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GENERAL LETTER NO. 4-C-50

ISSUED BY: Bureau of Financial, Health and Work Supports
Division of Adult, Children and Family Services

SUBJECT: Employees' Manual, Title 4, Chapter C, **NONFINANCIAL ELIGIBILITY**,
Contents (page 2), revised; pages 14, 17, 104, 105, and 128, revised;
and page 40b, new.

Summary

Chapter 4-C is revised to:

- ◆ Remove the requirement that every person in the eligible group must apply for and accept health or medical insurance if it is available at no cost or paid by a third party.
- ◆ Add additional instructions for handling appeals on an ineligibility period for using an electronic access card at a prohibited location.
- ◆ Add clarifying language for hardship and 60-month limit appeals.

Effective Date

August 1, 2014

Material Superseded

This material replaces the following pages from Employees' Manual, Title 4, Chapter C:

<u>Page</u>	<u>Date</u>
Contents (page 2)	February 14, 2014
14, 17, 104, 105, 128	October 8, 2010

Additional Information

Refer questions about this general letter to your area income maintenance administrator.

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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.

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.

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.

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, *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.

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.