such as the PROMISE JOBS, service, or FaDSS worker; a Vocational Rehabilitation or IWD counselor; or a former or current employer.

When a family claims hardship because of child abuse, in addition to the other possible sources of verification, ask the family to give permission for you to check the Central Abuse Registry to find out if an abuse determination has been made. See Hardship Claim Due to Child Abuse for procedures.

Hardship Exemption Requests

Legal reference: 441 IAC 41.30(3)“e”

Families with adults subject to the 60-month limit who have received or who are close to having received FIP for 60 months may request a hardship exemption. Families that have exhausted their 60-month FIP period may file a hardship exemption request at any time.

Requests for the exemption must be made on form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**. Families that are no longer on FIP will also have to complete the **Food and Financial Support Application,** form **470-0462** or **470-0462(S)**, as a condition for regaining FIP eligibility.

Form 470-3826 or 470-3826(S) is also an authorization for release of information that allows IM, service, PROMISE JOBS, and FaDSS staff to share with each other substance abuse, mental health, and AIDS/HIV-related information about the family that may be relevant to the hardship exemption determination. Return a copy of form 470-3826 or 470-3826(S) to the hardship exemption applicant as a record of this authorization.

The date of the hardship exemption request is the date a valid form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**, is received in any HHS or PROMISE JOBS office. The form shall be date-stamped upon receipt in either office to preserve the date of the request. If received in a PROMISE JOBS office, the form must be forwarded to the local IM office within one working day.

You have no way of knowing if the family may request a hardship exemption or if a hardship exemption will be approved if requested. Therefore, cancel FIP for the end of the family’s 60-month period. Timely notice is required.

When case circumstances permit, it is suggested that you cancel FIP shortly after system cutoff of month 59 or at the beginning of month 60. This allows the family greater opportunity to return the exemption request before the effective date of cancellation and reduces the likelihood of loss of FIP benefits.

Proceed to cancel FIP even if the family has filed a valid form 470-3826 or 470-3826(S) in the meantime. The 60-month cancellation notice informs the family that it will get another notice about the status of its hardship exemption request. If the request is granted, the family’s FIP case will be reopened as appropriate.

The following sections explain the requirements for:

- Providing the request form to a family
- Determining if a submitted request form is valid
- Deciding to accept a hardship exemption request
- Deciding when a hardship determination is not needed
- Handling a request when a FIP application is also needed

Providing the Request Form

Provide form 470-3826 or 470-3826(S), *Request for FIP Beyond 60 Months,* upon the family's request and as described in the following paragraphs. Always include a return envelope.

Issue form 470-3826 or 470-3826(S) no later than at the time of the family's timely 60-month FIP cancellation.

Check the "Active Cases That Have Used FIP for 36 or More Months" report on FET each month to obtain a listing of participant families that have received FIP for 58 or more months. You can issue the request form to the family as early as month 58.

You can also issue the request form when issuing form 470-3851, *Important Information About Your FIP*, in month 58 of the family's 60-month period. You can obtain either form from FET.

Also access FET whenever a family reapplies for FIP to determine the family's 60-month count. Discuss the implications of the 60-month limit and the family's 60-month status during the application interview.

If the applicant family is close to the 60-month limit, explain the hardship exemption provisions and provide the family with form 470-3826 or 470-3826(S) during the interview. Also provide form **470-3851, Important Information About Your FIP**, together with **Comm. 137, 60-Month Limit on FIP**.

For families that are in an existing exemption period, issue a new form 470-3826 or 470-3826(S) upon request.

Refer to Limit on FIP Assistance in this chapter for additional information regarding the 60-month FIP limit, including the impact when another "adult" joins an existing FIP household.

Refer to 6-Appendix for specific instructions for the use of form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**, and for form **470-3851, Important Information About Your FIP**.

Valid Request

To be considered valid, form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** must contain a legible name and address and be signed by the adult in the family who is:

- The parent or the stepparent in the home (even if the parent is or will be excluded from the FIP grant) must sign the form 470-3826 or 470-3826(S) for the household.
- The needy nonparental specified relative who is or requests to be on the FIP grant.

No action is required upon receipt of a hardship exemption request that is not valid.

When the adult is incompetent or incapacitated, someone acting responsibly on the adult's behalf may sign the request.

FIP that a minor parent receives as a child on the adult parent's or specified relative's FIP case is not counted toward the minor parent's 60-month FIP limit. However, FIP a minor parent receives while living independently or with a self-supporting parent or legal guardian must be counted toward the minor parent's 60-month limit.

It is highly unlikely that a minor parent will exhaust the 60-month limit and be dependent on a hardship exemption while still a minor. But if so, the minor parent who is payee for his or her own FIP case must sign form 470-3826 or 470-3826(S) and meet hardship exemption criteria.

A complete form 470-3826 or 470-3826(S) that is faxed or is scanned and then emailed is acceptable and does not have to be resigned.

When to Accept a Hardship Exemption Request

Upon receipt of a valid form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**, check the family's FIP and LBP status to determine whether the hardship exemption request is appropriate. The family may be on FIP or may no longer be on FIP when you get the request form.

You must provide form 470-3826 or 470-3826(S) upon the family's request. However, hardship exemption requests are generally not accepted before the first calendar day of month 59 of the family's 60-month FIP period.

Do not automatically deny requests received before month 59 for that reason. Instead, you may pend a request depending on how long before month 59 the request is received.

Use prudent judgment. For example, since you may issue form 470-3826 or 470-3826(S) to the family as early as month 58, it is reasonable to pend a request form that is received in month 58. However, day one of the 30-day period for processing the request is the first calendar day of month 59. See Hardship Exemption Decision for details.

Deny requests received before month 58 because the family's circumstances that exist at that point may change. They may no longer be a true reflection of the circumstances that may exist when the 60-month FIP period ends and the hardship exemption period can begin. No involvement from PROMISE JOBS is needed in this situation.

Similarly, deny requests for a subsequent hardship exemption that are received before month four of the family's existing exemption period. Use notice reason 173. Process requests received in month five or six of the existing exemption period.

You may pend a valid request received in month four. However, the 30-day processing time frame does not begin until the first calendar day of month five of the exemption period.

Record the denial in FET. Complete Part A of form **470-3876, Hardship Exemption Determination** as directed in 6-Appendix.

When a Hardship Determination Is Not Needed

A family may request a hardship exemption that is not needed because of other overriding FIP case circumstances. If so, deny the request for the applicable reason.

1. The family has received FIP for 57 months. The family's 60-month ending date is too far into the future. The hardship exemption request is premature and is denied.
2. The family is exempt from the 60-month limit because the only parent in the home is on SSI. A hardship exemption is not needed for the family to qualify for FIP. The request is denied.

Record the applicable denial reason in FET. Complete Part A of form **470-3876, Hardship Exemption Determination**.

Even though the hardship exemption request is denied, the family may still be eligible for FIP. If the family is currently on FIP, no further action is needed.

If the family is not on FIP, issue a **Food and Financial Support Application** when the family has not already submitted an application. It's up to the family to return the application. No further action is needed to track return of the application.

If the family does not qualify for the hardship exemption because the family is not eligible for FIP, deny FIP for the applicable reason. Make corresponding entries on FET. Complete Part A of form 470-3876.

The family has received FIP for at least 58 months but is in a six-month period of ineligibility of a subsequent LBP. There is no FIP eligibility until after the end of the ineligibility period. Use notice reason 268 to deny FIP.

There may be other situations not mentioned here when it is evident to you that the family does not qualify for FIP regardless of its hardship circumstances.

When an Application Is Needed

When form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** is received from a family that is no longer on FIP and has not submitted form **470-0462, Food and Financial Support Application**, hold form 470-3826 or 470-3826(S) for later processing and request the application. An application is required for the family to regain FIP eligibility.

Issue the application within one working day from the date you receive form 470-3826 or 470-3826(S). Enclose a written note explaining the reason the application is required and that the hardship exemption request will be denied if the family fails to return the application by the stated due date. Also include a request for supporting evidence.

Allow the family ten days to return the application and the supporting evidence. Extend the due date upon request, if appropriate. If the family returns the application and the supporting evidence as requested, continue with the steps in making the hardship determination.

Deny the hardship exemption request if the family fails to return the application or the requested evidence by the due date. Record the denial in FET. In addition, complete Part A of form **470-3876, Hardship Exemption Determination** to document your decision.

NOTE: Unless otherwise specified, follow the policies and procedures in 4-B, Application Processing when processing the FIP application.

Determining if Hardship Exists

Legal reference: 441 IAC 41.30(3)"f"

Proceed with the hardship determination if the family's exemption request appears appropriate for the FIP case circumstances, meaning the family:

- Has received FIP for at least 58 months,
- Has submitted a required FIP application, and
- Meets FIP eligibility criteria.

The family's barrier to self-sufficiency may be caused by one primary hardship or by a combination of hardships. (See Hardship Conditions.) Consider the impact of the total circumstances on the family's ability to be self-supporting in the hardship determination.

Notify the family in writing of additional information that is needed to verify the hardship and its impact on the family's ability to become self-sufficient. Failure to supply necessary evidence by the requested due date or refusal by the family to authorize you to secure the evidence from pertinent third parties shall result in denial of the family's hardship exemption request.

Schedule a face-to-face or telephone interview, if necessary, to determine eligibility for hardship, but an interview is not routinely required. However, the FIA-responsible adults must meet with PROMISE JOBS and develop an FIA before you can approve the family's hardship exemption request.

The following sections explain the procedures for:

- Requesting supporting evidence
- Obtaining child abuse information
- Evaluating the family's hardship condition

Requesting Supporting Evidence

Request in writing the family provide supporting evidence of the hardship and its impact on the family's ability to become self-supporting. Include suggestions about how to obtain the necessary evidence. Instruct the family to provide the evidence within ten days from the request.

Extend the ten-day period as appropriate for the type of information that is being requested. Upon request, allow the family additional time when the family is making an effort to obtain the information but is unable to do so within the ten-day period.

When requested, assist the family in obtaining the supporting evidence by having the family sign releases that allow you to contact third parties.

For FIA-responsible people, the PROMISE JOBS worker may provide information about the client's participation in PROMISE JOBS or other circumstances that will help to determine whether hardship criteria are met.

For example, if the family with an FIA-responsible person has failed to comply with PROMISE JOBS activities that were offered to overcome a barrier to self-sufficiency, that specific barrier is not considered as meeting hardship criteria.

If appropriate, consult with the PROMISE JOBS worker whenever the PROMISE JOBS worker may have relevant information, such as when the family is currently active for FIP, has previously chosen an LBP or is applying for a subsequent hardship period.

Also determine whether the family has an active service case. If so, forward to the service worker:

- A paper copy of form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** and
- An electronic copy of form **470-3884, Hardship Exemption: Service Information**.

Request the service worker to complete form 470-3884 and return it to you within five working days. (See 6-Appendix for information on form 470-3884.) The purpose of the service information is:

- To help ensure that any hardship FIA being developed for an FIA-responsible person does not conflict with a service case plan already in place.
- To support the service plan, to the extent possible, while simultaneously moving the family toward self-sufficiency.
- To substantiate the family's hardship claim.

If the family fails to provide the requested information by the due date and refuses to authorize you to obtain the information, deny the hardship exemption request. Record the denial in FET.

Complete Part A of form **470-3876, Hardship Exemption Determination** to document your decision. Forward a copy of form 470-3876 to the service worker.

If you want to request pertinent information from FaDSS about a family that is or was involved with FaDSS, forward a copy of the family's hardship exemption request. The signed form verifies to FaDSS that they are authorized to release the requested information. Request FaDSS staff to return the information in five working days.

Hardship Claim Due to Child Abuse

When a family claims hardship because of child abuse, ask the family to permit you to check the Central Abuse Registry to find out if an abuse determination has been made. To give permission, the adult in the family must complete two forms:

- **Authorization for Release of Information, 470-0461** or **470-0461(S)**, stating that you are authorized to obtain information from the Central Abuse Registry and the service worker. Specify on the release that the staff doing the child abuse check provide the status of the child abuse report and the name, worker number, and phone number of the service worker involved.
- **Request for Child and Dependent Adult Abuse Information, 470-0643**. Have the adult complete Section I of the form. Complete Section II of the form yourself.

Send or give a copy of both completed forms to the person authorized to access information in the Central Abuse Registry for your area.

If the Registry shows that the alleged abuse has been **founded or registered**, contact the service worker involved to confirm that the physical or emotional health or safety of the child is at risk. If that worker is no longer a HHS employee, contact the service supervisor to request that the supervisor or another service worker check the records.

If nothing appears on the Registry, this can indicate that:

- The alleged abuse was never reported, or
- The alleged abuse was not investigated or assessed, or
- The abuse report was not confirmed, or
- The abuse was confirmed but not placed on the Registry.

Because of the variables, lack of such a report on the Registry in itself is not sufficient to deny the hardship claim due to abuse. Check with the service worker involved to see if the service worker has identified concerns for the safety of the child that, together with the other available evidence, serve to corroborate the claim.

A check of the Central Abuse Registry is just one method by which to substantiate alleged abuse. The family may provide other corroborating evidence, such as court, medical, psychological, psychiatric, social services, or law enforcement records that indicate (potential) physical or emotional harm to the child.

Evaluating the Hardship Condition

When the family provides the supporting evidence as requested, determine whether the family has a hardship condition that affects its ability to be self-supporting.

Evaluate the hardship condition in terms of its impact on the family's ability to be self-supporting, rather than in terms of excusing the family from program requirements. Consider the information on form **470-3884, Hardship Exemption: Service Information**, provided by the family's service worker.

- If you determine the family does **not** meet hardship criteria, deny the hardship exemption request. Record the denial in FET. Complete Part A of form **470-3876, Hardship Exemption Determination** to document your decision. Forward a copy of the form to the service worker identified on form 470-3884.

  See Denial of Hardship Exemption for further procedures.

- If you determine the family with an FIA-responsible person **meets** hardship criteria, forward a copy of each of the following to the local PROMISE JOBS office within one working day:

  - Form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**.
  - Form **470-3884, Hardship Exemption: Service Information**.
  - The supporting evidence.
  - Form **470-3876, Hardship Exemption Determination**, with all items in Part A completed.

  These documents:

  - Notify PROMISE JOBS that the family has a hardship condition and must now develop and sign a six-month family investment agreement before the hardship exemption request can be granted.
  - Provide PROMISE JOBS with information about the specific reasons for approval of the hardship so that the family investment agreement can be written to address those specific barriers.

- If you determine the family that does not have an FIA-responsible person meets hardship criteria, process the approval as described under Hardship Exemption Decision and Six-Month Hardship Exemption Period.

See 4-J, Referring Hardship Exemption Families for information on how to refer the family to PROMISE JOBS to sign the family investment agreement. Refer to 6-Appendix for information on the hardship exemption forms.

Six-Month Family Investment Agreement for FIA-Responsible People

The FIA-responsible adults in a family with a hardship condition must meet with PROMISE JOBS to develop and sign a six-month family investment agreement before the hardship exemption request can be approved. The agreement must address the circumstances that are creating the family's barrier to self-sufficiency.

A stepparent is not required to sign the six-month family investment agreement unless the stepparent's needs will be included in the FIP grant and the stepparent is an FIA-responsible person.

> Mrs. J applies for FIP for herself and her child. Also in the home is her spouse, Mr. J. Mr. J has used 60 months of assistance. Therefore, Mrs. J and her child will not be eligible unless they have a hardship condition and Mrs. J signs an FIA. Mr. J is not required to sign the FIA, as he is a stepparent whose needs will not be included in the grant.

See 4-J, Referring Clients to PROMISE JOBS for instructions on how to refer the FIA-responsible adults to PROMISE JOBS to write and sign the six-month family investment agreement.

In developing the agreement, PROMISE JOBS incorporates information provided by the family's service worker to:

- Help ensure that the agreement does not conflict with a service plan already in place.
- Support the service plan, to the extent possible and practicable, while simultaneously moving the family toward self-sufficiency.

PROMISE JOBS documents in Part B of form **470-3876, Hardship Exemption Determination** whether the family has met the family investment agreement requirement and returns a copy of the form to you.

A family with an FIA-responsible person is required to develop and sign a six-month family investment agreement **before** FIP can be approved. Therefore, failure to develop and sign the agreement results in denial of the family's hardship exemption request rather than a limited benefit plan.

See PROMISE JOBS Participation for FIA-Responsible People for requirements after a family with an FIA-responsible person is approved for hardship exemption.

Hardship Exemption Decision

Make the hardship exemption determination after you have determined whether the family:

- Has a hardship condition, and
- Has completed a six-month FIA with PROMISE JOBS for all FIA-responsible people.

Make the hardship exemption determination as soon as possible but no later than 30 days after the date a valid form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** is received in any HHS or PROMISE JOBS office.

When a *Food and Financial Support Application* is required for the family to regain FIP eligibility, the 30 days begin the day after the application is received, if that date is later. Follow the instructions in 4-B, Filing a FIP Application.

NOTE: For requests received in month 58 that are pended, the 30-day period begins on the first calendar day of month 59. Similarly, for subsequent requests received in month four of an existing exemption period, the 30-day period begins on the first calendar day of month five. See When to Accept a Hardship Exemption Request for details.

You have good cause if the 30-day limit cannot be met due to circumstances beyond the family's or your control, such as:

- Information has not been provided by the due date when you and the family have made every reasonable effort to secure it; or
- Emergencies, including, fire, flood, or other conditions occur that are beyond the administrative control of the HHS office.

However, you must issue a **Notice of Decision** the next working day after you have made the final hardship exemption determination to inform the family of its eligibility status for the exemption.

NOTE: You are also responsible for determining eligibility for other assistance programs for which the family may have applied when submitting a **Food and Financial Support Application** as part of its hardship exemption request. Do not delay the eligibility determination for other programs pending the hardship exemption determination.

Make the final determination whether a hardship will be granted as soon as possible. For a family with an FIA-responsible person, make the final determination upon receipt of form 470-3876 from PROMISE JOBS with Part B completed indicating whether the family has attended any required interview and signed the family investment agreement.

- If the family with an FIA-responsible person failed to attend the interview with PROMISE JOBS or failed to sign the FIA, the family is not eligible for a hardship exemption. Document the denial in Part C of the form by checking the "Denied – no FIA" box. Process the denial as directed under Denial of Hardship Exemption.
- If the family with an FIA-responsible person attended any required interview, signed the family investment agreement, and continues to meet all nonfinancial FIP eligibility criteria, process the approval as described under Six-Month Hardship Exemption Period.

  However, do not complete Part C of the form or make FET entries until after your approval entries on ABC have updated and the system has determined whether the family is financially eligible for FIP.

  - If the family is financially ineligible due to excess countable income or resources, the family is not eligible for a hardship exemption. Document the denial in Part C of the form by checking the "Denied – no FIP eligibility" box. Process the denial as described under Denial of Hardship Exemption.
  - If the family is financially eligible for FIP, the family is eligible for a hardship exemption. Document the final hardship exemption approval in Part C of the form by checking the "Approved" box. Complete processing the approval as described under Six-Month Hardship Exemption Period.
- For a family with an FIA-responsible adult, forward a copy of the completed form 470-3876 to:
  - PROMISE JOBS
  - The service worker identified on form 470-3884

- If the family's circumstances have changed since you completed Part A of the form and the family no longer meets all nonfinancial FIP eligibility criteria, the family is not eligible for a hardship exemption. Document the denial in Part C of the form by checking the "Denied – no FIP eligibility" box. Process the denial as described under Denial of Hardship Exemption.
- If the family that does not have an FIA-responsible person is eligible for a hardship exemption and continues to meet all nonfinancial FIP eligibility criteria, process the approval as described under Six-Month Hardship Exemption Period.

  However, do not complete Part C of the form or make FET entries until after your approval entries on ABC have updated and the system has determined whether the family if financially eligible for FIP.

  - If the family is financially ineligible due to excess countable income or resources, the family is not eligible for a hardship exemption. Document the denial in Part C of the form by checking the "Denied – no FIP eligibility" box. Process the denial as described under Denial of Hardship Exemption.
  - If the family is financially eligible for FIP, the family is eligible for a hardship exemption. Document the final hardship exemption approval in Part C of the form by checking the "Approved" box. Complete processing the approval as described under Six-Month Hardship Exemption Period.

Denial of Hardship Exemption

When the family's hardship exemption request is denied because a hardship does not exist or because a family with an FIA-responsible person fails to meet the FIA requirement, proceed as follows:

- If the family's FIP eligibility depends on the exemption, FIP eligibility does not exist for the family. If the family is still active on FIP (e.g., in month 59 or 60), timely cancel FIP for the end of the family's 60-month limit.
- If the family does not need the exemption to qualify for FIP and is currently receiving FIP, no further action is needed.
  - If the family is not on FIP but has a filed a FIP application, determine FIP eligibility in the normal manner.
  - If the family is not on FIP and has not filed a FIP application, issue the form to the family. You do not need to track return of the application.

When form 470-3876 reflects a denial of the hardship exemption request, FIP eligibility does not exist for families whose eligibility depends on the exemption. Record the denial in FET. Also enter the denial onto the ABC system as follows:

- Use “C” entry reason and “M” status code if you receive form 470-3826 or 470-3826(S) before the date of the 60-month FIP cancellation or on or before the end date of an existing exemption period, and an application is not needed to process the exemption request.
- Use entry reason “A” and status code “M” if form 470-3826 or 470-3826(S) is received on or after the effective date of the FIP cancellation or after the end date of an existing exemption period, and an application is processed.
- Enter the notice reason code that corresponds to the denial reason on form **470-3876, Hardship Exemption Determination**.
- Make entries on other screens in the normal manner.

NOTE: Except when issuing a notice with an “R” entry reason only, delay entering the denial onto ABC until the FIP status has changed to a closed status. For example, enter the denial after the 60-month FIP cancellation or after the system has closed the FIP case in the last month of an existing exemption period. You cannot process a denial on an active FIP case.

When the family’s hardship exemption request is denied because the family fails to meet nonfinancial FIP eligibility criteria, follows the steps described above except:

- Process the decision as a denial for FIP rather than a hardship exemption denial.
- Enter on the ABC TD02 screen the FIP notice reason that reflects the nonfinancial reason for the family’s FIP ineligibility. For example, if the only eligible child has left the home, deny FIP because there is no eligible child in the home.
- Make entries on FET to reflect that the hardship exemption is denied because the family is not eligible for FIP.

When the family meets hardship exemption criteria but the ABC system determines that the family’s countable income or resources exceed limits, ABC will override your approval entries and deny FIP. Document in Part C of form 470-3876 and record on FET that the hardship exemption is denied because the family is not eligible for FIP.

NOTE: Even though denied for a hardship exemption and ineligible for FIP, the family may still qualify for assistance from other programs, such as SNAP or Medicaid. Refer to When a Hardship Determination Is Not Needed for situations when a hardship exemption denial does not create FIP ineligibility.

Six-Month Hardship Exemption Period

Legal reference: 441 IAC 41.30(3)“d” and “e”

When form **470-3876, Hardship Exemption Determination** reflects approval of the hardship exemption request, the earliest effective date of the six-month hardship exemption period is the latest of:

- The effective date of the 60-month FIP cancellation, or
- The day after an existing hardship exemption period ends, or
- The date form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** is received in any HHS or PROMISE JOBS office, or
- Seven days after the date the **Food and Financial Support Application** is received, if applicable.

Process the hardship exemption approval according to the family’s FIP status, as follows:

- If you received form 470-3826 or 470-3826(S) **before** the effective date of the family’s 60-month FIP cancellation (or on or before the last day of an existing exemption period), a **Food and Financial Support Application** is not needed.

  If the family is otherwise eligible, reopen FIP to the effective date of the 60-month cancellation (or the day after the existing exemption period ends). Do so even if you do not receive the supporting evidence or determine hardship until on or after that date.
- If you did not receive form 470-3826 or 470-3826(S) until **on or after** the effective date of 60-month FIP cancellation (or after the existing exemption period has ended), a **Food and Financial Support Application** is required for the family to regain FIP eligibility. The family must meet all FIP eligibility requirements before the hardship exemption approval can be processed.

There is no limit on the number of times a family may receive a hardship exemption. The family must submit form **470-3826 or 470-3826(S), Request for FIP Beyond 60 Months** for each hardship exemption request. A new hardship exemption determination is required for each subsequent request. Each subsequent hardship exemption requires a new six-month FIA.

The following sections explain:

- The effective date of assistance for an initial or subsequent hardship exemption
- The duration of the exemption period
- Applying the exemption to a needy specified relative
- The impact of changes in the eligible group
- The effect of changing the 60-month FIP period or six-month exemption period

Effective Date of Assistance for a Hardship Exemption

Participant families that submit form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months before** the effective date of their 60-month FIP cancellation and that are approved for the exemption are eligible to have their FIP case reopened without a new application.

Reopen FIP from the effective date of the 60-month FIP cancellation, as follows:

- Use “reopen” procedures to enter the approval on the ABC system.
- Enter “C” entry reason and status code.
- Enter the notice reason code that reflects the hardship exemption approval.
- Enter the last month of the exemption period in the LIMIT field on TD02.
- Make entries on other screens in the normal manner.

Also make entries on FET to identify the family’s hardship reason, as reflected on form 470-3876.

Use the same procedures when a family submits a new form 470-3826 or 470-3826(S) for a subsequent hardship exemption on or before the ending date of its current six-month hardship exemption period and the exemption is approved.

NOTE: You cannot process a hardship approval on the ABC system on an active FIP case. The case must be canceled for the 60-month FIP period before you can process the hardship exemption approval. Similarly, delay processing a subsequent hardship exemption approval until after the system has closed the FIP case in the last month of the existing exemption period.

1. Family E's 60-month FIP period ends effective January 1. On December 25, the family submits form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**. Additional evidence is needed. On January 10, the family provides the additional information. On January 20, the family signs the six-month FIA.

   The IM worker approves the family's hardship exemption request the next day. The six-month hardship exemption period is from January 1 through June 30.

2. Family B is in a six-month hardship exemption period from March through August. The family's hardship condition continues. On August 31, the family submits a new form 470-3826 or 470-3826(S). More information is needed from a third party. On September 25, the family provides the information.

   On October 4, the family signs the new six-month FIA. The IM worker approves the hardship exemption request the next day. The six-month hardship exemption period is from September 1 through February of the next year.

In both examples, a new application is not needed because the hardship exemption request is received on or before the ending date of the respective 60-month or six-month FIP period. Therefore, in both examples, entry reason "C" and FIP status code must be used when processing the approval on the system.

When form 470-3826 or 470-3826(S) is received **on or after** the effective date of the 60-month FIP cancellation, a **Food and Financial Support Application** is required for the family to regain FIP eligibility. If approved, the effective date of the six-month hardship exemption period shall not be earlier than the date form 470-3826 or 470-3826(S) is received, or seven days after the date of the application, whichever date is later.

The same principle applies when a family submits form 470-3826 or 470-3826(S) for a subsequent hardship exemption after the end of its current hardship exemption period.

Provided the family is otherwise FIP-eligible, process the hardship exemption approval as any other FIP approval:

- Enter entry reason "A" and FIP status code.
- Enter the notice reason code that reflects the hardship exemption approval.
- Enter the last month of the exemption period in the TD02 LIMIT DT field.
- Make entries on other screens in the normal manner.

Make entries on FET to identify the family's hardship reason, as reflected on form 470-3876.

1. Family B's 60-month FIP period ends January 31. On February 1, the family submits a new application and form 470-3826 or 470-3826(S). If approved for a hardship exemption, the six-month period will be from February 8 through July 31.
2. Family L's 60-month FIP period ends April 30. On June 26, the family submits a new application. On July 1, the family submits form 470-3826 or 470-3826(S). If approved for a hardship exemption, the six-month period will be from July 3 through December 31.
3. Family D's 60-month period ends May 31. On June 15, the family submits a new application. On June 25, the family submits form 470-3826 or 470-3826(S). If approved for a hardship exemption, the six-month period will be from June 25 through November 30.
4. Family E's six-month hardship exemption ends June 30. On July 1, the family submits a new form 470-3826 or 470-3826(S). On July 2, the family submits a new application. If approved for a subsequent hardship exemption, the period will be from July 9 through December 31.

In all four examples, the family must file an application to regain FIP eligibility under hardship. Therefore, entry reason "A" and FIP status code must be used when processing the hardship exemption approval on ABC.

NOTE: The system will automatically override hardship exemption "reopening" or approval entries and deny FIP when income or resource information entered into the system exceeds applicable limits. The resulting **Notice of Decision** will reflect the denial and the reason for the denial as in other FIP "reopening" or approval situations.

If the ABC system denies FIP for financial reasons, deny the hardship exemption request as described under Denial of Hardship Exemption.

FIP may be reinstated during an **existing** hardship exemption period when the family provides all needed information before the effective date of cancellation and FIP eligibility can be reestablished as described in 4-G, Reinstatement.

> Family A's six-month hardship exemption period will end June 30. In March, the family fails to provide requested verification and FIP is canceled for that reason for April 1. On March 31, the family provides the verification. FIP is reinstated for April and may continue through the remainder of the six-month period.

Duration of Exemption

Eligibility for a hardship exemption lasts for six consecutive calendar months even if the hardship condition is resolved before the end of the six-month period. FET continues to count each adult's FIP months while in a hardship exemption period.

The exemption period includes:

- A month for which FIP issued is subject to recoupment, and
- A month when no FIP payment is made, e.g., due to the limit on FIP grants below ten dollars.

Entering the last month of the six-month hardship exemption period into the LIMIT DT field on TD02 prevents FIP benefits from being issued beyond the six-month period. Also, the *Notice of Decision* will specify the beginning and ending dates of the approved six-month period. You do not need to issue another *Notice of Decision* to notify the family when the period ends.

Refer to Needy Specified Relative for specific procedures when a needy specified relative requests a hardship exemption.

The six-month hardship exemption stops when the family's FIP case is canceled for any reason **other than** hardship and a **Food and Financial Support Application** is needed for the family to regain FIP eligibility. The normal adverse action notice requirements apply.

If the family's FIP eligibility continues to be dependent on a hardship exemption, the family must also submit a new form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** in addition to filing a FIP application. A new hardship exemption determination is needed before FIP can be approved.

1. Family C is approved for a hardship exemption based on physical or mental health issues. The six-month period is from April through September. In July, Mr. C is released to return to work. Provided his earnings do not create financial ineligibility, the hardship exemption period continues through September as originally approved.
2. Family A's hardship exemption period is from January through June. On March 15, Mrs. A reports that the only eligible child has moved out. Mrs. A's FIP case is canceled effective April 1. A Notice of Decision is issued stating FIP is canceled because no eligible child is in the home.

   NOTE: If, before April 1, Mrs. A reports that the child has returned to the home, FIP shall be reinstated and the hardship exemption period continued through June.
3. Family J's hardship exemption period is from March through August. In May, they fail to return a complete RRED for their review and FIP is canceled for June 1. On May 30, they return the RRED and all necessary information to reinstate FIP. FIP is reinstated for June and the hardship exemption period continues.

   NOTE: If eligibility is not reestablished in May or during the grace period, FIP remains canceled and a new application is required to regain FIP eligibility.

   If the family's FIP eligibility continues to be dependent on a hardship exemption, the family must also submit a new form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**. A new hardship exemption determination is made and a new period established.

4. Family B's hardship exemption period is from February through July. Ms. B fails to follow the terms of her six-month FIA and a limited benefit plan results. FIP is canceled effective April 1 because of the limited benefit plan. Since this is Ms. B's second limited benefit plan, she is ineligible for FIP for a minimum of six months.

   If Ms. B reapplies for FIP after the period of ineligibility has ended and she is still dependent on a hardship exemption to qualify for FIP, a new form 470-3826 or 470-3826(S) and a new hardship exemption determination are required.

   NOTE: If this were Ms. B's first limited benefit plan, and Ms. B reconsidered before the effective date of the FIP cancellation, FIP would be reinstated and the hardship exemption continued through July.

FIP received for a partial month of the exemption period counts as a full month.

The family's 60-month FIP period ends December 31. In June, the family has an emergency. On June 12, the family submits form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**, and the required FIP application. If the family is approved for a hardship exemption, the six-month period will be from June 19 through November 30.

In some situations, a family that is in a hardship exemption period is no longer dependent on a hardship exemption to qualify for FIP beyond the 60-month limit.

Mrs. A and her two children are in a six-month hardship exemption period. The period is from January through June. On March 5, the Social Security office notifies the IM worker that Mrs. A has been approved for SSI. The worker removes Mrs. A's needs from the FIP case effective April 1.

Because the 60-month limit does not apply to parents who receive SSI, the family's FIP eligibility is no longer dependent on the hardship exemption. The family's hardship reason on FET must be changed to indicate that the family's FIP eligibility is no longer dependent on hardship.

The worker removes the six-month ending date from the LIMIT DT field on TD02. The worker also issues a *Notice of Decision* that the family does not need the hardship exemption to qualify for FIP.

Needy Specified Relative

FIP assistance that a specified relative receives for a child when the relative is not on the FIP grant is not counted toward the 60-month limit. When the specified relative is needy and is included in the FIP grant, only the relative becomes ineligible for FIP at the end of the 60-month period. FIP for the nonparental child may continue.

A needy specified relative who has received FIP for 60 months may be included in the FIP grant beyond the 60-month limit if the relative requests and is determined eligible for a hardship exemption.

The relative must submit a valid form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** provide supporting evidence of the hardship and meet with PROMISE JOBS to develop and sign a six-month family investment agreement that addresses the relative's hardship before an exemption can be granted.

Except as noted in this section, hardship exemptions are determined on a family or case level. When a needy specified relative has used FIP for 60 months and is requesting a hardship exemption, use the following person-level procedures.

- If FIP is active for the child when the hardship request is denied, make the normal TD03 entries when denying the needy specified relative's hardship exemption request. Use the applicable hardship exemption denial reason. If the relative appeals the denial, there are no reinstatement rights.

- If FIP is active for the child when the hardship exemption request is approved, make the normal TD03 entries to add the needy specified relative to the case. Use person reason code 952. Set a tickler to remove the relative for the end of the sixth month of the hardship exemption period.

  Remove the needy specified relative from the case in the normal manner for the end of the sixth month. Give timely notice. Use person reason code **951**. Removing the relative's needs will cause the system to recalculate FIP and issue a **Notice of Decision**. If the relative appeals the action, only reinstate the relative's needs when the appeal is filed timely.

- If FIP is not active for the child, in addition to form 470-3826 or 470-3826(S) on behalf of the needy specified relative, a **Food and Financial Support Application** is required to gain FIP eligibility for both people.

  When you determine the child is eligible for FIP and the relative is eligible for the hardship exemption, first process the FIP approval for the child in the normal manner. The next processing day, add the needy specified relative to the case. Use person reason code 952. Set a tickler to remove the relative for the end of the hardship exemption period.

  Remove the needy specified relative from the case in the normal manner for the end of the sixth month. Give timely notice. Use person reason code 951. Removing the relative's needs will cause the system to recalculate FIP and issue a **Notice of Decision**. If the relative appeals the action, only reinstate the relative's needs when the appeal is filed timely.

  When you determine the needy specified relative is not eligible for the hardship exemption, first process the child's FIP approval. Then make the normal TD03 entries to deny the needy specified relative's hardship exemption request. Use the applicable hardship exemption denial reason. If the relative appeals the denial, there are no reinstatement rights.

- When the child is ineligible for FIP, this creates FIP ineligibility for the needy specified relative. Therefore, a hardship exemption cannot be granted. Deny FIP for the needy specified relative because there is no eligible child.

Make corresponding denial or approval entries on FET as you would on a case-level hardship exemption determination. Denial of the needy specified relative's hardship exemption request does not affect FIP for the eligible child.

Follow all other instructions for a hardship exemption when processing the relative's hardship request. Refer to 4-A, Appeals for more information on appeal procedures.

Impact of Changes in the Eligible Group

To receive more than 60 months FIP assistance, families must be eligible for a hardship exemption and meet all other FIP eligibility requirements (unless otherwise specified). For example:

- Returning parent or stepparent has received FIP for 60 months:

  In two-parent families and families with a parent and stepparent, the entire family becomes ineligible when either parent or the stepparent reaches the 60-month limit.

  Therefore, when a parent or stepparent who has received FIP for 60 months joins a participant family that **has not received** FIP for 60 months, FIP eligibility can continue only if the participant family submits form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**, and is approved for a hardship exemption.

  When the FIP participant reports that an absent parent or stepparent has entered the home, check FET for the returning parent or stepparent's FIP count.

  If FET indicates that the parent or stepparent has received FIP for 60 months, cancel the existing FIP case effective the first day of the next month. Use notice reason code 360. Give timely notice. Also issue form 470-3826 or 470-3826(S) to the family. Include a return envelope.

  If timely notice cannot be met, cancel FIP effective the second month. Excess assistance for the first month is subject to recoupment unless the family requests and is determined eligible for a hardship exemption that includes the first month. Make necessary entries on FET to reflect either outcome.

  If the family returns form 470-3826 or 470-3826(S) **before** the effective date of the FIP cancellation and is subsequently approved for a hardship exemption, FIP may be reopened to the effective date of the FIP cancellation. A **Food and Financial Support Application** is not required to reopen the FIP case.

If the family returns form 470-3826 or 470-3826(S) **on or after** the effective date of the FIP cancellation, a **Food and Financial Support Application** is required for the family to regain FIP eligibility and to be considered for a hardship exemption. For more information, refer to Hardship Overpayments.

Mrs. A and her children have been on FIP for 34 months. On April 5, Mr. G, father of one of the children, returns to the home. Mrs. A reports his return the next day. The IM worker checks FET and finds that Mr. G has received FIP for 60 months on two other FIP cases. As a result, Mrs. A is ineligible for FIP effective May 1.

Because Mr. G causes the 60-month cancellation, he must be entered on Mrs. A's FIP case to record his attachment to her case. The worker makes entries to deny his needs, using notice reason code 920.

The next processing day, the worker issues timely notice and cancels Mrs. A's FIP case effective May 1. The worker also sends form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** to the family.

Had Mr. G's return not been reported in time for the required timely notice, FIP would be canceled effective June 1. FIP issued for May would be subject to recoupment unless the family requests and is found eligible for a hardship exemption that includes the month of May.

NOTE: If the family returns form 470-3826 or 470-3826(S) before May 1 and is approved for a hardship exemption, FIP may be reopened effective May 1. If form 470-3826 or 470-3826(S) is not returned until on or after May 1, a FIP application is needed for the family to regain FIP eligibility and be considered for a hardship exemption.

- Parent returns during exemption period:

  When a parent joins a participant family that is in a hardship exemption period, continue the exemption if the family otherwise remains FIP-eligible. Add the joining parent, if eligible, for the remainder of the exemption period even if the joining parent has received FIP for 60 months.

1. Mrs. B and her child receive FIP in a hardship exemption period that ends June 30. On March 10, Mr. B, the child's father, joins the family. The hardship exemption continues regardless of how long Mr. B has received FIP.

   If Mr. B is otherwise eligible, the worker adds him to the FIP eligible group. The worker does not need to check Mr. B's 60-month FIP count on FET or make any entries to FET. FET will pick up Mr. B's FIP count when he is entered on Mrs. B's FIP case.

2. Same as Example 1, except Mr. B's countable income exceeds the limits for the three-person eligible group. Mrs. B's FIP case is canceled effective April 1.

3. Ms. H and her child from another relationship receive FIP during a hardship exemption period that ends August 31. Also in the home is Mr. P, the father of Ms. H's expected child. On May 5, Ms. H gives birth to their common child.

   The worker must add Mr. P to the FIP eligible group if he is otherwise eligible. The hardship exemption continues regardless of whether Mr. P has received FIP for 60 months. The worker does not need to check Mr. P's 60-month FIP count on FET or make any entries to FET. FET will pick up Mr. P's count when he is entered on Ms. H's FIP case.

4. Same as Example 3, except Mr. P's countable income exceeds the limits for the four-person eligible group, causing the FIP case to be canceled effective June 1.

- Parents separate during exemption period:

  When two parents who are in hardship exemption period separate, the remainder of the exemption period follows the parent who keeps the current FIP case if that parent's FIP eligibility continues to depend on the exemption.

Mr. and Mrs. D and their three children receive FIP. They are in a hardship exemption period that ends June 30 because Mrs. D has received FIP for 60 months. On March 5, Mr. D reports that Mrs. D and one of the children have moved out.

The worker checks FET and finds that Mr. D has received FIP for only 46 months. The worker removes Mrs. D and the one child from the FIP case effective April 1. Mr. D retains the current FIP case with the two remaining children. FET will count April as month 47 for Mr. D.

Continuing FIP eligibility for Mr. D and the two children no longer depends on the hardship exemption. The worker removes the six-month ending date in the LIMIT field on TD02. The worker informs PROMISE JOBS about the changes. Mr. D's FIA may need to be amended. The worker also refers Mrs. D to CSS.

The worker changes the FET hardship reason to reflect that Mr. D's FIP eligibility is no longer dependent on hardship. The worker enters case notice reason 369 to generate a *Notice of Decision* and inform Mr. D his FIP eligibility is no longer dependent on the hardship exemption.

NOTE: If Mrs. D applies for FIP for herself and the child with her, she must submit a new form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**. A new hardship determination will be required.

Had Mr. D also received FIP for 60 months, FIP eligibility for Mr. D and the two remaining children would cease at the end of the six-month hardship exemption period.

Had Mr. D and the two children moved out, Mrs. D would retain the FIP case. FIP for Mrs. D and the remaining child would continue through the remainder of Mrs. D's six-month exemption period.

Mr. D and the children with him would be removed from Mrs. D's case. To receive FIP for the remainder of his 60-month period, Mr. D would have to reapply for FIP for himself and the children with him.

Changing the 60-Month FIP or Six-Month Hardship Exemption Period

A six-month hardship exemption period cannot begin until the family has received FIP for the entire 60-month period. Changes in a previously established 60-month FIP period may result when:

- A coding error on ABC results in an inaccurate 60-month count on ETS, or
- A final appeal decision resulting from appeal of a 60-month cancellation upholds the family and orders the Department to extend the 60-month period.

A change in the 60-month FIP period also changes the date that the six-month hardship exemption period can begin. ETS and ABC entries are required to reflect the revised 60-month period or the revised six-month hardship exemption period.

A hardship exemption request may need to be denied, or an existing hardship period removed as unnecessary, when it is determined that the family is eligible for additional months in the 60-month period.

When the additional months of the revised 60-month period extend into an existing six-month hardship exemption period, the exemption period is extended by the same number of months. A new hardship determination is not needed. Change the hardship exemption ending date in the LIMIT DT field on TD02 as appropriate.

Issue a **Notice of Decision** to reflect the circumstances of the changes in the 60-month or six-month period. When a hardship exemption period needs to be extended, the notice should inform the family to contact PROMISE JOBS, if appropriate, to amend the FIA and that a limited benefit plan results from failing to do so.

Notify PROMISE JOBS of the changes and the need for amending the family's current FIA to extend over the revised 60-month or six-month FIP period.

1. The family's 60-month FIP period ends 12/31/01.

   12/15/01 IM worker cancels FIP effective 1/1/02.

   12/20/01 Family appeals the FIP cancellation. FIP is reinstated for 1/1/02.

   12/21/01 Family files a hardship exemption request, which the worker must act on.

   01/18/02 Hardship exemption is approved from 1/1/02 through 6/30/02.

   02/15/02 Final appeal decision upholds the family and determines a 3/31/02 ending date of the family's 60-month period.

   Since the appeal decision extended the 60-month ending date to March 31, the six-month hardship exemption period cannot start until April 1. Therefore, January, February, and March of the original hardship period become part of the revised 60-month FIP period.

   The revised hardship period then is from April 1 through September 30. The family's FIA scheduled to end June 30 must be amended to extend through the revised September 30 hardship exemption ending date.

   The IM worker issues a **Notice of Decision** to inform the family about the revised 60-month and six-month periods via notice reason 372. The notice informs the family to amend the FIA, if appropriate, and that a limited benefit plan results from failing to do so.

   For FIA-responsible people, the worker also notifies PROMISE JOBS of the changes and the need for amending the family's FIA. The IM worker makes entries on ABC and FET to reflect the changes in the 60-month and the six-month periods.

2. The family's 60-month FIP period ends March 31. The family requests and is approved for a six-month hardship exemption from April 1 through September 30. In May, the IM worker discovers an ABC coding error that resulted in two FIP months erroneously being counted toward the family's 60-month period.

   This means the family's 60-month period should have ended May 31. As a result, April and May become part of the revised 60-month FIP period. The revised hardship period is from June 1 through November 30.

   The same steps as in Example 1 must be followed with respect to notifying the family and PROMISE JOBS, if appropriate, of the revised 60-month and six-month periods, and making necessary system entries.

If the additional months of the 60-month period extend beyond the end of the current hardship exemption period, the current period is void. Instead, these months become part of the family's revised 60-month period. Cancel FIP at the end of the revised 60-month period. The family may reapply for a hardship exemption at the end of the revised 60-month FIP period.

The hardship period is from January 2002 through June 30, 2002. In March, the IM worker discovers that the 60-month FIP period should extend through August 31.

The worker makes necessary changes to FET and ABC to void the hardship exemption. The worker sends a **Notice of Decision** to inform the family that the hardship exemption period is not needed, using notice reason 369. The worker informs PROMISE JOBS, if appropriate, of the changes.

PROMISE JOBS will contact the family to amend the FIA to extend through August 31. FIP must be canceled effective September 1. The family may reapply for a hardship exemption in the usual manner when the new 60-month period is over at the end of August.

The changes in a previously established 60-month or six-month FIP period may result in an overpayment or in an underpayment.

As in other situations, excess FIP assistance issued during a 60-month or six-month FIP period to which the family is not entitled is subject to recoupment. Refer to the section on Hardship Overpayments later in this manual and also to 4-H, Payments and Adjustments for more information.

Issue retroactive corrective benefits as appropriate if the family is canceled or denied in error because of an error in determining the 60-month or six-month FIP period. Follow the instructions in 4-H, Underpayments.

> The family's 60-month period is canceled effective January 1. In February, the worker discovers that the family's 60-month period should not have ended until January 31. The worker must determine retroactive corrective benefits for January. The family is responsible for providing all information necessary to determine FIP eligibility and benefit amount for January.

Refer to Hardship Appeals and Hardship Overpayments for more information.

PROMISE JOBS Participation for FIA-Responsible People

Legal reference: 441 IAC 41.30(3)"g"

Families that are approved for a hardship exemption must meet all other FIP financial and nonfinancial requirements during the six-month period. Families with FIA-responsible people that are approved for a hardship exemption must participate in PROMISE JOBS and be involved in activities reasonably expected to lead to self-sufficiency. PROMISE JOBS provides supportive services and monitors the family investment agreement.

After the FIA-responsible adults have signed the six-month family investment agreement and the family's hardship exemption is approved, the FIA-responsible adults are mandatory PROMISE JOBS participants. They cannot be exempt from PROMISE JOBS. Adults with disabilities will have the disabilities addressed in the six-month family investment agreement.

Other members of the family may also be required to participate in PROMISE JOBS and sign the family investment agreement. This includes a minor parent who is a child on the adult's FIP case and 16- to 18-year-old children who are not in school. (See 4-J, Referring Clients to PROMISE JOBS for information.)

Families with FIA-responsible people that are approved for a hardship exemption that have difficulty fulfilling the terms in their six-month family investment agreement must work with PROMISE JOBS and amend the family investment agreement.

Families with FIA-responsible people must also amend their family investment agreement when their six-month hardship exemption period is revised, e.g., as a result of a final appeal decision. Refer to Changing the 60-Month FIP or Six-Month Hardship Exemption Period for more information.

Limited Benefit Plan

A family with an FIA-responsible person that has been granted a hardship exemption and does not follow the terms of the six-month family investment agreement or that fails to amend the family investment agreement when necessary will have chosen a limited benefit plan, the same as families that are in their 60-month FIP period.

When families with FIA-responsible people choose a first limited benefit plan during the hardship exemption period and take appropriate reconsideration action before the effective date of the FIP cancellation, FIP must be reinstated and the hardship exemption resumed for the remainder of the six-month period.

Family A's six-month hardship exemption period is from January through June. Mr. A, who is an FIA-responsible person, fails to follow the terms of his FIA, and a limited benefit plan results. A **Notice of Decision** is sent canceling FIP effective April 1 because of the limited benefit plan. This is Mr. A's first limited benefit plan.

If Mr. A takes necessary reconsideration action before April 1, his FIP case is reinstated and may continue for the remainder of the six-month hardship exemption period.

If Mr. A does not reconsider the limited benefit plan before April 1, FIP remains canceled. A new application is required to regain FIP eligibility.

If the family's FIP eligibility continues to depend on receiving a hardship exemption, the family must submit a new form **470-3826, Request for FIP Beyond 60 Months**. A new hardship exemption determination is required before FIP approval.

The same as in other FIP situations, families that choose a subsequent limited benefit plan during the hardship exemption period are ineligible for FIP for a minimum of six months. They are not allowed to reconsider until the six-month period of ineligibility has ended. As a result, their FIP case must be canceled for the remainder of the hardship exemption period.

FIP eligibility cannot be regained until the limited benefit plan period of ineligibility has ended and the family meets all other requirements. A new application will be required. In addition, families whose FIP eligibility depends on receiving a hardship exemption must submit a new form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**. A new hardship determination is required before FIP approval.

Family B's six-month hardship exemption period is from July through December. Mrs. B fails to follow the terms of her family investment agreement, and a limited benefit plan results.

This is Mrs. B's second limited benefit plan. A **Notice of Decision** is sent canceling FIP effective August 1 because of the limited benefit plan. The family cannot regain FIP eligibility until the six-month limited benefit plan ineligibility period is over and the family meets all other requirements. A new application is required for the family to regain FIP eligibility.

If the family's FIP eligibility continues to depend on receiving a hardship exemption, the family must also submit a new form **470-3826 or 470-3826(S), Request for FIP Beyond 60 Months**. A new hardship exemption determination is required before FIP approval.

Refer to 4-J, Limited Benefit Plan for specific instructions.

Hardship Appeals

Legal reference: 441 IAC 41.30(3)"h"

Follow the instructions in 4-A, Appeals, when processing appeals resulting from a 60-month FIP cancellation or from a denial or cancellation of a six-month hardship exemption.

In addition, use the following guidelines:

- **Reinstate** FIP when a family appeals either the 60-month cancellation or a hardship exemption denial **before** the effective date of the 60-month FIP cancellation 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. Use notice reason code 208.

  Because of their interrelatedness, the Appeals Section will certify both the 60-month FIP cancellation and the hardship exemption denial for hearing even if the family does not appeal both issues. Therefore, provide relevant information on both the FIP cancellation and the hardship exemption denial to the Appeals Section within the normal time.

- If FIP is canceled **before** the end of the family's 60-month limit for a reason **other than** the limit e.g., excess countable income, and the family files an appeal before the effective date of the intended action or appeals within 10 days from the date the notice is received, reinstate FIP in the normal manner.

  Then timely cancel FIP at the end of the 60-month period. A separate appeal request is required if the family wishes to appeal the 60-month cancellation. If the family appeals the 60-month cancellation before its effective date or within 10 days from the date the notice is received, reinstate FIP as described in the preceding paragraph.

- **Do not reinstate** FIP when the family appeals either the 60-month cancellation or a hardship exemption denial **on or after** the effective date of the 60-month FIP cancellation or more than 10 days from the date the notice is received.

  As stated above, because of their interrelatedness, the Appeals Section will certify both issues for hearing even if the family does not appeal both issues. Provide relevant information on both the 60-month cancellation and the hardship exemption denial to the Appeals Section within the normal time.

- **Do not reinstate** FIP when the family appeals cancellation of a hardship exemption at the end of the period. The ending date of the period is specified in the *Notice of Decision* that approves or revises the family's hardship exemption. No additional notice is issued at the end of the period.

  Therefore, an appeal close to the end of the hardship exemption period is not considered timely, and reinstatement is not appropriate. The system automatically stops FIP from being issued after the ending date in the LIMIT field on TD02.

The Appeals Section will certify the issue for hearing. Provide information relevant to the cancellation to the Appeals Section within the normal time frame.

- If the family's hardship exemption is canceled for another reason, e.g., countable income exceeds limits, and the family files an appeal before the effective date of the intended action or appeals within 10 days from the date the notice is received, reinstate FIP in the normal manner.

  However, the hardship exemption period will stop on the originally determined ending date that was stated in the *Notice of Decision* that approved or revised the hardship exemption period. No additional notice is sent. If the family then appeals the hardship exemption cancellation, do not reinstate FIP. Follow the instructions in the preceding paragraph.

Refer to Needy Specified Relative for additional appeal information.

When a hardship exemption request is received while FIP is reinstated pending the outcome of an appeal of a 60-month FIP cancellation, process the hardship exemption request in the normal manner as described throughout this manual.

If the final appeal decision upholds the family, this may result in a revised 60-month ending date, which in turn may affect the family's six-month hardship exemption period.

The family's 60-month FIP period ends 12/31/01.

12/15/01	Worker enters the 60-month FIP cancellation effective 1/1/02.
12/20/01	Family appeals the FIP cancellation. FIP is reinstated for 1/1/02.
12/21/01	Family files a hardship exemption request, which worker must act on.
01/18/02	Hardship exemption is approved from 1/1/02 through 6/30/02.
02/15/02	Final appeal decision upholds the family and determines a 3/31/02 ending date of the family's 60-month period.

A six-month hardship exemption period cannot begin until the family has received FIP for the entire 60-month period. Since the appeal decision moved the 60-month ending date to March 31, the six-month hardship exemption period cannot start until April 1.

The revised six-month hardship exemption is from April 1 through September 30. FET and ABC entries are required to reflect the revised 60-month period and the revised hardship exemption period.

The family must be issued a **Notice of Decision** about the revised hardship exemption period. The notice also informs the family to contact PROMISE JOBS because the six-month month FIA must be amended and that an LBP results for failing to do so.

Follow the same procedures if the family files a hardship exemption request **on or after** the effective date of the intended FIP cancellation that is under appeal. The family is not required to file a new application as long as FIP is still active pending the appeal outcome when form 470-3826 or 470-3826(S) is received.

If the final appeal decision upholds the Department, excess FIP assistance is subject to recoupment. Refer to Changing the 60-Month FIP or Six-Month Hardship Exemption Period and also to Hardship Overpayments for more information.

Hardship Overpayments

Recoup FIP issued during an erroneously approved hardship exemption period. Also recoup when FIP is issued beyond the family's 60-month limit for any of the following reasons:

- Pending the outcome of an appeal of the 60-month FIP cancellation when the final appeal decision later upholds the Department;
- Due to worker error in properly coding months that are subject to the 60-month limit preventing FET from counting those months;

- When the required timely notice to cancel FIP at the end of the 60-month period cannot be met.

FIP issued beyond the family's 60-month period is subject to recoupment unless the family requests and is approved for a hardship exemption period for any of these months. If so, consider months of FIP assistance beyond the 60-month limit toward the approved six-month hardship exemption period. No overpayment is due for any month that becomes part of the six-month hardship exemption period.

When a month of FIP assistance beyond the family's 60-month limit is subject to recoupment, identify that month in FET.

1. The family's 60-month FIP period ends 12/31/01.
   - 12/15/01 IM worker enters the FIP cancellation effective 1/1/02.
   - 12/20/01 Family appeals the 60-month FIP cancellation. FIP is reinstated for 1/1/02.
   - 02/15/02 Final appeal decision upholds the Department.

   FIP is canceled effective March 1 in accordance with the final appeal decision. FIP issued for January and February is subject to recoupment. Entries on FET are required.
2. The family's 60-month FIP period ends 12/31/01.
   - 12/15/01 IM worker issues a notice and cancels FIP effective 1/1/02.
   - 12/20/01 Family appeals the FIP cancellation. FIP is reinstated for 1/1/02.
   - 01/26/02 Family files a hardship exemption request, which the worker must act on.
   - 02/12/02 Hardship exemption is approved from 1/1/02 through 6/30/02.
   - 02/15/02 The final appeal decision upholds the Department.

   FIP is canceled effective March 1 in accordance with the final appeal decision. During the period that FIP assistance continues pending the outcome of an appeal, the family is considered a "participant." Therefore, FIP benefits issued during any month of the appeal period are not subject to proration.

Since the appeal upheld the original December 31 FIP ending date, the six-month hardship exemption period is from January 1 through June 30 of the next year as originally determined. January and February become part of the family's six-month exemption period. No overpayment is due.

NOTE: Even though the hardship exemption request is filed after the effective date of the intended 60-month FIP cancellation, since FIP is active because of the pending appeal, a new application is not needed for the hardship eligibility determination.

NOTE: When the family is approved for a hardship exemption without securing a properly signed form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months,** consider this as a procedural error. No overpayment is due solely based on a procedural error.

Limit on FIP Assistance

Legal reference: Public Law 104-193, 441 IAC 41.30(1)

Federal law imposes a 60-month lifetime limit on the period that families with adults can receive TANF-funded assistance. The TANF (Temporary Assistance for Needy Families) program provides federal funding for the Family Investment Program (FIP) and the PROMISE JOBS program. Iowa implemented TANF in January 1997.

Months of TANF assistance countable toward the 60-month limit may have been received in:

- Any state in the United States
- District of Columbia
- Puerto Rico
- Guam
- Virgin Islands
- American Samoa
- A tribal TANF program

The state, territory or tribe where the assistance was received is responsible for determining whether the type of assistance is countable toward the 60-month limit on assistance and whether the person was an adult whose assistance is countable.

In Iowa, "assistance" means a FIP grant for basic or special needs that the adult receives for the family. The 60-month limit applies to a family with an "adult" who is:

- A parent in the home with the child, even if excluded from the FIP grant.

- The parent's spouse in the home with the parent and child, whether or not the stepparent is included in the grant.
- A needy nonparental specified relative included in the FIP grant with the child.
- A minor parent in the home who is payee for the minor's own FIP case, even if the parent is excluded from the grant.

EXCEPTION: The 60-month limit does not apply when the only parent in the home (or both parents or both the parent and stepparent) receives Supplemental Security Income (SSI). The 60-month limit does apply when both parents or a parent and stepparent are in the home but only one parent or stepparent receives SSI. The term "SSI" also includes State Supplementary Assistance dependent-person assistance. See SSI Recipient and State Supplementary Assistance Recipient for additional information.

Families that are subject to the 60-month limit cannot receive FIP beyond that limit unless they request and are determined eligible for a hardship exemption. Refer to Hardship Exemption in this chapter for specific information.

The entire family is ineligible when the person who has received assistance for 60 months is:

- The adult parent of the child on FIP, or
- The parent's spouse, who is in the home with the parent and child, or
- The minor parent of the child on FIP when the minor parent is payee.

1. Ms. A and her two children receive FIP. The entire family will be ineligible when Ms. A has received FIP for 60 months.
2. Mrs. K and her child receive FIP. Also in the home is Mr. K, the child's stepfather. The entire family is ineligible if either Mr. or Mrs. K has received FIP for 60 months.

In a nonparental case, only the needy specified relative becomes ineligible at the end of the 60-month period. FIP for the children may continue.

Mrs. C receives FIP for herself and two stepchildren as a needy specified relative. At the end of the 60-month period, only Mrs. C will be removed from the grant. She may continue to receive FIP for her stepchildren.

A needy specified relative who acts as payee may be included in the eligible group when the parent is in the home but is unable to act as payee.

Unless the needy specified relative is the parent's spouse, when the needy specified relative has received FIP for 60 months but the parent has not, remove only the needs of the relative from the parental FIP case.

FIP for the parent and children continues until the parent has reached the 60-month limit, if otherwise eligible. The relative may continue to act as payee regardless of whether the relative remains on the FIP grant.

If the parent reaches the 60-month limit before the needy specified relative, the entire parental FIP case is canceled. Even if the parent continues to be unable to act as payee, a nonparental case cannot be established while the parent is in the home with the child.

Discuss the 60-month limit during the application interview. Provide the client with a copy of form **470-3851, Important Information About Your FIP** and a copy of **Comm. 137, 60-Month Limit on FIP**. Stress the importance of planning early how to become self-supporting by the end of the 60-month FIP period. Let the family know that PROMISE JOBS staff can help them prepare for that time.

The 60-month limit applies only to FIP assistance. Families whose 60-month FIP period ends may still get other types of assistance, such as Medicaid or SNAP.

The following sections discuss:

- Determining the 60-month FIP limit for applicants and participants
- The impact of the 60-month limit on different family compositions
- Becoming exempt from, or subject to, the 60-month limit
- Appeal procedures
- Overpayments and underpayments

Determining the 60-Month Limit

Legal reference: 441 IAC 41.30(1) and (2)

The 60-month period need not be consecutive. As of January 1997, any month for which the "adult" receives FIP in Iowa or receives TANF benefits in another state or United States territory or from a tribe is counted toward the 60-month limit. FIP received for a partial month counts as a full month. Assistance received before January 1997 is not counted.

The FIP Eligibility Tracking (FET) tracks months of assistance for each adult whose assistance must be counted. Access FET regularly and routinely to determine applicants' and participants' 60-month FIP count. For example, access FET:

- Each month for participant cases
- When a family applies for FIP
- Before reinstating or reopening the FIP case
- When another "adult" enters an existing FIP household
- When an absent parent returns to an existing household
- When an exempt "adult" becomes subject to the 60-month limit
- At any other time when determining the family's 60-month FIP status is pertinent

The "Individual FIP History" screen reflects the 60-month count for each adult whose assistance must be counted toward the limit regardless of the adult's current FIP status. To obtain a listing of participant cases that have received FIP for 36 or more months, select the "Active Cases That Have Used FIP For 36 or More Months" report on FET.

Except for families that are exempt, observe the following basic principles for determining a family's 60-month count:

- Each "adult's" months are counted toward the family's 60-month limit. In families with two parents or a parent and stepparent, the 60-month limit is reached when either parent or the stepparent has reached the 60-month limit.
- Start counting assistance beginning with the month for which the "adult" receives a FIP grant for the family, even if the adult is excluded from the grant.
- Stop counting assistance beginning with the month for which the "adult" no longer receives a FIP grant for the family or becomes exempt from the limit.

When a stepparent is in the home, but the stepparent's needs are not included in the grant, months of assistance received by the family do not apply to the stepparent's count. However, months of assistance previously received by the stepparent remain in the stepparent's count and continue to apply to the family.

Mrs. D receives FIP for herself and her child. Also in the home is Mr. D, Mrs. D's spouse. Mr. D previously received 50 months of assistance on another case.

Months of assistance received on Mrs. D's case are counted for her, but not for Mr. D, because he is a stepparent whose needs are not included in the grant. However, the 50 months of assistance Mr. D previously received remain on his count and apply to Mrs. D's assistance.

In determining the number of months a family has received FIP assistance, do not consider toward the 60-month limit any month for which FIP was not issued for the family, such as when FIP is not issued for the month because the family was eligible for less than $10 (or due to rounding).

In addition, do not consider toward the 60-month limit FIP received:

- For a minor parent for any month in which the minor parent was a child on the FIP case of the adult parent or a nonparental specified relative.
- By a nonparental specified relative who was not included in the FIP grant with the nonparental child.
- By an adult while living in Indian country (as defined in 18 United States Code Section 1151) or a Native Alaskan village where at least 50 percent of the adults were not employed.

Verifying Out-of-State Months

When it comes to your attention that a FIP applicant or participant has received TANF assistance in another state, the District of Columbia, or a United States territory, or from a tribe, contact that state, territory, or tribe to verify whether the assistance received was TANF assistance that counts toward the federal 60-month limit.

TANF assistance may be identified by different names in different states, and states may provide forms of cash assistance that are not countable toward the federal limit. The state that provided the assistance must verify that the months are countable.

The states have developed a contact list for use in verifying countable months of TANF assistance. Use this contact list to verify months of out-of-state assistance.

Document information about the out-of-state assistance in the case record, including:

- The state where the assistance was received,
- The specific months that assistance was received,
- The date and method of verifying the information.

Record each countable month in the FET "Individual FIP History" screen. When you record out-of-state months in FET, FET considers them, in addition to any Iowa months received, in determining the number of months the person has used and has remaining. FET reports reflect that combined total.

If form **470-3851, Important Information About Your FIP** has previously been issued, issue a new form 470-3851 when out-of-state months are verified and recorded in FET to provide the family with the new total number of countable months of assistance they have used and have remaining.

Use local procedures to notify PROMISE JOBS whenever out-of-state months are added for a participant who has already been referred to PROMISE JOBS. It may be necessary to modify the family's family investment agreement to fit the shortened remainder of the 60-month period.

If the addition of countable out-of-state months causes a participant to exceed the 60-month limit, cancel the case with timely notice. See Hardship Overpayments for information on recouping assistance issued beyond the 60-month limit.

Participants

Check the FET report "Active Cases That Have Used FIP For 36 or More Months" each month to obtain a list of participant families that have received FIP for 58 or more months.

Issue form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**, to the family as early as month 58. Include a return envelope. You can issue this form when issuing form **470-3851, Important Information About Your FIP** and **Comm. 137, 60-Month Limit on FIP** in month 58 of the family's 60-month period.

Refer to 6-Appendix for specific instructions for the use of forms 470-3826 or 470-3826(S) and 470-3851. You can obtain these forms from FET.

NOTE: Depending on how late in month 58 you send form 470-3851, it may be month 59 when the family gets the form. When generating a blank form from the system, make sure you state the most current FIP count on the form (e.g., "59" if the family will not get the form until that month).

It is up to the family to decide whether to return the hardship exemption request form. You do not need to track return of the form.

You must send a timely **Notice of Decision** to cancel FIP at the end of the family's 60-month period. You have no way of knowing whether the family may request a hardship exemption or whether a hardship exemption will be approved, if requested.

Proceed to cancel FIP even if the family has filed a valid form 470-3826 or 470-3826(S) in the meantime. The 60-month cancellation notice informs the family that it will get another notice about the status of its hardship exemption request. If the request is granted, the family's FIP case will be reopened as appropriate.

On April 10, the worker checks the "Active Cases That Have Used FIP For 36 or More Months" file on FET and finds that Mrs. A has received FIP for 59 months. After system cutoff in April, the worker timely cancels Mrs. A's FIP case effective May 1 because she has reached the 60-month limit.

The worker also sends Mrs. A form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**. It is up to Mrs. A whether to request FIP beyond her 60-month limit. The worker does not need to track return of form 470-3826 or 470-3826(S). If Mrs. A returns the form, the worker will initiate hardship exemption procedures.

If timely notice cannot be met, cancel FIP effective the second month. Excess assistance for the first month is subject to recoupment unless the family requests and is determined eligible for a hardship exemption that includes the first month. Make necessary entries on FET to record either outcome.

Issue form 470-3826 or 470-3826(S) no later than at the time of the family's 60-month FIP cancellation. When case circumstances permit, it is suggested that you cancel FIP shortly after system cutoff of month 59 or at the beginning of month 60.

This allows the family greater opportunity to return the hardship exemption request before the effective date of cancellation and reduces the likelihood of loss of FIP benefits.

NOTE: Follow these instructions for a nonparental FIP case that includes the needy specified relative on the FIP grant. However, remove only the needy specified relative from the grant at the end of the relative's 60-month FIP period. Give timely notice. Continue FIP for the nonparental child if the child is otherwise eligible.

Applicants

Check FET when a family reapplies for FIP to determine the family's FIP count. Ask if the family has received assistance in another state. If the applicant has received assistance in another state, verify and add the months to FET as described in, Verifying Out-of-State Months. Discuss the family's 60-month count during the application interview.

If the family has received assistance for at least 58 months, explain the hardship provisions and provide the family with the following:

- Form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**,
- Form **470-3851, Important Information About Your FIP**, and
- **Comm. 137, 60-Month Limit on FIP**.

An applicant who is close to the 60-month limit may be eligible for some, but not all, months in the application period. "Application period" means the period from the month in which the application is received through the month of decision.

If the applicant is close to the limit, determine FIP eligibility first for the month of decision, then the month immediately before the month of decision, then the second month before the month of decision and so on, until the family's 60-month limit has been reached.

Make sure that you do not approve FIP for more months than are left in the family's 60-month period. This means, you have to determine the proper FIP effective date in accordance with the number of FIP months the family has left to use to avoid issuing FIP beyond the 60-month limit.

Issue a **Notice of Decision** to deny FIP for a month in the application period that cannot be included in the family's 60-month FIP period because the family has received assistance for 60 months. If it is necessary to manually issue the notices, use the text from FIP case notice reason 360 (or person notice reason 920) to deny FIP for the particular month.

When an application is approved for some, but not all of the months of the application period, notify PROMISE JOBS of the months approved, so the family investment agreement period can be updated, if necessary.

If the family is not eligible in the month of decision, deny the FIP application as in any other situation. The family must reapply to complete its 60-month FIP period.

1. Mrs. A applies for FIP on April 15. The worker checks FET and finds that Mrs. A has received FIP for 59 months. She has one more FIP month left to use.

   During the application interview, the worker gives Mrs. A form **470-3851, Important Information About Your FIP** together with **Comm. 137, 60-Month Limit on FIP**. The worker discusses the family's 60-month status with Mrs. A. The worker explains that FIP will be canceled at the end of Mrs. A's 60-month period.

   The worker also goes over the hardship exemption provisions and gives Mrs. A form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**. The worker explains that if Mrs. A submits a hardship exemption request, a separate determination is required and Mrs. A will get another **Notice of Decision** about the outcome. The worker informs Mrs. A that if her hardship exemption request is granted her FIP case will be reopened.

   Mrs. A signs a family investment agreement. On May 10, the worker makes the eligibility decision. If Mrs. A is eligible in the month of decision, FIP assistance is approved effective May 1 through May 31 only, as that month concludes Mrs. A's 60-month period.

   FIP for April must be denied because the family has received FIP for 60 months. The worker notifies PROMISE JOBS that FIP was approved for the month of May. Mrs. A is ineligible for FIP effective June 1 because of the 60-month limit.

2. Same as Example 1, except Mrs. A has received FIP for 58 months when she reapplies on April 15. Mrs. A signs a family investment agreement. The worker makes the eligibility decision on May 10.

   If Mrs. A is eligible in the month of decision, FIP will be approved effective April 22 through May 31, because April and May complete her 60-month period. Mrs. A will be ineligible for FIP effective June 1 because of the 60-month limit.

3. Mrs. B applies for FIP April 26. According to FET, she has received FIP for 57 months. Mrs. B signs a family investment agreement. On May 20, the worker makes the eligibility decision. If Mrs. B is eligible in the month of decision, FIP will be approved effective May 2 through July 31. Mrs. B will become ineligible for FIP effective August 1 because of the 60-month limit.

4. Mr. C applies for FIP on April 20. According to FET, he has received FIP for 58 months. Mr. C has difficulty obtaining needed information. As a result, the eligibility decision is not reached until June 3.

   If Mr. C is eligible in the month of decision, FIP is approved effective May 1 through June. FIP for April must be denied because the family has received FIP for 60 months.

   Mr. C becomes ineligible for FIP effective July 1 because of the 60-month limit. The worker notifies PROMISE JOBS that FIP was approved for the months of May and June.

In all examples, the FIP application must be denied if the family is not eligible in the month of decision. The family must reapply and, as in other application situations, be determined eligible in the month of decision to complete its 60-month FIP period.

When an applicant has exhausted the 60-month period, issue form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**. Attach a note to explain that FIP beyond the 60-month limit can be granted only if the family requests and is determined eligible for a hardship exemption. State a ten-day due date for returning the form.

If the form is not returned by the due date, deny the application because the family has exhausted its 60-month FIP limit. If the family returns the **Request for FIP Beyond 60 Months** by the due date, initiate the hardship exemption process. Follow the instructions under Hardship Exemption in this chapter.

Reinstatements

Check FET before taking action to reinstate or reopen FIP to determine the family's 60-month FIP status to allow for timely 60-month cancellation when applicable.

1. Mr. E's FIP case is canceled effective March 1 for failure to provide income verification from a new job. March is Mr. E's 60th FIP month. On February 25, the requested information is received.

   Mr. E remains prospectively eligible. The worker reinstates FIP for March. In March, the worker takes necessary action to timely cancel FIP effective April 1 because of the 60-month limit. The worker also issues form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months**, to Mr. E.

   NOTE: If timely notice requirements delay the 60-month FIP cancellation until May 1, FIP issued for April is subject to recoupment unless the family requests and is approved for a hardship exemption that includes April. FET entries are required to document either outcome.

2. Same as Example 1, except Mr. E is prospectively ineligible. FIP is canceled effective March 1 because of the projected income. Mr. E will have one FIP month left to use should he reapply.

   NOTE: If it is too late to cancel FIP for March 1, FIP must be canceled effective April 1. FIP issued for March is subject to recoupment because Mr. E is prospectively **ineligible** for that month.

   However, since Mr. E did receive FIP for March, the month is counted toward the 60-month limit. March is Mr. E's 60th FIP month even though FIP for that month is subject to recoupment.

   A *Notice of Decision* is issued informing the family that FIP is canceled effective April 1 due to excess income. A second notice must be sent to inform the family that FIP is canceled effective April 1 because the 60-month FIP has ended.

Impact on Different Family Compositions

The following sections explain the impact of the 60-month limit on:

- Two-parent families
- Stepparent families
- Situations when a new "adult" joins the household

- Minor parent
- Families with a member that could qualify for State Supplementary Assistance dependent person benefits

Two-Parent Families

In two-parent families, months of assistance are counted for each parent. When two parents in a two-parent family have different FIP counts, the parent with the higher FIP count determines the family's 60-month limit.

Therefore, when a parent who has received FIP for 60 months joins a participant family that has not received FIP for 60 months, FIP eligibility can continue only if the participant family submits form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** and is approved for a hardship exemption. See Hardship Exemption for details.

When a FIP participant reports that the absent parent has returned to the home, check FET for the status of the returning parent's number of FIP months. If FET indicates the parent has received FIP for 60 months, cancel the FIP case effective the first day of the next calendar month. Give timely notice. Issue form 470-3826 or 470-3826(S) to the family.

If timely notice cannot be met, cancel FIP effective the second month. Excess assistance for the first month is subject to recoupment unless the family requests and is determined eligible for a hardship exemption that includes the first month. Make entries on FET to reflect the first month as either being subject to recoupment (or as a hardship exemption month, if applicable).

Mrs. A and her two children have been on FIP for 34 months. On January 5, Mr. G, one of the children's fathers, returns to the home. Mrs. A reports Mr. G's return the next day.

The IM worker checks FET and finds that Mr. G has received FIP for 60 months on two other FIP cases. Even though Mrs. A has received FIP for only 34 months, FIP must be canceled because Mr. G has received FIP for 60 months.

Because Mr. G. caused the 60-month cancellation, he must be entered on Mrs. A's FIP case to record his attachment to her case. The worker makes entries to deny his needs, using notice reason code 920.

The next processing day, the worker issues timely notice and cancels Mrs. A's FIP case effective February 1. The worker also sends out form **470-3826** or **470-3826(S), Request for FIP Beyond 60 Months** to the family.

Had Mr. G's return not been reported in time for timely notice, FIP would be canceled effective March 1. FIP issued for February would be subject to recoupment unless the family qualified for a hardship exemption that includes the month of February.

Stepparent Families

For parental cases with a parent and stepparent in the home, the entire family is ineligible when either the parent or the stepparent has received FIP assistance for 60 months.

For nonparental cases, when a stepparent is acting as a needy nonparental caretaker, only the stepparent is ineligible at the end of the 60-month period. FIP for the stepchildren may continue.

For both parental and nonparental cases, months of assistance received by the family count for the stepparent if the stepparent's needs are included in the grant. If the stepparent's needs are not included in the grant, months of assistance received by the family are not added to the stepparent's count.

1. Mrs. R applies for FIP for herself and her child. Also in the home is Mr. R, the child's stepparent. Mrs. R has used 48 months of assistance and Mr. R has used 60 months. The family is ineligible for FIP unless they qualify for a hardship exemption.
2. Mr. S applies for FIP for himself and his stepson as a needy nonparental caretaker. Mr. S has used 60 months of assistance. Mr. S is ineligible for FIP unless he qualifies for a hardship exemption, but he can receive FIP for the child without regard to hardship.

When Another "Adult" Joins an Existing FIP Household

Each "adult's" FIP months are counted toward the family's 60-month limit unless exempt. When a person who is subject to the 60-month limit joins an existing FIP household, check FET to determine that person's FIP count and the impact on the FIP household.

Unless exempt from PROMISE JOBS referral, the person must sign an FIA before being added to the case. See Family Investment Agreement.

1. Mrs. D is receiving FIP for herself and her two children, whose father is absent. Also in the home is Mr. W, the father of Mrs. D's expected child. On June 1, Mrs. D has received FIP for 13 months. On June 10, Mrs. D reports the birth of the common child on June 9, making Mr. W a mandatory household member.

   Mr. W refuses to apply for benefits from other sources. As a result, he is considered as an excluded parent. The worker checks FET and finds that Mr. W was a parent on another FIP case for 19 months. Mr. W has no income.

   The worker adds the baby to Mrs. D's FIP case effective June 17 and adds Mr. W to the FIP case as an excluded parent. June is month 20 for the family, because June is the month for which the baby is added and Mr. W. becomes an excluded parent.

2. Same as Example 1, except Mr. W has countable income that must be verified. On June 23, the requested verification is received. The income will reduce the grant.

   Because it is too late to give timely notice to reduce the July FIP grant, the baby cannot be added until August 1. Therefore, Mr. W cannot become an excluded parent until August 1. August is month 20 (rather than 21) for the family, because August is the first month that the excluded parent has a child on the FIP grant. Excess FIP issued for July is subject to recoupment.

3. Mrs. D and her two children receive FIP. On April 1, Mrs. D has received FIP for 29 months. On April 4, Mrs. D reports that Mr. D, the children's stepfather has moved into the home. The worker checks FET and finds that Mr. D received FIP for 53 months on another case.

   If Mr. D. is added to the grant as an incapacitated stepparent, months of assistance will continue to count for him and the family will be ineligible when he reaches month 60. If Mr. D's needs are not included in the grant, his count will remain at 53.

4. Mrs. E has a nonparental FIP case for her two stepchildren. On May 15, she asks to be added to the grant as a needy specified relative. The worker checks FET and finds Mrs. E has previously received FIP for 35 months on her own parental case. The worker adds Mrs. E to the grant effective May 22. May is month 36 for Mrs. E.

   Should she remain on the FIP grant with the stepchildren, only Mrs. E will become ineligible at the end of the 60-month period. FIP for the stepchildren may continue.

Minor Parent

When a minor parent and child receive FIP on the adult parent's case, and the adult parent becomes ineligible due to the 60-month limit, the minor parent may apply for FIP as a minor parent living with a self-supporting parent.

1. Mrs. T receives FIP for herself; her two sons, aged 11 and 14; her 16-year-old daughter, Mary; and Mary's three-month old child. Mrs. T's FIP case is canceled effective February 1 because she has received FIP for 60 months.

   On February 5, Mary applies for FIP for herself and her child. They are still living in Mrs. T's home. Her application is approved effective February 12. A new FIP case is established for Mary and her child. Because Mary is payee on her own FIP case now, February is month one of her 60-month FIP period.

2. Ms. B is a 17-year-old parent who was granted good cause to live independently with her ten-month-old child. FIP assistance she receives on her own case is counted toward the 60-month limit. As of March 1, she has received six months assistance while payee for her own case.

   On March 15, Ms. B reports that she and her child have moved back to her mother's home. The adult parent is on FIP with Ms. B's two siblings. The worker cancels Ms. B's FIP case effective April 1.

   Ms. B and her child are added to the adult parent's FIP case effective April 1. FIP assistance Ms. B receives while a child on her adult parent's case is not counted toward Ms. B's 60-month limit.

Ms. B turns 18 in November. She and her child are removed from the adult parent's FIP case effective December 1. On December 3, she reapplies for FIP for herself and her baby.

FIP for Ms. B and her child is approved effective December 10. Because Ms. B is payee on her own FIP case, she is again subject to the 60-month limit. December will be month seven of Ms. B's 60-month period.

Dependent Person

The term "SSI" also includes payments from the State Supplementary Assistance program, including dependent person payments. Therefore, treat the person who receives State Supplementary Assistance payments the same as an SSI recipient.

To be eligible for a State Supplementary Assistance dependent person allowance, the dependent person must be considered financially needy. A person who is eligible for FIP is not considered financially needy. Consequently, FIP eligibility must be examined first before the dependent person determination can be made.

When a family becomes ineligible for FIP due to the 60-month limit, FIP has no policy that requires the family to request additional FIP assistance under the hardship exemption provisions. However, dependent person policy requires the family to request and be determined ineligible for the hardship exemption. Dependent person eligibility does not exist if the family chooses not to apply for a hardship exemption.

1. In the home are Mr. and Mrs. A and their two children. Mr. A is disabled and he receives SSI. Mrs. A receives FIP for herself and the two children. Effective January 1, the family's FIP case is canceled because Mrs. A has received FIP for 60 months. The family's subsequent request for a hardship exemption is denied.

   If Mrs. A is approved for the State Supplementary Assistance dependent person program, she is considered the same as an SSI recipient. In that case, the 60-month FIP limit no longer applies to the family.

The family may reapply for FIP for just the children. FIP eligibility stops when either parent in the home becomes ineligible for SSI or the dependent person program, respectively.

2. Ms. B receives FIP for herself and one child. Her other child in the home is an SSI recipient. Ms. B reaches her 60-month limit and her FIP case is canceled. Her subsequent request for a hardship exemption is denied.

   If Ms. B is determined eligible for the dependent person program, she can reapply for FIP for the child who is not on SSI. FIP eligibility for the child stops when Ms. B becomes ineligible for the dependent person program.

When a family reaches the 60-month limit and the parent has not been able to reach self-sufficiency because of the need to care for a disabled child or spouse who is a State Supplementary Assistance or SSI recipient:

- If it is possible for the parent to participate in PROMISE JOBS activities and take steps toward self-sufficiency or is only prevented from doing so on a short-term or temporary basis, the family should be considered for hardship.
- If the requirements of caring for the disabled child or spouse make it impossible for the parent to participate in PROMISE JOBS activities on a permanent or long-term basis, hardship should be denied and eligibility for the dependent person program considered.

1. Ms. C provides verification that she has been needed in the home to care for her disabled son, an SSI recipient. Although the requirements of caring for him have prevented her from becoming self-supporting, she is able to participate in PROMISE JOBS activities during the time he is in school, and work toward becoming self-supporting.

   If all other requirements are met, hardship is approved.

2. Mrs. D provides verification that she is needed in the home to care for her disabled husband, an SSI recipient. The doctor states that she will need to provide full-time care until her husband recovers from surgery. She is expected to be able to begin participating in PROMISE JOBS work activities in three months.

   If all other requirements are met, hardship is approved.

3. Ms. E provides verification that she is needed in the home to care to her disabled son, an SSI recipient. The son's condition requires full-time care and Ms. E does not have anyone who can provide the appropriate level of care while she participates in PROMISE JOBS activities. This situation is expected to continue for more than six months.

   Hardship is denied and eligibility for the dependent person program is considered for Ms. E.

Becoming Exempt from or Subject to the 60-Month Limit

A family that is subject to the 60-month FIP limit may become exempt from the limit.

Mrs. A and her two children receive FIP. As of March 1, the family has received FIP for 35 months. On March 5, the Social Security office notifies the IM worker that Mrs. A has been approved for SSI. She receives her initial SSI payment in March.

Because of Mrs. A's SSI status, the family is no longer subject to the 60-month limit. The worker removes Mrs. A's needs from the FIP case effective April 1. Starting with the April FIP grant, the family's FIP assistance will no longer be counted toward the 60-month limit.

On June 10, Mr. A, the father of one of the children returns to the home. Mrs. A reports his return the next day. Mr. A is not on SSI, and the family is no longer exempt from the 60-month limit. The worker checks FET and finds that Mr. A has received FIP for only 23 months. The worker adds Mr. A to the FIP case effective June 18.

The family's FIP count will remain at 35 months until Mr. A's FIP count surpasses Mrs. A's 35 FIP months. Mr. A's FIP count will continue to go up while he receives FIP for the family, even if he is not added to the FIP grant (e.g., if he is sanctioned because he refuses to apply for unemployment benefits). Mrs. A's FIP count will remain at 35 months as long as she remains on SSI.

A family that is exempt from the 60-month limit may later become subject to the limit.

Mr. B has been receiving FIP for his two children for over 60 months. Because Mr. B is an SSI recipient, FIP he receives for his children is not counted toward the 60-month limit.

In April, Mr. B is canceled from SSI. As a result, the family is no longer exempt from the 60-month limit. The worker adds Mr. B's needs to the FIP grant effective May 1. May will be the first month of the family's 60-month period.

SSI Approval After the 60-Month Limit

When the parent, both parents, or both the parent and stepparent have received FIP for 60 months and are later approved for SSI, FIP assistance may be granted for the children if all other eligibility factors are met.

Mr. and Mrs. M and their children have received FIP for 60 months. Their FIP case is canceled effective January 1. Mr. and Mrs. M are subsequently approved for SSI.

In July, the Ms reapply for FIP. FIP may be approved for the M children if they are otherwise eligible. FIP for the children may continue for as long as both parents in the home remain on SSI and the children remain eligible.

In December, Mrs. M reports that Mr. M has moved out. Mrs. M can continue to receive FIP for as long as she remains on SSI and the children remain eligible.

FIP Limit Appeals

Follow the instructions in 4-A, Appeals when processing appeals resulting from a 60-month FIP cancellation. In addition, use the following guidelines:

- **Reinstate** FIP when a family appeals the 60-month cancellation **before** the effective date of cancellation 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. Use notice reason code 208. Provide relevant information on the 60-month cancellation to the Appeals Section within the normal time frame.

- If FIP is canceled **before** the end of the family's 60-month period for a reason **other than** the limit, e.g., due to excess income, and the family files a timely appeal or appeals within 10 days from the date the notice is received, reinstate FIP in the normal manner. Then take action to timely cancel FIP at the end of the 60-month period.

  A separate appeal request is required if the family wishes to appeal the 60-month cancellation. If the family appeals before the effective date of the 60-month cancellation, reinstate FIP as described in the preceding paragraph.

- **Do not reinstate** FIP when the family appeals the 60-month cancellation **on or after** the effective date of cancellation or more than 10 days from the date the notice is received. Provide relevant information on the 60-month cancellation to the Appeals Section within the normal time limit.

- When a hardship exemption request is received while FIP is reinstated pending the outcome of an appeal of a 60-month FIP cancellation, process the hardship exemption request as described in Hardship Exemption.

- If the final appeal decision upholds the family, this may result in a revised 60-month ending date, which, in turn, may affect the family's six-month hardship exemption period.

The family's 60-month FIP period ends 12/31/01.

12/15/01	Worker enters the 60-month FIP cancellation effective 1/1/02.
12/20/01	Family appeals the FIP cancellation. FIP is reinstated for 1/1/02.
12/21/01	Family files a hardship exemption request, which the worker must act on.
01/18/02	Hardship exemption is approved from 1/1/02 through 6/30/02.
02/15/02	Final appeal decision upholds the family and determines a 3/31/02 ending date of the family's 60-month period.

A six-month hardship exemption period cannot begin until the family has received FIP for the entire 60-month period. Since the appeal decision moved the 60-month ending date to March 31, the six-month hardship exemption period cannot start until April 1.

The revised six-month hardship exemption is from April 1 through September 30. FET and ABC entries are required to reflect the revised 60-month period and the revised hardship exemption period.

The family must be issued a **Notice of Decision** about the revised hardship exemption period. The notice also informs the family to contact PROMISE JOBS because the six-month month FIA must be amended and that an LBP results for failing to do so. The IM worker notifies PROMISE JOBS about the revised hardship exemption period.

If the final appeal decision upholds the Department, excess FIP assistance is subject to recoupment.

Refer to Hardship Appeals for additional information on appeals involving both the 60-month FIP cancellation and a hardship exemption denial.

FIP Limit Overpayments and Underpayments

When FIP issued for a month in the 60-month period is subject to recoupment, the month is still considered toward the 60-month limit.

As of May 1, Mrs. A has received FIP for 49 months for herself and her children. On May 20, she reports a new job. On May 24, she provides the requested income verification.

Based on the new earnings, Mrs. A is prospectively ineligible as of June. However, it is too late to issue the required timely notice to cancel FIP for June. Therefore, the worker cancels Mrs. A's FIP case effective July 1. Even though FIP issued for June is subject to recoupment, June is month 50 of Mrs. A's 60-month FIP period.

FIP issued beyond the 60-month limit is subject to recoupment. FIP may be issued beyond a family's 60-month limit for any of the following reasons:

- Pending the outcome of an appeal of the 60-month FIP cancellation when the final appeal decision upholds the Department.
- Due to worker error in properly coding months that are subject to the 60-month limit, preventing FET from counting those months.
- When the required timely notice to cancel FIP at the end of the 60-month limit cannot be met.

- Due to discovery of out-of-state months of assistance that, when combined with months received in Iowa, exceed the 60-month limit.

Recoup excess assistance unless the family requests and is determined eligible for a hardship exemption for any of the overpayment months. No overpayment is due for any month that exceeds the 60-month limit that becomes part of the six-month hardship exemption period. Refer to Hardship Overpayments for more information.

As in other situations that result in the client receiving fewer benefits than the amount for which eligible, make corrective underpayments when you discover the client received an underpayment as a result of an incorrect 60-month FIP count. Follow the instructions in 4-H, Underpayments.

> The family's 60-month FIP period is canceled effective January 1. In February, the worker discovers that the family's 60-month period should not have ended until January 31. The worker must determine retroactive corrective benefits for January. The family is responsible for providing all information necessary to determine FIP eligibility and benefit amount for January.

Minor Parents

Legal reference: 441 IAC 41.22(15)

To receive FIP assistance, a minor parent and the dependent child in the minor parent's care must live in the home of the minor parent's adult parent or legal guardian, unless good cause for not living with the parent or guardian is established.

A "minor parent" is a parent who is less than 18 years of age and has never been married. A person whose marriage is annulled is not considered to have been married. A common-law marriage does not apply to minors because of the statute requiring parental consent to obtain a marriage license.

"Living in the home" of the parent or legal guardian includes living in:

- The same apartment.
- The same half of a duplex.
- The same condominium or row house.
- An apartment in the home of the adult parent or legal guardian.

Two minor parents who live together with their common child must live in the home of the adult parent or legal guardian of one of the minor parents or establish that **both** of them have good cause for not living with their parent or legal guardian.

> Ms. A and Mr. B are minor parents who apply for FIP for themselves and their common child. They can meet the requirement by living with either Ms. A's or Mr. B's parents or legal guardian. Since they live with Mr. B's parents and all other eligibility requirements are met, FIP is approved.

When a two-parent household consists of a minor parent, a parent who is not a minor, and their common child, they must live with a parent or legal guardian of the minor parent or establish good cause for not living with a parent or legal guardian of the minor parent.

See Defining the Number of Eligible Groups in a Household: Minor Parent, for information on who to include in the eligible group.

> Ms. C, a minor parent, applies for FIP for herself, her boyfriend Mr. D, and their common child. Mr. D is 21 years of age. Ms. C is not living with her parent or legal guardian and does not establish good cause. The FIP application is denied.

Make an entry on the ABC system to indicate each minor parent's living situation:

- Living with self-supporting parents.
- Living in a three-generation FIP household.
- Living with a legal guardian.
- Living independently with good cause.
- Living with a nonparental specified relative with good cause.

Make an entry when pending or approving the FIP case, or when there is a change in the living situation.

A minor parent determined to have good cause for not living with a parent or legal guardian must attend FaDSS or another family development program. PROMISE JOBS will include the family development participation in the minor parent's Family Investment Agreement.

The following sections address:

- The consequences of a minor parent's failure to live with a parent or guardian
- What is required to establish good cause for not living with a parent or guardian

Failure to Live with Parent or Guardian or Establish Good Cause

Legal reference: 441 IAC 41.22(15)

When a minor parent applicant or participant does not live with an adult parent or legal guardian **and** does not establish good cause, the minor parent and the dependent child in the minor parent's care are not eligible for FIP assistance.

For **applicants**, determine whether the minor parent and child are living with a parent or legal guardian or have good cause as of the date of the application.

- If the minor parent and child are living with a parent or legal guardian on the date of the interview or have good cause not to, approve the FIP application as early as seven days from the application date, if otherwise eligible.
- If the minor parent and child are not living with a parent or legal guardian on the interview date and they do not have good cause, deny the FIP application.

See 4-G, Effective Date of Adjustment for information on what to do if the applicant moves out of the parent or legal guardian's home after the date of interview but before the date of decision on the application.

For **participants**, redetermine continuing eligibility when changes occur. If the minor parent does not continue to live with a parent or legal guardian or have good cause, cancel the case effective the first of the month following the change, subject to timely notice.

When timely notice cannot be met, cancel FIP assistance for the minor parent and child effective the second month after the change. Recover excess assistance issued in the first month after the change.

1. Ms. E, a minor parent, applies for FIP for herself and her child on May 1. On May 9, at the application interview, Ms. E reports that she moved in with her self-supporting parents on May 6. Because she is living with a parent as of the date of interview, and meets all other eligibility requirements, FIP is approved effective May 8.

2. Ms. F, a minor parent living independently, applies for FIP for herself and her child on May 1. At the application interview on May 9, she claims good cause for not living with a parent or legal guardian. The worker requests verification of the good cause claim.

   Ms. F provides the requested verification on May 14. Good cause is determined to exist and all other eligibility requirements are met. FIP is approved effective May 8.

3. Ms. G, a minor parent, applies for FIP for herself and her child. Ms. G states she is planning on moving in with her parents next month. However, on the date of interview, Ms. G is living independently and does not have good cause for not living with a parent or legal guardian. The FIP application is denied.

4. Ms. H, a minor parent, applies for FIP for herself and her child. She is living with her self-supporting parents on the date of interview, January 10. On January 17, while the application is still pending, Ms. H reports that she has moved out of her parent's home. She does not claim good cause, so the FIP application is denied.

5. Same as Example 4, but Ms. H claims good cause. The worker requests verification of the claim. The application remains pending until the good cause determination is made.

6. Ms. I, a minor parent, applies for FIP for herself and her child. Ms. I is living with her self-supporting parents on the date of interview, July 10. On July 27 the FIP application is approved.

   On July 29 Ms. I reports that she moved out of her parents' home July 25. She does not establish good cause. Her FIP benefits are canceled effective September 1 and the benefits for August are subject to recovery.

7. Ms. J, a minor parent, receives FIP for herself and her child while living with her self-supporting parents. In December, while still a minor parent, she moves out of her parent's home. Ms. J does not establish good cause for not living with a parent or legal guardian. Her FIP case is canceled effective January 1.

Good Cause for Not Living with a Parent or Guardian

Legal reference: 441 IAC 41.22(16), 41.22(17)

Each minor parent applicant or participant who is not living with an adult parent or legal guardian has the opportunity to claim good cause for not living with a parent or legal guardian. Good cause exists when at least one of the following applies to each parent of the minor parent (or to the legal guardian):

- The parent or guardian is deceased, missing, or living in another state.
- The parent or guardian is incarcerated or otherwise lives at a residence that prohibits the minor parent and child from living with the parent or guardian. Good cause is considered to exist for as long as the person lives at the facility.
- The minor parent is in a foster care supervised apartment living arrangement.
- The minor parent is participating in the Job Corps solo parent program.
- The parent or guardian refuses to allow the minor parent and child to return home AND the minor parent is living with a specified relative, aged 21 or over, on the date of interview, and the specified relative is the applicant and payee.
- The minor parent and child live in a maternity home or other licensed adult-supervised supportive living arrangement as defined by the Department of Health and Human Services.
- The physical or emotional health or safety of the minor parent or the child would be jeopardized if the minor parent is required to live with the parent or guardian.

  The physical or emotional harm must be of a serious nature to justify a finding of good cause. Physical or emotional harm includes situations of documented abuse or incest. Consider the following when deciding if good cause exists based on emotional harm:

  - The present emotional state of the person subject to emotional harm.
  - The emotional health history of the person subject to emotional harm.
  - The intensity and probable duration of the emotional harm.
- Other circumstances exist which indicate that living with the parents or legal guardian will defeat the goals of self-sufficiency and responsible parenting.

NOTE: Refer situations with "other circumstances" to the administrator of the Division of Adult, Children and Family Services for determination of good cause. Make the referral in a memo explaining the situation and requesting a decision on the good cause claim. Attach a statement from the minor parent and copies of all relevant verification.

The following sections explain:

- Responsibilities in relation to a minor parent's potential good cause claim
- Verification of a good cause claim
- Making the decision about good cause for not living with an adult

Worker Responsibilities

Legal reference: 441 IAC 41.22(18), 41.22(19)

Issue **Comm. 133, FIP for Minor Parents** when:

- A minor parent applies for FIP.
- You determine a minor parent participant no longer lives with a parent or legal guardian.

If the minor parent claims good cause:

- Discuss with the minor parent the reason for the good cause claim.
- Discuss with the minor parent possible sources of verification and if needed, offer suggestions as to how to obtain them.
- Give the minor parent a written request for the necessary verification with a due date.
- Notify the minor parent of the right to request an extension of the time period for providing verification, if needed. Document any extensions of the deadline in the case record.
- Notify the minor parent of the right to request assistance in obtaining the verification when needed, by signing releases to allow you to contact third parties.
- Check the Family and Children Services (FACS) computer system to find out if a service case is open or has previously existed for the minor parent. If a service case is found, contact the service worker to determine if the service worker has any information that would help you in making a decision on the good cause claim.

Further investigation of good cause may be necessary if the client's claim and the supporting evidence are not enough to make a decision. Notify the client in writing if additional supporting evidence is needed, what types of documents or signed releases are needed, and the date due.

Verification of a Good Cause Claim

Legal reference: 441 IAC 41.22(19)

The client must prove the existence of good cause circumstances. Evidence must be provided within ten days from the date you request it. Allow additional time, at the client's request, when the client is making an effort to obtain the information but is unable to do so.

If requested, the client must also provide additional evidence that may be needed to establish good cause. Failure to cooperate in meeting this requirement is a basis for determining that good cause does not exist.

A good cause claim may be corroborated with one or more of these kinds of evidence:

- Court, medical, criminal, child protective services, social services, psychological, or law enforcement records which indicate that the parent or legal guardian might inflict physical or emotional harm on the minor parent or child.
- Medical records that indicate the emotional health history and present emotional health status of the minor parent or child.
- Written statements from a mental health professional indicating a diagnosis or prognosis concerning the emotional health of the minor parent or child.
- Sworn statements from people other than the applicant or participant with knowledge of the circumstances that provide the basis for the good cause claim. Written statements from the client's friends or relatives are not sufficient alone to grant good cause based on physical or emotional harm, but may be used to support other evidence.
- Notarized statements from the parents or guardian or other reliable evidence to verify that the parent or guardian refuses to allow the minor parent and child to return home.

- Court, criminal, child protective services or other records which verify that:
  - The parents or legal guardian of the minor parent are deceased, missing, living in another state, or living in a facility that prohibits the minor parent and child from living there, or
  - The minor parent is in a foster care supervised apartment living arrangement, the Job Corps solo parent program, a maternity home or other licensed adult-supervised supportive living arrangement.

Good Cause Claims Due to Abuse

When a minor parent claims good cause because of abuse, in addition to the other possible sources of verification, ask the minor parent to give permission for you to check the Central Abuse Registry to see if an abuse determination has been made.

To give permission, the "adult" in the family must complete two forms:

- **Authorization for Release of Information, 470-0461**, stating that you are authorized to obtain information from the Central Abuse Registry and the service worker. Also specify on the release that the staff doing the child abuse check provide the status of the child abuse report and the name, worker number, and phone number of the service worker involved.
- **Request for Child and Dependent Adult Abuse Information, 470-0643**. Have the adult complete Section I of the form. Complete Section II of the form yourself.

Send or give a copy of both completed forms to the person authorized to access information in the Central Abuse Registry for your area.

If the Registry shows that the alleged abuse has been **founded or registered**, contact the service worker involved to confirm that the physical or emotional health or safety of the child is at risk. If that worker is no longer an HHS service worker, contact the service supervisor to request that the supervisor or another service worker check the records.

If nothing appears on the Registry, this indicates that the alleged abuse either was never reported or was not investigated or assessed, or that the abuse report was not confirmed. It may also be that the abuse was confirmed but not placed on the Registry.

Thus, lack of such a report on the Registry in itself is not sufficient to deny the minor parent's good cause claim due to abuse. Check with the service worker involved to see if the service worker has identified concerns for the safety of the minor parent or child which, together with the other available evidence, serve to corroborate the claim.

A check of the Central Abuse Registry is just one method by which to substantiate alleged abuse. The minor parent may provide other corroborating evidence, such as court, medical, psychological, psychiatric, social services, or law enforcement records that indicate (potential) physical or emotional harm to the minor parent or child by the adult parent or legal guardian.

If a minor parent claims good cause because of abuse that has not been reported to child protective services, you as a mandatory reporter must make a report to child protective services according to local procedures.

Make the report within 24 hours. If you report orally, also make a written report within 48 hours of your oral report. The results of this investigation may help to establish whether good cause exists.

Making the Decision About Good Cause

Legal reference: 441 IAC 41.22(16), 41.22(18)

Determine each good cause claim at the earliest possible date. Do not use the 30-day limit for processing applications as a waiting period before making a decision or as a basis for denying the application. Extend the time frame only if you and the client have made every reasonable effort but have been unable to get the needed evidence within the time limit.

Notify the client in writing of your decision whether good cause does or does not exist. This notification must explain the decision and the basis for the decision. Keep a copy of the notification in the case record.

When you determine that good cause **does not** exist, also deny the application or cancel the case.

When you determine that good cause **does** exist, also:

- Enter a code on the Automated Benefit Calculation (ABC) system to indicate the good cause reason.

- Review the decision at least every six months if the good cause circumstance is subject to change.

If circumstances change so that good cause no longer exists, notify the participant in writing and proceed to enforce the requirements.

Persons Who Misrepresent Their Place of Residence

Legal reference: 441 IAC 46.29(239B)

A person who is convicted in any state or federal court of having made a fraudulent statement or misrepresentation about the person's place of residence in order to get assistance from two or more states at the same time is ineligible for FIP for ten years.

The disqualification from FIP applies to people who are convicted of having fraudulently obtained assistance from two or more states at the same time from programs under:

- Title IV-A of the Social Security Act, which includes FIP (if in Iowa) or AFDC or TANF (if in another state), but does not include Refugee Cash Assistance; or
- Title XIX of the Social Security Act (Medicaid); or
- Food Stamp Act of 1977; or
- Supplemental Security Income (SSI) program under Title XVI.

The ten-year disqualification period begins on the date the person is convicted. Impose the disqualification on people who are active or inactive on FIP. Do not delay the disqualification for people already excluded from FIP who chose a limited benefit plan or who failed to cooperate with other program requirements. Once a disqualification penalty is imposed, the disqualification continues uninterrupted until completed.

The disqualification applies only to the convicted person. Follow the instructions in Treatment of Income and Resources of Disqualified People. Give timely notice when removing the convicted person from the grant.

If a court decision is pending, include the person's needs in the FIP eligible group until the court decision is made. If the person is convicted, remove the person's needs from the grant beginning the month following the month of conviction. When timely notice cannot be met, remove the person's needs effective the next month. Recover excess assistance issued for any months following the month of conviction.

Consider a conviction in another state the same as a conviction in Iowa. Exclude the person until the ten-year disqualification period imposed by the other state has ended.

Criminal convictions are public records. If a conviction is reported to you, contact the clerk of court in the county (of the state) where the person was convicted for verification of the person's conviction and to determine the ten-year disqualification period. Document the findings in the case record.

Failure to provide needed information about the convicted person when so requested results in FIP ineligibility for the entire household. See 6-G, Making Fraud Referrals for information on referring suspected fraud to DIAL.

NOTE: The disqualification does not apply to a convicted person who is pardoned by the President of the United States, beginning with the month after the pardon is given.

See 4-G, Establishing the Date of Application and Eligibility for information on adding a person to the eligible group after the disqualification period has ended.

Treatment of Income and Resources of Disqualified People

Legal reference: 441 IAC 41.26(239B), 41.27(239B)

During the disqualification period, do not divert income to the needs of any disqualified person living in the home. If the disqualified person is a parent, treat the parent's income and resources in accordance with 4-D, Whose Resources to Count and 4-E, Excluded Parent.

Also, do not consider the income and resources of a **needy** specified relative whose needs are removed from the grant due to a disqualification. Stop counting the person's income or resources beginning with the first payment month after removing the needs of that person.

When the disqualified person is a nonneedy, nonparental specified relative, the income and resources of that person are exempt. However, the nonneedy relative is not eligible for FIP on any case until the disqualification period is over.

> Mrs. A receives FIP for her three grandchildren. Her needs are included because she is determined needy. While on the grant, Mrs. A is found guilty of misrepresenting her place of residence. Her needs are removed from the grant effective December 1. Any income or resources of Mrs. A will not be counted beginning with the December benefit month.

When the disqualified person is an incapacitated stepparent whose needs are included in the FIP grant, remove the person from the grant.

Follow the usual stepparent policies, **except** do not divert income for the stepparent's own needs during the disqualification period. Allow appropriate diversions for the needs of the stepparent's ineligible dependents living in or outside the home as described in 4-E, Stepparent Income.

Residency

Legal reference: 441 IAC 41.23(239B)

A child must be a resident of Iowa to be eligible for FIP. Consider a person a resident of Iowa if the person meets one of the following criteria:

- The person is living in Iowa voluntarily, intends to make a home in the state, and is not in Iowa for a temporary purpose.
- The person does not receive assistance from another state and entered Iowa with a job commitment or to seek employment, whether or not the person is currently employed. In this case, the child is a resident of the state in which the caretaker is a resident. This policy allows migrants, itinerant workers, and their families to meet the residency requirement and receive FIP if otherwise eligible.

Consider a child a resident of Iowa if living in the state as part of a plan by the person responsible for the child's care, custody, and control. Do not consider a person a resident of Iowa if:

- Living in Iowa on a temporary basis.
- In Iowa solely on vacation. (For example, a child who lives with a parent in another state spends the summer with the other parent in Iowa.)

People in Iowa to attend school are not considered to be here temporarily. This includes foreign students. Children who meet citizenship requirements and are otherwise eligible are entitled to FIP assistance, regardless that their parents are foreign students. (NOTE: While foreign students may meet residency requirements, they may be ineligible for FIP, depending on their alien status. See 4-L, Alien Status for more details.)

Residency continues until the client has left the state. When a person temporarily leaves the state but plans to return, do not cancel assistance based on residency requirements.

Continued maintenance of a home in Iowa or the fact that most household goods remain in the state is considered evidence of temporary absence from Iowa. However, the acceptance of employment or the enrollment of the child in school in the other state is an indication that Iowa residency may have been abandoned. Discuss with your supervisor any case in which you question whether the participant is out of the state temporarily or permanently.

School Attendance

Legal reference: 441 IAC 41.21(1), 41.24(1); Iowa Code section 239.5B

Policy: A needy child can receive FIP assistance until the age of 18 regardless of school attendance.

FIP is available to a needy 18-year-old child only if the child is:

- A full-time student (see Defining Full-Time School Attendance), and
- Reasonably expected to complete training before the child's nineteenth birthday or any time during the month of the nineteenth birthday, unless the birthday is on the first of the month. For example, a child turning 19 on May 2 and completing training on May 23 is eligible through May.

A child between the ages of 16 and 18 who does not attend school full time must cooperate with PROMISE JOBS.

Procedure: Document in WISE if a child aged 16-18 is a full-time student or not. Documentation may include narration of the client's statement about the child's student status, a statement from the client on the application or RRED about the child's student status, or if the status is questionable, verification of the child's student status form the school. Student status for a 16–18-year-old child mut be documented when a child turns 16, at application, and at review. If the 16–18-year-old is not a full-time student, or the household does not respond to a request for clarification of the child's student status, refer the child to PROMISE JOBS.

Prior to a child turning 18, obtain written verification from the school or institution of the date the student is expected to complete requirements for graduation. You need a signed release or form **470-1638, Request for School Verification** before contacting the school.

Defining Full-Time School Attendance

Legal reference: 441 IAC 41.21(1)

Policy: A person is in school full time if enrolled or accepted in a full-time elementary school, secondary school, or equivalent level of vocational, technical, or training school, including Job Corps. The school or program must lead to a certification or diploma. Do not allow correspondence school as a program of study.

Procedure: Consider a person to be attending school until officially dropped from the school record. Continue assistance for a reasonable period of time when a person's education is temporarily interrupted because of a change in the education or training program.

The school determines whether the student's hours of attendance are considered full time. Obtain a statement from school officials if you question full-time status of a student who is:

- Working on a GED.
- Enrolled in a "drop-in" school.
- Enrolled in any other public educational program that has irregular or shortened hours.

Consider a person to be in school full time, regardless of any of the following:

- Official school vacation
- Training program vacation
- Illness
- Convalescence
- Family emergency

Consider a child who receives home schooling the same as any other student, provided:

- The home schooling arrangement is certified by the school system. Obtain any needed verification of student or attendance status from the school system that certified the arrangement. A signed release from the client is needed (the same as when a child is enrolled in a regular school setting), or
- The parent states they are home schooling the child and they consider the instruction full time and the home schooling will lead to a diploma or certificate (this could be a high school equivalency diploma or a certificate the parent makes up).

Graduate Students

Legal reference: 441 IAC 41.25(6)

Students enrolled in an educational program leading to a degree beyond a bachelor's degree and their families are ineligible for FIP.

Programs leading to a degree beyond a bachelor's degree include programs to obtain a master's degree; a Ph.D.; a doctor of medicine (M.D.), chiropractic, or veterinary medicine; or other advanced degree. Students enrolled in these advanced degree programs and their families are ineligible for FIP, whether or not they have already received a bachelor's degree.

If the type of program a student is enrolled in is questionable, verify it with the school.

1. Ms. A applies for FIP for herself and her child. She is enrolled in a master's degree program at the university. FIP assistance is denied for Ms. A and her child because she is enrolled in a program leading to a degree beyond a bachelor's degree.
2. Ms. B applies for FIP for herself and her child. She is enrolled in a bachelor's degree program. If otherwise eligible, she and her child are approved for FIP. Ms. B would also be able to receive FIP if she was enrolled in a program to receive an associate's degree, LPN, RN, or other degree that is **not** beyond a bachelor's degree.
3. Mr. and Mrs. C apply for FIP for themselves and their children. Mr. C has been admitted into the doctor of dentistry program, even though he has not yet completed his bachelor's degree. FIP assistance is denied for the entire family, because Mr. C is enrolled in a program leading to a degree beyond a bachelor's degree.

Social Security Number

Legal reference: 441 IAC 41.22(13)

As a condition of eligibility, all applicants and members of the eligible group must either provide a social security number (SSN) or provide proof that an SSN has been applied for, but has not yet been issued or is not known. If a person proves that number has been applied for, do not delay or deny FIP assistance pending issuance or verification of the number.

Do not include in the eligible group the needs of any person for whom:

- A valid SSN has not been provided, or
- An application for an SSN has not been made, or
- Proof of application for an SSN has not been provided, or
- The number has not been reported within the defined period.

EXCEPTION: Battered aliens may receive FIP before applying for an SSN. See 4-L, Battered Aliens for more information.

If the excluded person is the parent or needy specified relative, that person may still act as payee for any eligible children. An SSN or proof is not required of a payee who is not a member of the eligible group.

Pend the application to allow the applicant additional time if the applicant cannot apply for a number because of circumstances beyond the applicant's control. Determine whether the applicant is **refusing** to meet the requirement or is **unable** to meet the requirement right away.

> The child was born in another state and the applicant has difficulty in getting the verification needed to apply for an SSN for the child. The applicant is not refusing to meet the requirement but is unable to meet it immediately.

If a grant can be approved for some members but not for other members because of the SSN requirement, offer the applicant the following alternatives:

- Pend the application until all members are eligible. The grant, covering all members, will then become retroactive to seven days after the date of application or the date the family was otherwise eligible, whichever is later.
- Approve the assistance grant for the members who are immediately eligible, with the expectation that the other members will be added to the grant after a proof of SSN application is provided.

There is no retroactive payment for members who are added at a later date. The date of application to add the previously excluded members is the date the participant provides you with proof of application for the SSN.

1. Ms. A applies for assistance on April 1 for herself and her child, who was born in Utah. Ms. A hasn't been able to get the child's birth certificate to apply for an SSN. Her application is pending. On June 2, Ms. A receives the birth certificate and applies for the child's SSN. She provides proof on June 3. If otherwise eligible, Ms. A receives assistance retroactive to April 8.
2. Ms. B applies for assistance on March 10. She has applied for an SSN for one of her two children, but is having trouble getting a birth certificate for the other. She elects to receive assistance for herself and one child. On March 25, the assistance is approved effective March 17 for Ms. B and the one child.

   On April 15, Ms. B receives the necessary verification and applies for an SSN for the second child. On April 18, she provides proof of application for the second child's SSN. If otherwise eligible, the child is added to the grant effective April 25.

When the FIP application is pended, make monthly contacts with the applicant to determine if the applicant is making continued efforts to secure the necessary documentation or verification.

The following sections address:

- Obtaining the social security number
- Failure to give or supply a social security number
- Social security number requirements for newborns
- Follow up after receiving proof of application for a Social Security Number
- Verifying a social security number

Obtaining a Social Security Number

A client can obtain a social security number (SSN) in several different ways:

- The client can use form **SS-5, Application for a Social Security Number Card**. This form results in the Social Security Administration (SSA) automatically notifying the Department when the number has been received. See **14-G, Social Security Number Verification** for more information.
- The client can apply directly to the SSA and give the Department a receipt from SSA, form **SSA-5028, Proof of Application**. The client must also report the number to the Department upon receipt.

- Through the "Enumeration at Birth" project, the client can apply for a number for a newborn child at the hospital where the child was born. If an infant is born in a hospital, consider that an SSN has been applied for. The client must report the number to the Department upon receipt. If the number is not provided in a reasonable time, follow normal procedures to request the number.

For a client who is a qualified alien that is not authorized to work in the U.S.:

- complete **470-5745, Enumeration Referral**,
- sign the form in blue ink,
- include the form with the RFI requesting the client apply for an SSN, and
- inform the client they must take the form to the SSA when they apply for an SSN.

Inform the client that the SSA requires proof of age, identity, and citizenship or alien status when applying for an SSN. Help the client to get these documents, if necessary. For example, the client may need help in getting a certified copy of a birth certificate when a child was not born in Iowa.

See 4-L, Battered Aliens for information on how a battered alien obtains an SSN.

Failure to Give or Apply for a Social Security Number

Legal reference: 441 IAC 41.22(13)

If an applicant refuses to give or apply for an social security number (SSN) for a member of the eligible group, do not include the needs of that member when approving the application. If the applicant fails to apply for or provide a number for the only eligible child, deny the entire application.

If a participant refuses to give an SSN for a member of the eligible group, remove the individual from the eligible group. If the participant fails to provide a number for the only eligible child, cancel the entire case.

With the exception of newborns, do not add a person to an existing FIP case without that person's SSN or proof of application for an SSN.

1. A mother with two children refuses to apply for a SSN for the younger child. The younger child is not included in the eligible group.
2. A mother with one child refuses to apply for a SSN for the child. The case is ineligible.

When adding a person who has been excluded from the eligible group for failure to provide an SSN or proof of application for the number, the date of application is the date when the SSN or the proof of application is provided. The effective date of eligibility is seven days after the date that the number or proof is provided.

> Ms. T and two of her children receive FIP. A third child is excluded from the grant due to lack of a SSN. On May 5, Ms. T provides proof of application for the excluded child's number. The child is added to the grant effective May 12.

EXCEPTION: Battered aliens may receive FIP before they apply for an SSN. See 4L, Battered Aliens for more information.

Social Security Number Requirements for Newborns

Legal reference: 441 IAC 41.22(13)"b"

When a baby is born in a hospital, consider that a social security number (SSN) has been applied for through the "Enumeration at Birth" project. The client must report the number to the Department upon receipt. If the number is not provided within three months from the date of birth, follow normal procedures to request the number.

> Ms. C has a baby on April 7 in a hospital. She requests to add the baby to her eligible group on April 15. On April 25, the baby is added to the grant effective April 22 (seven days after Ms. C's report).
>
> Ms. C is not required to supply proof of application for an SSN before the baby is added. However, she must supply the SSN for the baby by the end of the third month following the baby's birth.
>
> When the local office adds the child on April 25, the worker sets a task for the beginning of July to request the SSN if it hasn't been provided.
>
> On July 5th the worker receives the task and reviews the file and sees that the SSN has not been provided for the baby. The worker sends the household a request for the SSN the same day. If Ms. C supplies the SSN application by July 15, no further action is taken. If the proof is not supplied by that date, the worker removes the child effective August 1.
>
> If Ms. A provides the required proof on July 25, the child is reinstated for August 1. If Ms. A provides proof on or after August 1, the worker adds the baby to the grant effective seven days after the date the SSN is received.

When a baby is not born in a hospital, or tells you they did not apply for an SSN at the hospital through the "Enumeration at Birth" project, a FIP participant who is the mother of a newborn child has until the last day of the month following the month:

- the baby was born, or
- she was released from the hospital to apply for the newborn's SSN. The month the mother is discharged is the month of change.

Proof of application for the baby's SSN must be in the case record no later than the last day of the month following the month the baby was born or the mother is released from the hospital in order to avoid a payment error. For example, whether the baby was born or the mother is discharged June 1 or June 30, proof of application must be in the case record no later than July 31.

You do not need to wait until the month after the baby was born or mother's release from the hospital to take action.

1. Ms. A has a baby on March 7 and is released from the hospital on March 10. She requests to add the baby to her eligible group on March 15 and tells you that she did not apply for an SSN for the baby at the hospital. On March 25, the baby is added to the grant effective March 22 (seven days after Ms. A's report).

   Ms. A is not required to supply proof of application for an SSN before the baby is added. However, she must supply proof of the application for a number by April 30, or the child will be removed effective May 1.

   When the local office adds the child on March 25, the worker makes changes on the system and also sends a letter to Ms. A telling her that she must provide proof of application for an SSN by April 15, or the baby will be removed from the grant.

   If Ms. A supplies the proof of SSN application by April 15, no further action is taken. If the proof is not supplied by that date, the worker removes the child effective May 1.

   If Ms. A provides the required proof on April 25, the child is reinstated for May 1. If Ms. A provides proof on or after May 1, the worker adds the baby back to the grant effective seven days after the date proof is received.

2. Ms. D has a baby on October 3 at home. She requests to add the baby to her eligible group on October 10 and tells you that she applied for an SSN for the baby. On October 15, the baby is added to the grant effective October 10 (seven days after Ms. D's report).

   Ms. D is not required to supply proof of application for an SSN before the baby is added. However, she must supply proof of the application for a number by November 30th, or the child will be removed effective December 1.

   When the local office adds the child on October 15, the worker makes changes on the system and also sends a letter to Ms. D telling her that she must provide proof of application for an SSN by November 15, or the baby will be removed from the grant.

   If Ms. D supplies the proof of SSN application by November 15, no further action is taken. If the proof is not supplied by that date, the worker removes the child effective December 1.

   If Ms. D provides the required proof on November 25, the child is reinstated for December 1. If Ms. D provides proof on or after December 1, the worker adds the baby back to the grant effective seven days after the date proof is received.

Follow Up After Receiving Proof of Application for a Social Security Number

When a participant has provided proof of application for a social security number (SSN) at application time the participant has until the end of the third month after application to provide the SSN. The local office should set an event to request the SSN at the beginning of the third month.

Verifying a Social Security Number

Legal reference: 441 IAC 41.22(13)

Social security numbers (SSN) must be verified by the Social Security Administration. Assume the number is verified unless you receive an alert that there is an error. When an SSN entered into the system does not match SSA records, the SSA generates an error report and an alert is issued to the worker.

If you receive an alert:

1. Check the system to confirm that the number the client gave was correctly entered into the system.

2. If the number was correctly entered but cannot be verified, instruct the client in writing to apply for a new number to resolve the discrepancy. Allow the client ten days to provide form **SSA-5028, Proof of Application**.
3. If the client does not provide the form within ten days, remove the needs of the person without a verified social security number from the grant. If that person is the only eligible child, cancel the entire FIP grant. Issue timely notice and recoup assistance if necessary.

Specified Relatives

Legal reference: 441 IAC 41.28(1), 41.22(3)

Policy: To be eligible for FIP, a child must live with a specified relative. “Relative” includes people related by blood, marriage, or adoption. The child’s home can be with either the specified relative or the spouse of the specified relative, even if the marriage is terminated by death or divorce. The following is a list of people who 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, 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-great-uncle

- Great aunt, great-great-aunt
- First cousins, nephews, nieces
- Second cousins

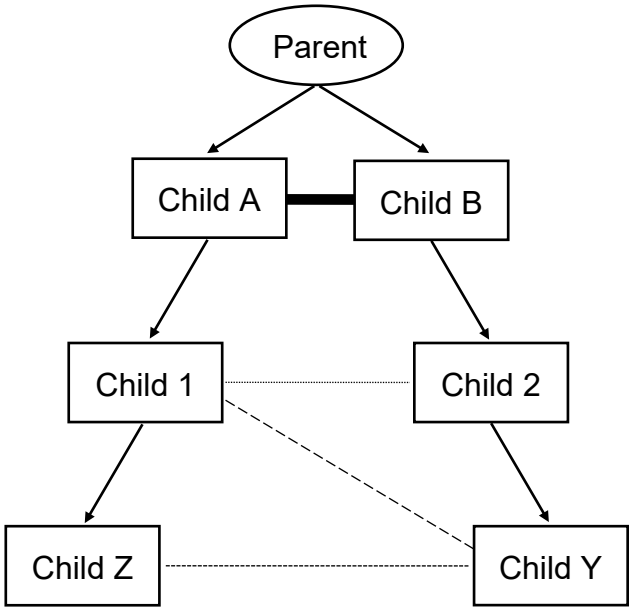
NOTE: If the person with whom the child is living does not meet the definition of "specified relative," there is no FIP eligibility even if the household contains half-siblings of the child who are FIP eligible.

The household consists of Ms. A, Ms. A's child by Mr. B, and Mr. B's child from another relationship. Even though the two children are half-siblings, Ms. A cannot receive FIP for Mr. B's child because she is not a specified relative to that child.

A person's first cousin's child is their first cousin once removed. This relationship does not meet the definition of a specified relative, so there is no FIP eligibility.

The household consists of Ms. B and child C. Child C's mother is Ms. B's first cousin. Child C is Ms. B's first cousin once removed. Ms. B cannot receive FIP for child C because she is not a specified relative to that child.

Second cousins are children of people who are first cousins to each other (i.e., grandchildren of siblings).



= Child A and Child B are siblings.

= Child 1 and Child 2 are first cousins to each other.

= Child Z and Child Y are second cousins to each other.

= Child 1 and Child Y are first cousins once removed.

Procedure: Use the prudent-person concept to determine whether a person meets the second cousin definition. Ask the applicant to describe how the child in question is related.

If the applicant is not sure or the applicant's description is questionable, ask for documentation to reveal how the parties are related (e.g., birth certificates of the applicant and second cousin, their parents and grandparents, or any court documents or other records that may contain clarifying information). Follow the policies in 4-B, Verification in those situations.

A guardian or conservator of the child can act as the applicant or participant and receive the FIP grant only if the person is a specified relative to the child and the child lives with that person.

Relatives of the "putative" father can qualify as a specified relative only after the court has established paternity, or the putative father has acknowledged paternity with written evidence and there is no other legal father.

Written evidence can include a letter, an affidavit, or a signed *Food and Financial Support Application*. Use the prudent-person concept regarding written evidence. A favorable determination made by another government agency (e.g., the Social Security Administration, the Veteran's Administration) is also reliable evidence of paternity.

The following sections address procedures for:

- Determining the natural father
- Determining if a common-law marriage exists
- Determining if a child lives with a specified relative

Determining the Natural Father

Legal reference: 441 IAC 41.22(3)"b," 41.28(1)"b"

The term "natural father" refers to the male 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 a legal father.

When paternity has not been established through marriage or a court decision, allow a man claiming to be the natural father to be the payee or be included in the eligible group if he:

- Signs the **Food and Financial Support Application** or
- Provides a signed statement that he is the father of the child.

"Biological father" is the male responsible for the conception of the child. "Legal father" is the male 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. Do so until the court establishes that the legal father is not the parent of the child. See 4-B, Referrals to CSS for more information.

Mrs. A, a FIP participant, is separated from Mr. A. She lives with Mr. K and has a child by him. Mr. A is considered the legal father of the child and must be referred to CSS. The child is considered deprived based on Mr. A's absence.

Although Mr. K is the child's biological father, he cannot be included in the eligible group until the court declares Mr. A not to be the child's father. Until then, Mr. K's income and resources are not considered (except for amounts he makes available to the eligible group).

Determining If a Common-Law Marriage Exists

Legal reference: 441 IAC 41.28(1)

When determining if someone is a specified relative, there may be situations where a common-law marriage exists or the applicant or participant claims a common law marriage exists. A common law marriage exists if **both** people:

- Are free to marry,
- Have intended or have agreed to be married, and
- Publicly declare themselves to be husband and wife.

Since a common-law marriage affects who may be considered as a specified relative, determine if such an arrangement exists when the client claims a common-law marriage, even if the two parties are no longer living together when the claim is made.

If a common-law marriage currently exists (or existed in the past), either party can be considered as a specified relative (stepparent) to a child of the other party and may receive FIP for the child on a nonparental case, if otherwise eligible.

Accept a couple's claim that a common-law marriage exists unless you have reason to question the claim. The following items can further indicate that a common-law marriage exists:

- Joint income tax forms
- Joint purchase of property (house, car, etc.)
- Mortgages or loans
- Insurance policies
- School records
- Employment records
- Birth records
- Joint bank accounts
- Statements to friends or relatives
- Hotel or motel registrations

Evidence must represent the couple as husband and wife. One item is not enough evidence, but several items might indicate a common-law marriage.

To enter into a common-law marriage, the two people must be **free to marry**, the same as for a ceremonial marriage. If either common-law party is currently married to someone else, but a divorce did not take place between the two parties, that negates a claim of common-law marriage.

Because a common-law marriage is a legal and valid marriage, a divorce is needed to dissolve the marriage to render the two parties free to marry again (or enter a new common-law marriage). But remember, just like couples who are in a ceremonial marriage, the common-law parties may choose to separate rather than go through a divorce.

When a common-law marriage exists, treat the adults the same as any other married couple. This means you apply either stepparent or parental policies.

Treat a case as a shared living arrangement when a couple claims not to have a common-law marriage.

When a couple claims their relationship is not a common-law marriage, but you believe one might exist, refer the case to the Department of Inspections, Appeals, and Licensing (DIAL), for front-end investigation. See Front-End Investigation Procedures for more information on referrals.

Treat the case as a shared living arrangement until DIAL has determined that a common-law marriage exists and has notified you to that effect.

Determining If Child Lives with a Specified Relative

Legal reference: 441 IAC 41.21(3)

When a specified relative accepts responsibility for the child's welfare and the child shares a home with the relative, the relative and child are considered "living with" each other. If the child or relative is **temporarily** absent from the household, the relationship continues to exist even **if** the relative temporarily loses responsibility for the care and control of the child.

A child may be under the jurisdiction of the court, or a person or agency may hold legal custody, but the child does not **live** with the person or agency. There may be a court order specifying that public assistance should not be sought.

Regardless of existing legal documents, FIP eligibility is based on all factors in the child's current living arrangement. The child is considered to be "living with" the relative, as long as the child is either physically present or temporarily absent.

The following sections address circumstances involving:

- Adoption
- Termination of parental rights
- Joint custody
- Definition of a "home"

Joint or Shared Custody

Legal reference: 441 IAC 41.21(3)

A child must be living in the home at least 50% of the time to be in the FIP eligible group. A child is eligible for FIP in one home only. When a child spends equal amounts of time (50/50) in the home of each parent, you must designate with which parent the child is living.

- If only one parent is interested in applying for FIP, consider the child as "living with" that parent when determining FIP eligibility.
- If one parent is receiving FIP and the other parent applies, advise both parents that FIP assistance cannot be paid to both parents. In this case, assistance will not be paid to the parent who applied, unless the other parent voluntarily agrees to cancel the grant currently received.
- If both parents apply for FIP assistance, talk to the parents, together if possible, to determine with which parent the child is "living." Again, keep in mind, the child can be eligible in one parent's home only.

If the parents cannot decide who should get FIP, make the determination yourself. Document the basis for your decision in the case record. Explain the situation in the comment section when referring the absent parent to CSS.

The following questions may be helpful when deciding who the child is "living with" if the child appears to be spending equal amounts of time in each home and the parents cannot decide who will receive the grant. This is not a complete or final list of questions but gives some general guidance.

- Which parent lives in the same school district as the child?
- Who purchases most of the child's clothing?
- Which parent does the school contact in an emergency?
- Where are most of the child's clothing and toys stored?
- Who does most of the child's laundry?
- Who maintains medical records and sets up routine doctor's appointments?
- Who has the final say as to what the child can or cannot do if there is a disagreement?

Adoption

Legal reference: 441 IAC 41.21(3)

When a mother intends to place her child for adoption shortly after birth, the child is considered as living with the mother until she signs the legal release of custody and actually relinquishes custody. Under Iowa law a release of custody to voluntarily place a child for adoption cannot be signed less than 72 hours after the child's birth.

Establish a parental case for the adoptive parent. Include on the case the parent's biological child (if applicable) and the adopted child. Establish a separate nonparental case for the adopted child's sibling in the home who was not adopted.

An adoption severs the legal relationship between the child who is adopted and that child's biological parents and biological siblings. However, the adoption does **not** sever their blood relationship.

Consequently, when a child who was adopted returns to the home of the biological parent, the biological parent is not considered the legal parent of the child but is still considered a specified relative to the child. For FIP purposes, establish a nonparental case for the child, with the biological parent as payee. Treat the case like any other nonparental case.

If the biological parent requests FIP assistance as well, include the biological parent on the case as a needy specified relative, if otherwise eligible. Treat the eligible group according to Needy Specified Relative in this chapter.

If the biological parent's home also includes biological siblings of the child who was adopted, and assistance is requested for everyone, establish two separate FIP cases:

- A parental case for the biological parent and the biological siblings.
- A nonparental case for the child who was adopted. See Nonparental Specified Relative in this chapter.

Parental Rights Terminated

Legal reference: 441 IAC 41.28(1) and (2)

When parental rights have legally been terminated, but the child has **not** been adopted by another person, the parent is still considered a parent of the child for FIP purposes. Therefore, establish a parental case when the child lives in the home of a parent whose parental rights were previously terminated.

Definition of a "Home"

Legal reference: 441 IAC 41.21(3), 41.23(2); Iowa Code Chapter 235A

A home is defined as an established family setting or a family setting that is in the process of being established. Evidence must show that the relative assumes and continues the responsibility for the child in this setting. This includes living together or sharing a household.

A home is considered suitable unless the court rules it unsuitable and removes the child. When you have reason to believe a home is unsuitable because of neglect, abuse, or exploitation of the child, refer the family to the Protective Service Unit for investigation. Make an oral report to the unit within 24 hours.

Strikers

Legal reference: 441 IAC 41.25(5)

A “strike” is defined as a concerted stoppage, slowdown, or interruption of operations by employees. This includes a stoppage because a collective bargaining agreement has expired.

When a **parent** participates in a strike on the last day of the month, the entire family is ineligible for FIP for that month. However, when a person **other than a parent** participates in a strike on the last day of the month, only that person is ineligible for FIP for that month.

> Mr. C reports on November 5 that he was on strike from October 10 through October 28. No action is needed because Mr. C was not on strike the last day of October.

The following sections address:

- Actions required when a person is participating in a strike
- Circumstances that are not included as “being on strike”

When a Person Is Participating in a Strike

Legal reference: 441 IAC 41.25(5)

For **applicant** cases, if the striker is **not** the parent, only the person who is on strike is ineligible for any and all months in which the person was participating in the strike on the last day of that month. When the strike is expected to continue through the month of decision, the person is ineligible for all prior months.

If the striker is a parent **applying** for FIP:

- Deny the application if you anticipate that the parent will continue on strike through the last day of the month of decision.
- Approve the application (if all other eligibility criteria are met) if you anticipate that the strike will not continue through the month of decision. However, the family is not eligible for any prior month in which the parent was on strike on the last day of the month.

If the striker is a parent on an **active** case, cancel the case if the strike is expected to continue through the last day of the month. If the striker is not a parent but is included in the grant, remove the striker's needs from the grant if the strike is expected to continue through the last day of the month.

No recoupment is necessary for the month of change (the month the strike began). Recoup the striker's portion of the FIP benefits issued for any month following the month of change in which the person continued to participate in the strike on the last day of the month.

1. Ms. A receives FIP for herself and her child. In May, she reports her union is on strike. The strike began April 28. The IM worker contacts the union representative and determines that the workers are expected to return to work no later than May 25. Ms. A remains eligible. No recoupment is necessary if the strike actually ends in May.
2. Same situation as in Example 1, except the strike is not expected to end in May. Ms. A's case is canceled effective June 1 and May benefits are subject to recoupment.
3. Ms. B receives FIP for herself and her child. In September, the IM worker learns that Ms. B has been on strike since July 15. It appears that the strike will continue through the last day in September. Ms. B's case is canceled effective October 1. Benefits issued for August and September are subject to recoupment.

When a Person Is Not Participating in a Strike

Legal reference: 441 IAC 41.25(5)"c"(2)

A person is not participating in a strike if the person meets all of the following conditions:

- The person is not picketing and does not intend to picket during the strike,
- The person does not draw strike pay, and
- The person either:
  - Crosses the picket line and goes to work, or
  - Provides a signed statement indicating the person is willing to return to work but does not want to cross the picket line for fear of injury, death, or trauma from harassment. The service area manager determines if such a risk to the person's physical or emotional well-being exists.