

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Iowa

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under Section 1931 of the Act.

The following groups were included in the AFDC State plan effective July 16, 1996:

Pregnant women with no other eligible children.

AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of vocational or technical training.

In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, without modification.

In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, with the following modifications:

The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988, as follows:

The agency applies higher income standards than those in effect as of July 16, 1996, increased by no more than the percentage increase in the CPI-U since July 16, 1996, as follows:

The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increase in the CPI-U since July 16, 1996, as follows:

The agency uses less restrictive income and or resource methodologies than those in effect as of July 16, 1996, as follows:

- The earnings of anyone age 19 and younger who attends high school or an equivalency program full time are disregarded for all purposes, including the 185% gross income test.
- All earned and unearned educational funds of an undergraduate student or a person in training are exempt for all purposes.

TN No. MS-98-5
 Supersedes
 TN No. MS-97-15

Approval Date JUL 08 1998 Effective Date JAN 01 1998

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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- Earnings in kind are exempt as income and as a resource.
- The value of nonhomestead property that produces income consistent with its fair market value is exempt as a resource.
- The value of nonhomestead property that is publicly advertised for sale at an asking price consistent with its fair market value is exempt as a resource.
- When property is sold under an installment contract or held in security in exchange for a price consistent with its fair market value, the value of this installment contract is exempt as a resource.
- Applicants and recipients who are employed receive a care deduction of up to \$200 for children under age 2 and up to \$175 for children aged two or over and for incapacitated adults.
- Disregard 58% of earned income remaining after all other deductions are subtracted for anyone whose income is considered in the eligibility determination as a work incentive deduction.
- All wages paid by the Census Bureau for temporary employment related to census activities are excluded.

The income and resource methodologies that the less restrictive methodologies replace are as follows:

- All income was considered for purposes of the 185% gross income test.
- Income of full-time students under the age of 19 was considered if the person was also a parent. Only the earnings of a child who was a full-time student attending high school or an equivalency program were disregarded.
- Earnings in kind were considered the same as cash earnings.
- The net market value of nonhomestead property was counted as a resource regardless of whether it was used to produce the household's income or was for sale.
- When property was sold under an installment contract, the value of this installment contract was counted as a resource.

TN No. MS-08-003

Supersedes

TN No. MS-07-008

Approval Date

MAY 19 2008

Effective Date

APR 01 2008

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Iowa**ELIGIBILITY UNDER SECTION 1931 OF THE ACT**

- Care deductions for applicants and recipients with part-time employment were limited to up to \$199 for children under age 2 and up to \$174 for children aged two or over and for incapacitated adults.
- The first 30 and 1/3 of the remaining earned income was disregarded.
- All income was considered if paid by the Census Bureau for temporary employment related to census activities.

TN No. MS-08-003

Supersedes

TN No. None

Approval Date

MAY 19 2008

Effective Date

APR 01 2008

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Iowa

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

- The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.
- The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted before August 22, 1996, and approved by the Secretary on or before July 1, 1997.

Income Methodologies - Earned Income Disregards

- Waiver of Section 402(a)(8)(A)(ii) of the Act and 45 CFR 233.20(a)(11)(i)(B). The work expense disregard for applicants and recipients is changed from \$90 to 20% of gross earnings.
- Waiver of Section 402(a)(31) of the Act and 45 CFR 233.20(a)(3)(xiv)(A). The work expense disregard for stepparents is changed from \$75 to 20%.
- Waiver of Section 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(xviii). The work expense disregard for parents who live in the same home as a child who is a minor parent is changed from \$75 to 20%.

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State: Iowa

- Waiver of Sections 402(a)(8)(A)(iv), 402(a)(8)(B)(ii), 402(a)(31), and 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(xiv), 233.20(a)(3)(xviii), 233.20(a)(11)(i)(C), and 233.20(a)(11)(ii)(B). The \$30-and-1/3 earned income disregard is replaced with a work incentive deduction equal to 50% of the earned income remaining after all other deductions are subtracted. The deduction applies to applicants, recipients, stepparents, and parents who live in the same home as a child who is a minor parent. The 50% disregard is not time-limited.
- Waiver of Section 402(a)(31) of the Act and 45 CFR 233.20(a)(3)(xiv). Stepparents not receiving assistance are allowed to receive a child care disregard for the stepparent's dependents.
- Waiver of Sections 402(a)(8)(A)(ii), 402(a)(8)(A)(iii), 402(a)(8)(A)(iv), 402(a)(31), and 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(xiv), 233.20(a)(3)(xviii), 233.20(a)(11)(i)(B), 233.20(a)(11)(i)(C), 233.20(a)(11)(i)(D), and 233.20(a)(11)(ii)(B). Earnings for the first four months of new (self) employment (work transition period) for applicants, recipients, stepparents, and parents who live in the same home as a child who is a minor parent are disregarded if:
 - The person has had less than \$1,200 in earnings in the 12 months before the new work began; and
 - The new (self) employment is reported timely; and
 - The new employment begins after the date of application.

Income Methodologies - Other Income Disregards

- Waiver of Sections 402(a)(7)(A), 402(a)(31), and 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(ii), 233.20(a)(3)(xiv), and 233.20(a)(3)(xviii). Interest and dividend income of any person whose income must be considered when determining eligibility is disregarded.
- Waiver of Sections 402(a)(7)(A), 402(a)(31), and 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(ii), 233.20(a)(3)(xiv), and 233.20(a)(3)(xviii). Income deposited into individual development accounts (IDAs) is disregarded.

TN No. MS-99-33
 Supersedes
 TN No. MS-99-21

Approval Date _____ Effective Date 02/01/2000

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: IowaIncome and Resource Methodologies

- Waiver of Section 402(a)(7) of the Act and 45 CFR 233.20(a)(3)(ii). Incentive payments and bonuses for applicants and recipients participating in focus groups and longitudinal surveys is disregarded.

Resource Standards

- Waiver of Section 402(a)(7)(B) of the Act and 45 CFR 233.20(a)(3)(i)(B). The asset limit is increased to \$2,000 per assistance unit for applicants and \$5,000 for recipients.
- Waiver of Section 402(a)(7)(B)(i) of the Act and 45 CFR 233.20(a)(3)(i)(B)(2). The vehicle asset limit is increased to \$3,000 effective July 1, 1994, with annual increases based on the consumer price index, for each adult and working teenager in the household.
- Waiver of Section 402(a)(7)(B) of the Act and 45 CFR 233.20(a)(3)(i)(B). The balance in an individual development account is disregarded.

Deprivation Requirements - Unemployed Parent

- Waiver of Section 402(a)(41) of the Act and 45 CFR 233.101(a)(1)(i), 233.101(a)(3)(i), 233.101(a)(3)(iii), 233.101(a)(vi)(A), 233.101(c)(1)(iii), and 233.101(c)(1)(iv). The principal wage earner provisions, the 100-hour requirement, and the six-quarter work history requirement are eliminated.

TN No. MS-99-33
 Supersedes
 TN No. MS-99-21

Approval Date JAN 20 2001 Effective Date _____

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Iowa

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under section 1931 of the Act.

X The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

All wages paid by the Census Bureau for temporary employment related to Census 2000 activities are excluded.

All otherwise countable income deposited in an IDA account funded under the Assets for Independence Act is excluded from income

All interest earned on an IDA account funded under the Assets for Independence Act is excluded from income.

All funds in IDA accounts funded under the Assets for Independence Act are excluded from resources.

All otherwise countable income deposited in an IDA account funded under section 404 of the Social Security Act is excluded from income.

 The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

TN No.	<u>MS-01-12</u>	Approval Date	<u>MAY 15 2001</u>	Effective Date	<u>JAN 01 2001</u>
Supersedes					
TN No.	<u>MS-00-5</u>				