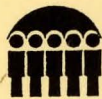


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FIP

**The
Family
Investment
Program**



Iowa Department of Human Services

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Welfare Reform in Iowa

The federal government has approved welfare reform waivers requested by Iowa. These waivers make changes in policy that will assist Family Investment Program (FIP) participants in becoming self-sufficient. In order to make these changes, some applicants and participants must have eligibility and benefits determined under regular FIP policies (policies that existed before the welfare reform waivers were implemented). This is to compare the two programs and prove that the welfare reform program works better than the regular program.

This pamphlet explains the policies allowed under welfare reform that the majority of Family Investment Program families receive.

What is the Family Investment Program?

The Family Investment Program (FIP) replaced Aid to Dependent Children (ADC) in Iowa. This pamphlet explains FIP and what it means for you.

The Family Investment Program's goal is to help you leave poverty and become self-supporting. FIP offers you training or education, allows you to keep and save more of the money you earn, and teaches you how to deal with the problems your family may face.

FIP assistance is available to families who qualify without regard to race, color, religion, creed, national origin, sex, age, political belief, and mental or physical disability.

FIP assistance is available to one-parent families and to relatives caring for children whose parents are absent.

Also, FIP-Unemployed Parent or FIP-Incapacitated Parent assistance is available to two-parent families. For the Unemployed Parent program, both parents must register with Iowa Workforce Development and follow work and training rules. One parent must participate in the FIP-UP work program. The FIP-Incapacitated Parent program is available for families with a disabled parent.

FIP provides cash payments based on the income and size of your family. However, there are certain rules you must meet to get FIP benefits.

What are the rules of FIP?

Your family can be in the Family Investment Program by meeting the following rules:

- Children must be under the age of 18. Children age 18 may get benefits only if they are attending school or a training program and are expected to graduate or complete training before age 19.
- Parents under age 18, and never married (or the marriage was annulled), must live with a parent or legal guardian. (We look at where you are living as of the day of your FIP interview.) If you have good reasons for not living with your parent or legal guardian, you **may** be eligible for benefits. You must give proof of your reasons. If you do live with your parent, we must count your parent's income to see what FIP benefits you will get.

- Your family must live in Iowa. Family members must be U.S. citizens. Also, some non-citizens may be eligible.
- To apply for or get FIP assistance, the children must live in the same home as the parent or relative who applies for or gets FIP for them.
- You must have a Social Security number for each family member on your FIP application. If a family member doesn't have a number, you must give proof that you have applied for it. Call your DHS caseworker and report the number when you get it.
- You must give information to help us collect child support and find out who the child's other parent is. If you don't want to give us this information, you must prove you have good cause not to. Once you go on FIP, child support payments must go directly to the Department of Human Services (DHS), and you can no longer get the payments yourself. However, you do get up to the first \$50 of current support DHS collects in a month. If the other parent pays support directly to you, you must turn all of it over to DHS. While you are on FIP, DHS does not charge you any money to collect child support.
- When you go off FIP, child support payments are sent to you. You can choose to have the DHS Child Support Recovery Unit (CSRU) continue to provide all of its child support services for you.
- Also, if CSRU collects the other parent's federal income tax refund, and the amount paid to you is at least \$50, you are charged a \$25 fee. But if the amount paid to you is less than \$50, you are not

charged anything at all.

- Your family must meet the following FIP resource rules:
 - △ Up to \$3,889 in equity for one car for each adult and working teenage child is exempt.
Each adult and working teen may own a car that has an equity value of \$3,889 or less.
 - △ Your family may have no more than \$2,000 worth of resources when you apply. After you are approved for FIP, you can have up to \$5,000 in resources, which includes the cash value of insurance policies, the equity amount over \$3,889 of a vehicle, bank accounts, and stocks and bonds.
 - △ You can own the home your family lives in, all household goods and personal belongings.
- Your family must meet the FIP income limits.
Income includes wages from jobs, child support payments, social security benefits or any other income.
- You and other members of your family must participate in the PROMISE JOBS work and training program and complete a Family Investment Agreement unless exempt.

The following persons are exempt from referral to the PROMISE JOBS work and training program and Family Investment Agreement requirement:

- △ A person who is the parent or other relative of a child under three months of age, unless the person is a teen parent.
- △ A person who is working 30 or more hours a week, unless the person is a teen parent.

- △ A person who is getting SSI or Social Security disability income because of the person's own disability.
- △ A person who is disabled and unable to participate.
- △ A person who is under age 16 and is not a parent.
- △ A person who is age 16 to 19 and is not a parent, who attends school full-time.

Even if you fall into one of these groups, you can volunteer to get training or educational assistance through PROMISE JOBS.

- △ Parents 19 and younger are not exempt from referral to PROMISE JOBS, unless disabled, and unable to participate. These parents must attend parenting classes, and may have to pursue high school completion classes, and attend family development.
- Persons participating in a strike are not eligible for FIP assistance.
- Any member of your household who makes false or misleading statements, or withholds information on purpose, will not be able to get FIP benefits for 6 months the first time, 12 months the second time and forever the third time.

What is the Family Investment Agreement?

If you are approved for FIP, you will get a letter in the mail, giving you 10 days to contact your local PROMISE JOBS office to begin the Family Investment Agreement (FIA) process.

An FIA is a contract between you and the State of Iowa. Your FIA will spell out activities you can choose that will help you become self-supporting, and the amount of time it will take for you to become self-supporting and leave FIP assistance. Your FIA will also spell out what the State will do to help you meet your FIA goals. Some of the services the state offers are:

- orientation and assessment
- job-seeking skills and job search
- classroom training
- paid or unpaid work experience placement
- unpaid community service
- parenting skills training and family development
- family planning counseling
- monitored employment, and
- the FIP-UP work program.

If you choose not to enter into an FIA, you will be choosing a Limited Benefit Plan (LBP). If this is your **first LBP**, it will last 9 months. For the first three months, you will get lower benefits because you are taken off the FIP grant. This is the result of a person choosing the LBP. The other parent in the home is also taken off the FIP grant (unless that parent is in the FIP Unemployed Parent Work Program). After the 3 months of lower benefits end, the following persons cannot get FIP benefits for 6 months: the person who chose the LBP, that person's own children, the children's other parent in the home, or any other children on the case who are cared for by the person who chose the LBP.

If you or the other parent in the home choose an LBP again after your first LBP has ended, this LBP will last 6 months. You will stop getting FIP benefits right away and will not get the 3 months of lower benefits. You cannot get FIP benefits for 6 months for the following persons: the person who chose the LBP, that person's own children, the children's other parent in the home, or any other children on the case who are cared for by the person who chose the LBP.

If you enter into an FIA and then don't make any effort to carry out the steps in your FIA, you will also be choosing an LBP.

If you make every effort to complete your FIA but are unable to become self-sufficient, your FIP will not end. Instead you and your caseworker will work out new terms for your FIA.

Your FIA is designed to meet your family's needs. This is why your FIA will be different from the FIA of other families.

You must contact PROMISE JOBS and set up an FIA. If you only want FIP for a short time, your FIA can be written that way. If you don't do an FIA because you only want FIP for a short time, you still will have chosen an LBP. **If you are in an LBP, your Medicaid may continue.**

How do I apply for FIP?

You can get an application from any county DHS office. *You and your children should apply for FIP assistance in the county in which you live.*

When you get your application, fill it out completely and return it as soon as possible. The earliest you can get FIP assistance is seven days from the date the DHS office gets your application. If you have questions about your application, you may ask the DHS worker.

If your DHS office needs more information from you about your application, you must answer the worker's questions and give the proof the DHS worker is asking for.

Once your application is processed, you will get a notice telling you whether you can get FIP assistance. This notice should come **within 30 days** of the date the DHS office gets your application. If you are approved for FIP, you will get your first check(s) within seven days after you get the notice.

Are there other programs my family can be on?

Yes. There are programs that your family may qualify for at the same time you get FIP.

Medicaid pays for medical and dental services your family may need. With a few exceptions, you should get Medicaid while you are on FIP. The pamphlet, *Your Guide to Medicaid*, explains the services you may get. It is available in your county DHS office.

Your family may also get coupons to buy food through the **Food Stamp** program. Your FIP application has a section for applying for food stamps.

You also may get help with your rent and utility bills through DHS's **Emergency Assistance** program, when the program has funding.

The **Family Development and Self-Sufficiency (FaDSS)** program can help you work through basic problems that keep your family from becoming self-sufficient.

All these DHS programs plus others in your area that are not run by DHS, like the **Women, Infants and Children (WIC)** program, may be available to your family. Ask your DHS worker what types of services are available to you.

What happens if my family starts receiving other income?

All or part of your family's monthly income may be subtracted from your FIP grant. Income includes:

Wages from work

(Exception: *Income earned by anyone age 19 or younger who is attending high school, or GED classes, full-time will not be subtracted from your FIP grant.*)

Social security payments

Unemployment benefits

There may be a time when you get a one-time cash payment from an inheritance, insurance settlement or death benefits, a gift, lottery winnings, or a lawsuit settlement which will affect your FIP grant. The brochure, *Nonrecurring Lump-Sum Income: How It Affects Your FIP and Medicaid*, can give you more information on what to do when you get this type of income.

You must report to your DHS caseworker no later

than ten days after getting your first paycheck if you are already on FIP (five days if you are applying for FIP). Your DHS caseworker will then see if you can still get FIP benefits or what other programs are available to you.

You are allowed the following deductions from your earnings before using your earnings to figure your FIP grant:

- A 20% work expense deduction from gross earnings. This deduction is to cover clothing, transportation, and other expenses you may have due to working.
- Care expenses for your children two years and older and dependent adults of up to \$175 per person per month. The limit for children under age two is \$200 per month per child.

People who do not timely report earnings or changes in earned income will not get the 20% work expense or child care deduction.

- After all other expense deductions are taken out of your income, 50% of your remaining earnings will be subtracted to figure your FIP grant.
- You may be eligible for the Work Transition Period (WTP) if you begin a new job after applying for FIP, have earned less than \$1,200 gross in the 12 months before the month in which the new job started and report the job right away. If you are already on FIP, report no later than 10 days from the date you got your first paycheck (or 5 days if you are applying for FIP). If you meet these rules, your earnings will not be counted against your FIP grant for up to the first four months of your new job.

- You may also qualify for the federal Earned Income Credit (EIC). The EIC reduces the taxes you must pay by increasing the take home pay on each paycheck or through a refund when you file income taxes. See your employer or call the IRS at 1-800-829-1040, or in Des Moines at 283-0523, for more information. The EIC is not counted against your FIP.

Will I lose all my benefits by going to work?

No. There are special DHS programs to help you as you move from FIP to the workplace.

- **Transitional Medicaid** gives medical coverage to your family for up to 12 months if FIP ends due to earnings.
- **Transitional Child Care** (TCC) gives you up to 24 months of child care assistance if FIP is cancelled because of your income from work or due to child support. Also, if you are working, you can choose to have your FIP benefits stopped and get TCC instead. This could be a good idea if you only get a small FIP grant and have to pay a lot of child care so you can work.

What happens if I quit my job?

IMPORTANT: If you quit your job without a good reason, your FIP benefits may go down or stop. If you are thinking about quitting your job, **first** find out what can happen to your FIP benefits. If you have a Family Investment Agreement (FIA), call

your PROMISE JOBS worker to find out. If you don't have an FIA, call your DHS worker to find out.

What must I do to continue receiving FIP assistance?

There are several things you must do to make sure your FIP benefits are not canceled.

- Report all changes in your family's situation to your DHS worker **right away**, including:
 - △ changes in your mailing and living address
 - △ changes in your employment
 - △ changes in your income or resources
 - △ any change in the size of your household (births, deaths, marriages, family members leaving or returning home)

By reporting changes right away, your FIP grant will be figured correctly. Reporting right away will keep you from having to repay benefits you got that you shouldn't have.

What if I don't agree with a decision that DHS has made about my case?

You have the right to appeal decisions made by DHS if your application is denied or your grant is reduced, cancelled or suspended. These are the steps you should follow if you wish to appeal:

1. You may file a written appeal in your county DHS office during the timely notice period listed on the back of your Notice of Decision. Your county DHS

office can give you more information about the timely notice period.

If you file a written appeal during the timely notice period, you will continue getting your FIP grant until a decision is made. But if you lose the appeal, you must pay back any extra assistance you got during the appeal period.

2. Talk with your DHS caseworker or your caseworker's supervisor about the appeal. You may be able to work out the problem in your county office.
3. Attend the appeal hearing when it is scheduled. An administrative law judge will hold the hearing, review the facts of the case, and rule on whether the action DHS took was correct or not.

DHS must give you the chance to appeal any Notice of Decision on your FIP case. You may ask your county DHS office for help in filing your appeal.

Your appeal rights and obligations are listed on each Notice of Decision that you get from DHS.

Other questions about FIP

May I ask about my application or benefit check?

Of course! You may ask your DHS caseworker any questions you have about your check or your application.

If I am out of state, can my check be mailed to me?

Yes, if you are in another state for a short time

and **plan to return to Iowa**. If you are **moving** out of state, tell your DHS worker. You can no longer get FIP in Iowa but may apply for the Aid to Families with Dependent Children program in the state you moved to.

Why is my check late?

Did you return your monthly report or any requested information on time? If your monthly report was turned in late or you did not send in the requested information, your check may be late.

Has your mailing address changed? If you have moved recently, **your check cannot be forwarded to your new address by the post office**. You must tell your DHS caseworker that you've moved before your check will come to your new address.

Even if you haven't moved, check your mailbox to make sure your name is still on it.

If you live in an apartment or have a post office box, check to see if the lock and door are working properly. If they aren't, report the problem to your landlord or the post office.

If your check has not come to you within seven days of the day you usually get it, call your DHS caseworker.

What do I do if I think my check is lost or stolen?

File a police report (or, if you live in Polk County, file a report with the post office) and call your DHS caseworker promptly. A "stop payment" will be placed on your missing check to keep other people

from cashing it. You will have to sign a paper stating the check was lost or stolen before DHS can write a new one.

If you find or get the first check after it has been stopped, **don't cash it**. The check is no good.

What is monthly reporting?

Some applicants and participants must report their income and other information every month. A special form will be sent to you at the end of each month if you must report monthly.

Why do I have to turn over my child support to DHS?

This is required by Iowa law and federal regulations.

When you go on FIP, you are turning over ("assigning") your rights to get child support to the State of Iowa. This means that while you get FIP benefits, you get a rebate of up to \$50 from current support collected and the State keeps additional child support collected to pay back the State for the FIP benefits you are getting. It also means that child support the other parent owes you for times you were not on FIP is kept by the State. The State does not keep more than the total amount of FIP benefits you got.

If the other parent pays support that is owed for the current month and that amount is **less** than the FIP plus the rebate for the month, you get the FIP plus the rebate. If the other parent pays the support that is owed for the current month and that amount

is **more** than the FIP plus rebate for that month, you get the FIP plus rebate and the extra support up to the amount owed. If the other parent pays support that is more than is owed for the current month, the State keeps the money that is more than is owed to pay back the State for the FIP benefits you got.

When child support is paid after you go off FIP, the State sends you the support for the current month. If the other parent pays more support than is owed for the current month, the State sends you the additional amount for unpaid support that has built up since you left FIP. If more support is paid than is owed to you, the State keeps the additional money to pay back the State for all of the FIP benefits you got. This is because any child support you assigned to the State that is unpaid when you go off FIP is still owed to the State.

Do I get any child support once it goes to DHS?

Yes. Up to \$50 per month of the child support collected by DHS for the **current** month is paid to you. The \$50 is not counted against your FIP benefits.

What happens if I get married?

You must report this to your DHS caseworker. You may still be able to get FIP benefits, depending on your spouse's income and resources.

What will happen if I am divorced or separated or have never been married and the other parent and I decide to

get back together?

Call your DHS caseworker to find out if you can continue getting FIP benefits. Also, contact your local child support office. They can give you information on how this change affects child support the other parent may owe you, including information on how to stop the ongoing support order.

What if I need help with funeral costs?

If you need help with funeral expenses for one of your children, contact your DHS caseworker *before you finish the funeral arrangements*. You may be able to get help with burial expenses.

Will liens be placed against my families home?

The State of Iowa does not place liens against FIP participants' property nor does it file claims against the estates of FIP participants if they die.

Can I get help if my child needs to pay for things for school?

If it is not for tuition or every-day supplies (pens, notebooks, lunch boxes, etc.) and the material is required for all students in the class, you may be able to get a special allowance if the cost is reasonable.

Can my family get FIP benefits instead of social security?

You must apply for all other assistance that is available to you before you apply for FIP. If your

social security payments are small, you may be able to get both social security and FIP benefits.

What is SSI and how does it affect FIP benefits?

SSI is Supplemental Security Income. A person on SSI cannot get FIP at the same time. But, other members of the family can get FIP benefits. The income the SSI family member gets will not be counted when figuring the family's FIP grant.

POLICY ON NONDISCRIMINATION

No person shall be discriminated against because of race, color, national origin, sex, age, mental or physical disability, creed, religion, or political belief regarding employment or when applying for or receiving benefits or services from the Iowa Department of Human Services, or any of its vendors, purchase-of-service providers, or contractors.

If you have any reason to believe that you have been discriminated against for any of the above reasons, you may write to the Iowa Department of Human Services, the Iowa Civil Rights Commission (if you feel you were treated differently BECAUSE OF your race, creed, color, national origin, sex, religion, or disability), and/or the United States Department of Health and Human Services.

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Office of Equal Opportunity
Hoover State Office Building 5th Fl
Des Moines, IA 50319-0114

IOWA CIVIL RIGHTS COMMISSION
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