

1 of 2 DOCUMENTS

LEXIS NEXIS (R) IOWA ANNOTATED STATUTES

*** THIS DOCUMENT IS CURRENT THROUGH THE 2006 EDITION (2006 LEGISLATION) ***
*** ANNOTATIONS CURRENT THROUGH JUNE 1, 2007 ***

TITLE VI. HUMAN SERVICES
SUBTITLE 6. CHILDREN AND FAMILIES
CHAPTER 239B. FAMILY INVESTMENT PROGRAM

Go to the Iowa Code Archive Directory*Iowa Code § 239B.2 (2006)*

239B.2 Conditions of eligibility.

Within available funding, the department shall make assistance available to eligible families under the family investment program. At a minimum, a family shall meet all of the following conditions of eligibility:

1. *Application.* An application for the program is made to the department. The application shall be in writing or reduced to writing in the manner and upon the form prescribed by the department. The application shall be made by the specified relative with whom the child resides or will reside, and shall contain the information required on the application form. One application may be made for several children of the same family if the children reside or will reside with the same specified relative.

2. *Income and resources.* The family meets income and resource guidelines established by the department to attain or retain financial eligibility. In determining a family's income and resources, the department shall consider the income and resources of the child, the child's parent, the child's stepparent living with the child, or any other specified relative with whom the child resides or will reside available to the family unless specifically exempted as provided in section 239B.7 or by rule or unless otherwise provided by federal law. A family's failure to meet the income or resource guidelines shall result in denial of the family's eligibility for the program.

3. *Unemployment.* A determination of eligibility for a family with an unemployed parent shall not include consideration of either parent's number of hours of employment. Both parents must enter into and participate in a family investment agreement and participate in JOBS program activities unless good cause not to participate is established in accordance with rules.

Any of the following reasons for refusing employment or training are not good cause:

a. Unsuitable or unpleasant work or training, if the parent is able to perform the work or training without unusual danger to the parent's health.

b. The amount of wages or compensation, unless the wages for employment are below the amount customary for the same work in the community.

4. *Written statement -- family investment agreement.*

a. The department may require an applicant family to commit to the initial actions the applicant family will take to achieve self-sufficiency as contained in a signed, written statement. An applicant family which fails to commit to the actions as contained in the written statement shall be denied eligibility for the family investment program. If the applicant family becomes a participant family, the family's written statement may be replaced by, incorporated within, or become the family investment agreement for that family.

b. Unless exempt as provided in section 239B.8, a participant family which is eligible for the program shall continue to comply with the provisions of a written statement which contains actions committed to by the family under paragraph "a" or shall enter into a family investment agreement with the department. A participant family must comply

with the provisions of the written statement or the conditions in the agreement in order to retain eligibility. A participant family which does not comply shall be deemed to have chosen a limited benefit plan.

5. *Provision of information.* The family provides requested information to the department. The department shall adopt rules specifying the conditions under which an applicant or participant family is denied eligibility for family investment program assistance for failure to provide requested information.

6. *Cooperation with child support requirements.* The department shall provide for prompt notification of the department's child support recovery unit if assistance is provided to a child whose parent is absent from the home. An applicant or participant shall cooperate with the child support recovery unit and the department as provided in 42 U.S.C. § 608(a)(2) unless the applicant or participant qualifies for good cause or other exception as determined by the department in accordance with the best interest of the child, parent, or specified relative, and with standards prescribed by rule. The authorized good cause or other exceptions shall include participation in a family investment agreement safety plan option to address or prevent family or domestic violence and other consideration given to the presence of family or domestic violence. If a specified relative with whom a child is residing fails to comply with these cooperation requirements, a sanction shall be imposed as defined by rule in accordance with state and federal law.

7. *Periodic reviews.* As a condition of eligibility, the department may require periodic reports from a participant concerning the participant's income, resources, family composition, and other circumstances. If the participant's circumstances change, the participant's assistance may be continued, renewed, suspended, changed in amount, or entirely withdrawn, as determined in accordance with rule.

8. *Out-of-state assistance.* Assistance shall be paid to a participant residing temporarily out-of-state if the participant retains residency in this state and remains otherwise eligible for assistance. The department shall periodically re-determine the eligibility of a participant who is temporarily residing out-of-state.

HISTORY: 97 Acts, ch 41, § 3, 34; 98 Acts, ch 1218, § 50; 99 Acts, ch 100, § 1; 2000 Acts, ch 1088, § 2

2 of 2 DOCUMENTS

LEXIS NEXIS (R) IOWA ANNOTATED STATUTES

*** THIS DOCUMENT IS CURRENT THROUGH THE 2006 EDITION (2006 LEGISLATION) ***
*** ANNOTATIONS CURRENT THROUGH JUNE 1, 2007 ***

TITLE VI. HUMAN SERVICES
SUBTITLE 6. CHILDREN AND FAMILIES
CHAPTER 239B. FAMILY INVESTMENT PROGRAM

Go to the Iowa Code Archive Directory

Iowa Code § 239B.7 (2006)

Legislative Alert: LEXSEE 2007 Ia. SF 254 -- See sections 3, 4 and 6.

239B.7 Income and resource exemptions, deductions, and disregards.

In determining a family's income and resources for purposes of the family's initial and continuing eligibility for assistance and for determining grant amounts, the provisions of this section shall apply to the family and individual family members.

1. *Work expense deduction.* If an individual's earned income is considered by the department, the individual shall be allowed a work expense deduction equal to twenty percent of the earned income. The work expense deduction is intended to include all work-related expenses other than child care. These expenses shall include but are not limited to all of the following: taxes, transportation, meals, uniforms, and other work-related expenses. However, the work expense deduction shall not be allowed for an individual who is subject to a sanction for failure to comply with family investment program requirements.

2. *Work-and-earn incentive.* If an individual's earned income is considered by the department, the individual shall be allowed a work-and-earn incentive. The incentive shall be equal to fifty percent of the amount of earned income remaining after all other deductions are applied. The department shall disregard the incentive amount when considering the earned income available to the individual. The incentive shall not have a time limit. The work-and-earn incentive shall not be withdrawn as a penalty for failure to comply with family investment program requirements.

3. Reserved.

4. Reserved.

5. *Income consideration.* If an individual has timely reported an absence of income to the department, consideration of the individual's income shall cease beginning in the first month the income is absent. However, this provision shall not apply to an individual who has quit employment without good cause as defined in rules.

6. *Interest income.* Interest income shall be disregarded.

7. *Individual development account deposits.* The department shall disregard as income any moneys an individual deposits in an individual development account established pursuant to chapter 541A.

8. *Motor vehicle disregard.* The department shall disregard the value of one motor vehicle. The countable equity value of any additional motor vehicle shall apply to the resource limitation established in subsection 9.

9. *Resource limitation.*

a. The resource limitation for an applicant family for the family investment program shall be two thousand dollars.

b. The resource limitation for a participant family shall be five thousand dollars.

Iowa Code § 239B.7

c. The department shall disregard not more than ten thousand dollars of a self-employed individual's tools of the trade or capital assets in considering the individual's resources.

10. *Individual development account earnings and balance.* The department shall disregard any earnings and the balance of an individual development account established pursuant to chapter 541A in considering an individual's resources.

HISTORY: 97 Acts, ch 41, § 8, 34--36; 99 Acts, ch 192, § 33, 34; 2004 Acts, ch 1043, § 1, 12

1 of 1 DOCUMENT

IOWA ADMINISTRATIVE CODE

*** THIS DOCUMENT IS CURRENT THROUGH THE JULY 18, 2007 SUPPLEMENT ***

HUMAN SERVICES DEPARTMENT[441]
TITLE IV: FAMILY INVESTMENT PROGRAM
CHAPTER 41: GRANTING ASSISTANCE
DIVISION II: FAMILY INVESTMENT PROGRAM--TREATMENT GROUP

441 IAC 41.26(239B) (2007)

441--41.26(239B) Resources.

41.26(1) Limitation. An applicant or recipient may have the following resources and be eligible for the family investment program. Any resource not specifically exempted shall be counted toward resource limitations.

a. A homestead without regard to its value. A mobile home or similar shelter shall be considered as a homestead when it is occupied by the recipient. Temporary absence from the homestead with a defined purpose for the absence and with intent to return when the purpose of the absence has been accomplished shall not be considered to have altered the exempt status of the homestead. Except as described at 41.26(1) "n" or "o" and 41.26(6) "d," the net market value of any other real property shall be considered with personal property.

b. Household goods and personal effects without regard to their value. Personal effects are personal or intimate tangible belongings of an individual, especially those that are worn or carried on the person, which are maintained in one's home, and include clothing, books, grooming aids, jewelry, hobby equipment, and similar items.

c. Life insurance which has no cash surrender value. The owner of the life insurance policy is the individual paying the premium on the policy with the right to change the policy as the individual sees fit.

d. Motor vehicles.

(1) One motor vehicle without regard to its value.

(2) An equity not to exceed a value of \$ 4115 in one motor vehicle for each adult and working teenage child whose resources must be considered as described in 41.26(2). The disregard shall be allowed when the working teenager is temporarily absent from work. The equity value in excess of \$ 4115 of any vehicle shall be counted toward the resource limit in 41.26(1)"e." When a motor vehicle is modified with special equipment for the handicapped, the special equipment shall not increase the value of the motor vehicle.

The department shall annually increase the motor vehicle equity value to be disregarded by the latest increase in the consumer price index for used vehicles during the previous state fiscal year.

e. A reserve of other property, real or personal, not to exceed \$ 2000 for applicant assistance units and \$ 5000 for recipient assistance units. EXCEPTION: Applicant assistance units with at least one member who was a recipient in Iowa in the month prior to the month of application are subject to the \$ 5000 limit. The exception includes those persons who did not receive an assistance grant due to the limitations described at rules 441 - 45.26(239B) and 45.27(239B) and persons whose grants were suspended as in 41.27(9) "f" in the month prior to the month of application.

Resources of the applicant or the recipient shall be determined in accordance with subrule 41.26(2).

f. Money which is counted as income in a month, during that same month; and that part of lump sum income defined in 41.27(9)"c"(2) reserved for the current or future month's income.

g. Payments which are exempted for consideration as income and resources under subrule 41.27(6).

441 IAC 41.26(239B)

h. An equity not to exceed \$ 1,500 in one funeral contract or burial trust for each member of the eligible group. Any amount in excess of \$ 1,500 shall be counted toward resource limitations unless it is established that the funeral contract or burial trust is irrevocable.

i. One burial plot for each member of the eligible group. A burial plot is defined as a conventional gravesite, crypt, mausoleum, urn, or other repository which is customarily and traditionally used for the remains of a deceased person.

j. Settlements for payment of medical expenses.

k. Life estates.

l. Earned income credit payments in the month of receipt and the following month, regardless of whether these payments are received with the regular paychecks or as a lump sum with the federal income tax refund.

m. The balance in an individual development account (IDA), including interest earned on the IDA.

n. An equity not to exceed \$ 10,000 for tools of the trade or capital assets of self-employed households.

When the value of any resource is exempted in part, that portion of the value which exceeds the exemption shall be considered in computing whether the eligible group's property is within the reserve defined in paragraph "e."

o. Nonhomestead property that produces income consistent with the property's fair market value.

41.26(2) Persons considered.

a. Resources of persons in the eligible group shall be considered in establishing property limitations.

b. Resources of the parent who is living in the home with the eligible child(ren) but whose needs are excluded from the eligible group shall be considered in the same manner as if the parent were included in the eligible group.

c. Resources of the stepparent living in the home shall not be considered when determining eligibility of the eligible group, with one exception: The resources of a stepparent included in the eligible group shall be considered in the same manner as a parent.

d. The resources of supplemental security income recipients shall not be counted in establishing property limitations.

e. The resources of a nonparental relative who elects to be included in the eligible group shall be considered in the same manner as a parent.

f. and g. Rescinded IAB 10/4/00, effective 12/1/00.

41.26(3) Homestead defined. The homestead consists of the house, used as a home, and may contain one or more contiguous lots or tracts of land, including buildings and appurtenances. When within a city plat, it shall not exceed 1/2-acre in area. When outside a city plat it shall not contain, in the aggregate, more than 40 acres. When property used as a home exceeds these limitations, the equity value of the excess property shall be determined in accordance with subrule 41.26(5).

41.26(4) Liquidation. When proceeds from the sale of resources or conversion of a resource to cash, together with other nonexempted resources, exceed the property limitations, the recipient is ineligible to receive assistance until the amount in excess of the resource limitation has been expended unless immediately used to purchase a homestead, or reduce the mortgage on a homestead.

a. Property settlements. Property settlements which are part of a legal action in a dissolution of marriage or palimony suit are considered as resources upon receipt.

b. Property sold under installment contract. Property sold under an installment contract or held as security in exchange for a price consistent with its fair market value is exempt as a resource. If the price is not consistent with the contract's fair market value, the resource value of the installment contract is the gross price for which it can be sold or discounted on the open market, less any legal debts, claims, or liens against the installment contract.

Payments from property sold under an installment contract are exempt as income as specified in paragraphs 41.27(1)"f" and 41.27(7)"ah." The portion of any payment received representing principal is considered a resource upon receipt. The interest portion of the payment is considered a resource the month following the month of receipt.

441 IAC 41.26(239B)

41.26(5) Net market value defined. Net market value is the gross price for which property or an item can currently be sold on the open market, less any legal debts, claims, or liens against the property or item.

41.26(6) Availability.

a. A resource must be available in order for it to be counted toward resource limitations. A resource is considered available under the following circumstances:

(1) The applicant/recipient owns the property in part or in full and has control over it; that is, it can be occupied, rented, leased, sold, or otherwise used or disposed of at the individual's discretion.

(2) The applicant/recipient has a legal interest in a liquidated sum and has the legal ability to make the sum available for support and maintenance.

b. Rescinded IAB 6/30/99, effective 9/1/99.

c. When property is owned by more than one person, unless otherwise established, it is assumed that all individuals hold equal shares in the property.

d. When the applicant or recipient owns nonhomestead property, the property shall be considered exempt for so long as the property is publicly advertised for sale at an asking price that is consistent with its fair market value.

41.26(7) Damage judgments and insurance settlements.

a. Payment resulting from damage to or destruction of an exempt resource shall be considered a resource to the applicant/recipient the month following the month the payment was received. When the applicant/recipient signs a legal binding commitment no later than the month after the month the payment was received, the funds shall be considered exempt for the duration of the commitment providing the terms of the commitment are met within eight months from the date of commitment.

b. Payment resulting from damage to or destruction of a nonexempt resource shall be considered a resource in the month following the month in which payment was received.

41.26(8) Trusts. The department shall determine whether assets from a trust or conservatorship, except one established solely for the payment of medical expenses, are available by examining the language of the trust agreement or order establishing a conservatorship.

a. Funds clearly conserved and available for care, support, or maintenance shall be considered toward resource or income limitations.

b. When the local office questions whether the funds in a trust or conservatorship are available, the local office shall refer the trust or conservatorship to central office. When assets in the trust or conservatorship are not clearly available, central office staff may contact the trustee or conservator and request that the funds in the trust or conservatorship be made available for current support and maintenance. When the trustee or conservator chooses not to make the funds available, the department may petition the court to have the funds released either partially or in their entirety or as periodic income payments. Funds in a trust or conservatorship that are not clearly available shall be considered unavailable until the trustee, conservator or court actually makes the funds available. Payments received from the trust or conservatorship for basic or special needs are considered income.

41.26(9) Aliens sponsored by individuals. Rescinded IAB 10/4/00, effective 12/1/00.

41.26(10) Not considered a resource. Inventories and supplies, exclusive of capital assets, that are required for self-employment shall not be considered a resource. Inventory is defined as all unsold items, whether raised or purchased, that are held for sale or use and shall include, but not be limited to, merchandise, grain held in storage and livestock raised for sale. Supplies are items necessary for the operation of the enterprise, such as lumber, paint and seed. Capital assets are those assets which, if sold at a later date, could be used to claim capital gains or losses for federal income tax purposes. When self-employment is temporarily interrupted due to circumstances beyond the control of the household, such as illness, and inventory or supplies retained by the household shall not be considered a resource.

AUTHORITY: This rule is intended to implement *Iowa Code section 239B.5*.

December 2000

Published by the Iowa General Assembly -- Legislative Service Bureau Other
Guides

CONTENTS

I. Introduction.

II. Family Investment Program.

- A. Overview.
- B. Legal Basis.
- C. Family Units.
- D. Basic Eligibility.
- E. Other Eligibility Considerations.
- F. Family Investment Agreement.
- G. JOBS Program.
- H. Family Development and Self-Sufficiency (FaDSS) Grant Program.
- I. Limited Benefit Plan.
- J. Crimes -- Program Violations.
- K. Calculation of FIP Eligibility and Benefits.

III. Food Stamps.

- A. Overview.
- B. Eligibility.
- C. Application.
- D. Use of Food Stamps.
- E. Eligibility.
- F. Income Requirements.
- G. Resource Limits.
- H. Work Requirements.
- I. Benefit Amount.
- J. Crimes -- Program Violations.
- K. Other Food Assistance Programs.

IV. Combined Benefit Packages -- Other Assistance.

- Illustrative Monthly Benefit Value.
- Other Assistance.

Appendices.

- Appendix A: Family Investment Program Calculation of Eligibility and Benefit Example
- Appendix B: Sample Calculation of Food Stamps Benefits
- Appendix C: Programs and Benefits Using Federal Poverty Guidelines for Eligibility
- Appendix D: DHS Regional and County Offices

I. Introduction.

The State of Iowa provides various forms of financial and other assistance to low-income Iowans. This Legislative Guide provides a summary of two financial assistance programs of major importance to low-income families with children: the Family Investment Program and the federal Food Stamp Program. Both programs provide cash or other forms of financial assistance to individuals and families and are administered by the Iowa Department of Human Services (DHS). In general, a person must apply for this assistance at a DHS local office and program eligibility is based upon one or more of the following factors:

- The financial means of the applicant and applicant's family. Financial means includes both income and property or other available resources. Income eligibility usually involves a comparison of family income with poverty levels outlined in administrative rules.
- The presence of children in the applicant's family.
- The disabling or debilitating health condition of the applicant or a dependent in the applicant's family.

Federal Poverty Guidelines. Many public assistance and special assistance programs use federal poverty guidelines to determine income eligibility. See Appendix C for a table depicting the guidelines and a listing of programs and provisions utilizing the guidelines.

Sources. The information consulted in preparation of this Legislative Guide includes the 2001 Iowa Code, Iowa Administrative Code (through September 30, 2000), federal law and regulations (through September 30, 2000), interviews, and Iowa Department of Human Services Employee Manuals in effect as of September 30, 2000. Unless otherwise indicated, Iowa Code citations are to the 2001 Iowa Code.

II. Family Investment Program.

A. Overview.

The Family Investment Program (FIP) provides cash assistance to low-income families that meet program requirements. Iowa enacted FIP in 1993 to replace the Aid to Families with Dependent Children (AFDC) Program as part of the state's welfare reform initiative. Because Iowa's welfare reform initiative preceded welfare reform measures on the federal level, Iowa's program initially was operated under a federal waiver. In 1996, the federal government enacted the federal Personal Responsibility and Work Opportunity Reconciliation Act, replacing the entire AFDC Program with the Temporary Assistance for Needy Families (TANF) Program. Under the TANF Program, federal funding for the program is provided to the states through a block grant committed for five fiscal years rather than in an amount based on individual entitlement. The TANF Program requires a maintenance of financial effort based on the amount of state funding expended for certain welfare programs in federal fiscal year 1993-1994.¹ Therefore, FIP is financed by state funds as well as the federal block grant account. In state fiscal year 1999-2000, \$122,014,737 was expended from the federal funding and of this amount \$72,199,886 was used for FIP and emergency assistance.² The federal TANF block grant approach allows for increased state flexibility in developing and administering program provisions, compared to the previous AFDC Program, which established standard requirements at the federal level in developing and administering the program in exchange for receipt of federal funds.

With a few exceptions, as a condition of receiving cash assistance, the program requires a participating family to enter into a Family Investment Agreement, or FIA. The FIA generally provides for family members' participation in a work, training, and education component which is known as the PROMoting Independence and Self-sufficiency through Employment Job Opportunities and Basic Skills Program, or PROMISE JOBS.

With some exceptions, FIP participants also receive assistance from the Food Stamp Program and family health care coverage through the Medicaid Program (also known as "Title XIX" due to the program's legal basis in that title of the federal Social Security Act and as "Medical Assistance" as it is referred to at the state level in Iowa Code chapter 249A). In addition, DHS has an extensive program to establish child support obligations and to collect these obligations on behalf of FIP participants and others.

B. Legal Basis.

Iowa law for the Family Investment Program can be found in Iowa Code chapter 239B, enacted in 1997 to replace Iowa Code chapters 239 and 249C. The Department of Human Services rules for the program can be found in the Iowa Administrative Code under agency number 441, chapters 7, 40-48, and 92. Federal law is codified in 42 U.S.C. chapter 7, subchapter IV - Grants to States for Aid and Services to Needy Families With Children and for Child Welfare Services.

C. Family Units.

In order to participate in FIP, a family unit must include a child less than 18 years of age³ who

is residing with at least one parent or other specified relative who is listed in law and in rule⁴. The income eligibility requirements and the amount of cash assistance paid to a family participating in the program are based upon the number of people determined to be in the family unit. Because basic eligibility is linked to the presence of children, to be considered part of the family unit, an adult must have a relationship link with that child, as a relative, by marriage, or by legal status. The statute and rules list those who may qualify as having a relationship to the child, including the parent or other "specified relative" such as a grandparent, aunt, stepparent, etc. Special provisions exist for children who themselves are parents and who may have good cause for not living with their own parent or guardian.⁵

D. Basic Eligibility.

Eligibility requirements for the Family Investment Program include a large number of factors to address specific circumstances of applicants for the program.⁶ Because of the complexity of the requirements, the following list of basic factors provides only a general guide to the requirements for determining eligibility and should not be relied upon to predict whether DHS would determine that a particular family unit is eligible:

- **Application.** The program requires a written application submitted to any DHS local, satellite, or regional office or to various other workers who deal with human services programs (see Appendix D for a list of sites). The initial application process requires a face-to-face interview with a DHS income maintenance worker or other representative.⁷ Continuing eligibility requires a face-to-face interview at least annually.⁸ Decisions concerning eligibility are issued in writing and may be appealed. Eligibility is reviewed at least every six months and families with circumstances affecting income, such as a member working, must report monthly.⁹
- **Income Level.** The initial income eligibility determination for applicants is subject to a three-part test as illustrated in Appendix A. The income eligibility determination for the continuing eligibility of participants is subject to a two-part test as illustrated in Appendix A.¹⁰ If income exceeds a certain level, an application is rejected or eligibility is ended.
- **Resources.** Program eligibility allows for ownership of various resources such as a homestead, household goods, personal effects, life insurance which has no cash surrender value, and a motor vehicle with a value of up to \$3,916 for each adult and working teenage child. In addition, the applying family may have up to \$2,000 in other personal property, which may include the amount of motor vehicle value in excess of \$3,916 for each adult and working teenage child. The amount of property associated with a homestead can affect eligibility. In determining the continuing eligibility of a participating family, the limit on additional personal property increases to \$5,000.¹¹
- **Tools.** The resource requirements also allow for ownership of up to \$10,000 in tools of the trade or other capital assets for self-employment.
- **Employment.** The presence of an employed or unemployed parent in a family unit does not by itself make the family eligible or ineligible. The family income and parent involvement in a Family Investment Agreement and employment and training activities are critical factors.¹²
- **Family Investment Agreement.** Unless exempt, family members are subject to a Family Investment Agreement as described in part F of this section of this Guide.
- **Information.** Applicants and participants must agree to provide information as requested by DHS.
- **Child Support.** The parent or specified relative is subject to a list of requirements, such as cooperation with paternity establishment and other child support requirements. There are "good cause" exceptions to these requirements; for example, if cooperation would cause physical or emotional harm to the child or other family member the requirement would not apply.
- **Residency.** The parent or specified relative must be a resident of the state of Iowa. There

- **Residency.** The parent or specified relative must be a resident of the state of Iowa. There are a number of restrictions on the inclusion of persons in the grant who are not citizens of the United States.
- **School Attendance.** The child's parent or specified relative must agree to cooperate with efforts to ensure the attendance of children in school through the sixth grade. If a child in the family is deemed to be truant, the family may be subject to a sanction which reduces the size of the family's grant.¹³

E. Other Eligibility Considerations.

In addition to the basic eligibility provisions above, consideration is given to certain individual circumstances of a family for initial and continuing eligibility. Several examples of the circumstances considered include:

- **Disability.** Consideration is given to a family member's physical or mental impairment.
- **Time Limit.** Under federal law, there is a general lifetime limit of 60 calendar months for a participant to receive assistance funded by the TANF Program. There is provision for the state to exempt up to 20 percent of the caseload from this requirement.¹⁴ This time limit will first be applicable to persons in Iowa who continuously remained on assistance in this or any other state during the five-year period subsequent to the date the state elected to participate in the TANF Program (January 1997-January 2002).
- **Work Requirements.** Federal law also requires that an increasing percentage of a state's participant caseload participate in work activities after receiving assistance for 24 months. The requirements are higher for two-parent families. By the year 2002, the work activity participation rate for all families will be 50 percent.¹⁵
- **Stepparents.** The rules include various special provisions for stepparents and other nonparental relatives. For example, the resources of a stepparent living in the home are not considered unless the stepparent is included in the family unit for purposes of eligibility and in determining the amount of assistance.¹⁶
- **Controlled Substance Felony Offense.** Iowa has opted out of a provision in federal law that would require a reduction in the cash assistance paid to a family unit that includes an individual who has been convicted of a felony offense that has as an element the possession, use, or distribution of a controlled substance.¹⁷ However, Iowa law provides that unless exempt for good cause specified in rule, such an individual must participate in drug rehabilitation activities or fulfill other requirements to verify that the individual does not illegally possess, use, or distribute a controlled substance.¹⁸

F. Family Investment Agreement.

The period of eligibility for FIP is based upon requirements of a family's Family Investment Agreement, or FIA. In 1999, DHS was authorized to require an applicant family to commit to a written, signed statement of the actions the family will take to achieve self-sufficiency.¹⁹ This statement can later become the FIA, and failure to take the action can trigger a Limited Benefit Plan (LBP) for the family. Only the following circumstances exempt individual FIP participants from entering into an FIA: the presence of a disability causes an individual to be completely unable to participate in an agreement option; the individual is less than age 16 and is not a parent; the individual is age 16 through 18, is not a parent, and is attending school on a full-time basis; or the individual is not a U.S. citizen and is not a qualified alien.²⁰ The agreement requires the individual to participate in one or more of the options described below at a level of participation equivalent to that required for full-time employment or at a level significant enough to move the individual toward the full-time employment level. Participation in the options entitles the participant to receive assistance for child care, transportation, and other support services. Iowa's Departments of Workforce Development and Economic Development contract with DHS to provide services relating to FIAs. Upon completion of the terms of an FIA, assistance under FIP is to cease or be reduced. The FIA options include the following:²¹

- Full-time or part-time employment.

- Active job search.
- Participation in the JOBS Program.
- Participation in other education or training.
- Participation in a Family Development and Self-sufficiency (FaDSS) Grant Program or other family development program.
- Work experience placement.
- Unpaid community service.
- Participation in a safety plan to address or prevent family or domestic violence. This option may include a temporary waiver period from required participation in the JOBS Program or other employment-related activities.
- Any other arrangement which would strengthen the individual's ability to be a better parent, including participation in a parent education program. Parental leave from employment is authorized for the parent of a child who is less than three months of age.

G. JOBS Program.

Throughout the history of the AFDC Program, various initiatives were implemented at the federal and state levels to add work and training components to that program. The Iowa Code provisions were found in Iowa Code chapter 249C until the codification of the FIP Program in 1997. In recent years, the work and training component in Iowa has been known as the PROMISE JOBS or JOBS Program and the statutory provisions are now found in Iowa Code chapter 239B along with the other FIP provisions.

The individuals required to participate in JOBS are the same as those required to enter into an FIA. There are a number of reasons in DHS policy which may excuse a participant from a particular JOBS activity or work, such as the need for excessive travel time or unavailability of child care.²² According to Iowa Code section 239B.17, the JOBS Program requirements vary in accordance with the FIA entered into by a particular family. Generally the program includes the following activities:

- Placing applicants and participants in employment and on-the-job training.
- Institutional and work experience training for applicants and participants for whom the training is likely to lead to regular employment.
- Special work projects for applicants and participants for whom a job in the regular economy cannot be found.
- Incentives, opportunities, services, and other benefits to aid applicants and participants.

In addition to the FIA options described in part F of this section of this Guide and the activities described above, JOBS may include orientation and assessment and matches with volunteer mentors.²³

H. Family Development and Self-Sufficiency (FaDSS) Grant Program.

Overview. The FaDSS Program is available statewide and provides intensive supportive services to FIP families with significant or multiple barriers to family stability and employment. Families eligible for FaDSS are referred to the program by JOBS or local DHS workers. DHS contracts with the Department of Human Rights to provide program oversight. Local grantees provide direct services using certified family development specialists.²⁴

Program Service Components. The FaDSS Program includes the following components:

- Ongoing, comprehensive assessment of family strengths and barriers to self-sufficiency.
- Intensive in-home services, often supported by center-based services.
- Networking by use of peer support groups, newsletters, and mentoring.
- Career training which builds on JOBS Program services.
- Family development services focusing on parenting, budgeting, and life skills.
- Provision of or referral to social services as needed for family members.
- Transition services for a period of 90 days after leaving FIP.

I. Limited Benefit Plan.

If an individual participant fails to enter into an FIA or does not fulfill the terms of the FIA the

If an individual participant fails to enter into an LBP or does not fulfill the terms of the LBP, the individual, and usually the individual's family, enters into a Limited Benefit Plan (LBP). Iowa law relating to LBPs has been significantly amended twice since the original enactment in 1993, most recently in the 1998 Legislative Session.²⁵ Effective June 1, 1999, an initial LBP excludes eligibility for cash assistance for an indeterminate period with cash assistance only to be reinstated if a participant complies with FIA requirements.²⁶ If a person is subject to a subsequent LBP, the LBP is effective for at least six months, is followed by an indeterminate period of LBP eligibility, and will only end if the participant complies with FIA requirements. Except for cases involving noncompliance by a needy relative acting as a payee, a stepparent, or a child who is a mandatory JOBS Program participant, an LBP applies to the entire family unit.

J. Crimes -- Program Violations.

State law provides that it is a fraudulent practice to obtain or attempt to obtain FIP benefits or assistance by use of a willfully false statement or representation, by knowing failure to disclose a material fact, by impersonation, or by any fraudulent device.²⁷ It is also a fraudulent practice to aid or abet another person in obtaining or attempting to obtain FIP benefits or assistance by any such means. Fraudulent practice crimes are classified by degrees according to the amount involved. Thus the penalty for conviction for a fraudulent practice ranges from a simple misdemeanor for a fifth degree offense involving a value of less than \$100 to a class "C" felony for a first degree offense involving a value in excess of \$10,000.²⁸

K. Calculation of FIP Eligibility and Benefits.

Calculation of eligibility and benefits is a complex process. For a sample calculation, turn to Appendix A. This sample calculation is for a single parent, working full-time who has two children, one a toddler who is age one and the other a third grader. For this example of a three-person family, the maximum monthly grant of \$426 per month minus the net countable income of the example family results in the family's FIP grant of \$26.00 per month. FIP participants may also be eligible for special need payments for guardian or conservatorship fees and children's school expenses.²⁹

The first two payment months' assistance amounts are determined on projected income levels. Beginning with the third month of assistance, assistance amounts are determined based on actual income two months prior to the payment month, i.e., September's income for November's payment.³⁰

III. Food Stamps.

A. Overview.

The Food Stamp Program is a federal program, available nationally, for the purpose of improving nutrition among low-income households. In Iowa, the Iowa Department of Human Services is responsible for administering the program on behalf of the United States Department of Agriculture, Food and Nutrition Service (FNS).³¹ The program is primarily federally funded. In fiscal year 1999-2000, \$100,746,392 in food stamp benefits was paid from federal funding. Iowa received approximately \$10.8 million from the federal government to administer the program to match approximately \$14.4 million in state funding.³² In addition to FIP participants, the program also assists many other eligibility groups.

B. Eligibility.

Eligibility for the program is based upon various residency, income, and resource tests. Persons who are eligible for certain other public welfare programs such as the Family Investment Program, ongoing county general assistance, and Supplemental Security Income are generally deemed to be "categorically eligible" for food stamps. However, their food stamp benefit amount is adjusted based upon individual family or household income and other individual circumstances. The maximum monthly benefit for an eligible family of three in fiscal year 2000-2001 is \$341.³³

C. Application.

The program requires a written application submitted to any DHS local, satellite, or area office or to various other workers who deal with human services programs (see Appendix D for a list of

sites).³⁴ The application may be submitted in person or by mail. If the applicant is also applying for FIP, a combined public assistance form and interview may be used. A person may apply for expedited service in processing the application if serious circumstances exist, such as shelter costs in excess of money available. If approved for expedited service, the first food stamps will be issued within five days of the application date. The application process requires a face-to-face interview with a DHS income maintenance worker, unless the interview is waived due to hardship or other circumstances.

The worker must verify the information submitted. The verification covers a broad spectrum, from the identity of the applicant to income and resources, and may include review of documents, home visits, collateral contacts, and use of the state Income and Eligibility Verification System, which contains tax and employment information from the Internal Revenue Service and other government agency databases. In general, the processing standard provides for issuance of food stamp benefits to eligible households within 30 days of initial application. There are exceptions which may delay processing, including the need to obtain additional information. Decisions concerning eligibility are issued in writing and may be appealed.

Certification Period. The longest period of time a household is certified for provision of benefits is 12 months.³⁵ During the certification period, the household is required to either file monthly reports or report changes in circumstances affecting eligibility or benefits within 10 days of knowing about the change. The household must reapply for benefits at the end of the certification period.

D. Use of Food Stamps.

The Food Stamp Program utilizes a coupon exchange system for participants to purchase food. The minimum coupon value is \$1 and there is a prohibition against cash change of more than 99 cents.³⁶ There are both federal and state penalties for misusing food stamp coupons. Iowa, along with other states, has been pilot testing distribution of benefits via electronic benefit transfer (EBT), which operates in the same manner as an electronic fund transfer or bank card. Iowa has enacted legislation which requires the state to pay a transaction fee on EBT transactions.³⁷ Food stamps may be used in any of the following authorized outlets:³⁸

- Authorized retail outlets.
- Communal dining facilities and certain restaurants (for persons age 60 and older or for persons who receive SSI).
- Meals on Wheels programs (for persons age 60 and older or for persons who have a disability).
- Any of the following living situations where the eligible household member is residing: group living arrangements, private not-for-profit drug or alcohol treatment programs, private not-for-profit homeless programs, and shelters for battered women and children.

E. Eligibility.

The basic eligibility unit for food stamps is a household which includes spouses, parents, and children, or related or unrelated persons who customarily buy, fix, and eat their food together. Eligibility may also apply to persons in other circumstances, such as elderly and disabled persons who cannot buy, fix, and eat their food on their own due to their disability, and individuals living in certain group living arrangements.³⁹ Ineligible persons include certain aliens, certain students, persons who do not comply with program requirements, program violators, and certain criminals.

F. Income Requirements.

Households which are categorically eligible are not subject to income requirements for determining eligibility. Households with an elderly person (age 60 and older) or disabled person are subject to the net income guidelines. All other households must meet both gross and net income guidelines. Net income is determined by making various adjustments for general purposes, medical care costs, dependent care costs, child support paid by household members, and excess shelter costs.⁴⁰ Net income is also used in determining benefit amounts.

FOOD STAMP INCOME ELIGIBILITY⁴¹

Household Size	Maximum Gross Monthly Income	Maximum Net Monthly Income
1	\$905	\$696
2	\$1,219	\$938
3	\$1,533	\$1,180
4	\$1,848	\$1,421
5	\$2,162	\$1,663
6	\$2,476	\$1,905
7	\$2,790	\$2,146
8	\$3,104	\$2,388

For each additional person, add \$315 For each additional person, add \$242

G. Resource Limits.

Except for those with categorical eligibility, food stamp eligibility is subject to limitations regarding the resources owned by the household.⁴² The basic limit is no more than \$2,000; however, for households with eligible members who are older than age 60 the limit is \$3,000. Resources include liquid resources such as savings which can easily be converted to cash and nonliquid resources such as buildings or other real property which cannot be easily converted. For a motor vehicle, only the value over \$4,650 is counted toward the resource limit.⁴³ However, none of the value of a licensed motor vehicle is counted if it is used as the household's home, for self-employment, or for transporting a household member who has a physical disability. Various resources such as the homestead and household goods and personal effects are not counted toward the resource limit.

H. Work Requirements.

Unless exempt, the members of a food stamp household are subject to work registration, work program, and work requirements.⁴⁴ Work registration means registered for employment with the Iowa Department of Workforce Development. The work program, the Food Stamp Employment and Training Program, includes a basic work requirement for persons ages 18 to 50 to be working or participating in a work program at least 80 hours per month. Exemptions cover a variety of individual circumstances, such as pregnancy, student status, disability, and caring for a young child or an incapacitated person. The work program includes a four-week job-seeking program called Job Club, educational services, other job search activities, and federal Job Training Partnership Act (JTPA) employment and training services.

I. Benefit Amount.

The benefit amount is determined based upon the person's income each month, either prospectively or retrospectively.⁴⁵ Prospective budgeting means the net income for the current month is used to determine the benefit amount for the current month. Prospective budgeting is used for migrant or seasonal workers, homeless households, households with persons who are elderly or disabled and have no earned income, or households living on a Native American reservation or settlement. Retrospective budgeting means the net income for the budget month two months before the benefit month is used to calculate the benefit amount. Anyone who is not eligible for prospective budgeting is subject to retrospective budgeting. With both budgeting methods, the benefit amount is adjusted by the net income for the budget month. The following are maximum benefit amounts:⁴⁶

MAXIMUM FOOD STAMP BENEFITS

Household Size	Maximum Net Monthly Benefit
1	\$130
2	\$220

2	\$258
3	\$341
4	\$434
5	\$515
6	\$611
7	\$683
8	\$781

For each additional member, add \$98

J. Crimes -- Program Violations.

State law provides that it is a fraudulent practice to obtain or attempt to obtain food stamp benefits or assistance by use of a willfully false statement or representation, by knowing failure to report changes in circumstances affecting entitlement to benefits, by transferring benefits to another with the intent the benefits will be used for someone other than the eligible person's household, by acquisition, use, or attempt to use benefits which were not issued to that household, or by knowing acquisition, alteration, transfer, or redemption of benefits in violation of state or federal requirements for the program.⁴⁷ The penalty provisions are the same as for the FIP Program. Fraudulent practice crimes are classified by degrees according to the amount involved. Thus the penalty for conviction for a fraudulent practice ranges from a simple misdemeanor for a fifth degree offense involving a value of less than \$100 to a class "C" felony for a first degree offense involving a value in excess of \$10,000.⁴⁸ In addition, if a court or an administrative disqualification hearing results in a finding that a person obtained or attempted to obtain food stamp benefits by such means, the person involved is deemed to have committed an intentional program violation and is ineligible for food stamp assistance. The period of ineligibility can be permanent upon a first, second, or third violation, depending on the nature of the violation.⁴⁹

K. Other Food Assistance Programs.

Special provisions exist for issuance of food stamps or eligibility for other food assistance programs administered by the Iowa Department of Human Services for certain persons. These food assistance programs are available to persons subject to the following circumstances:

- Households adversely affected by a disaster may be eligible for food stamps.⁵⁰
- If eligible for other federal, state, or local food, health, or welfare programs for low-income persons, an infant or child under age six, a pregnant woman, or a woman within 12 months after delivering a child may be eligible for the Commodity Supplemental Food Program.⁵¹
- Adult correctional institutions and certain noneducational charitable institutions may be eligible for food products distributed under the United States Department of Agriculture Institutional Food Program.⁵²
- Emergency feeding organizations, certain charitable institutions, and certain needy households may be eligible for surplus commodities or other food donated by the United States Department of Agriculture and distributed under the Federal Surplus Food Program.⁵³

IV. Combined Benefit Packages -- Other Assistance.

A. Illustrative Monthly Benefit Value.

For purposes of illustration, in the example of the single parent family with two children, used in Appendices A and B assuming no changes in circumstances, the value of the combined monthly FIP and food stamp

Monthly FIP benefit	\$ 26.00
Monthly food stamp benefit	\$194.00
Combined benefit amount	\$220.00

B. Other Assistance.

In addition, the family may be eligible for other programs and benefits, such as the following:

- The Medical Assistance Program (also known as Medicaid or Title XIX).
- The Commodity Supplemental Food Program and other food programs administered by DHS.
- Free or subsidized meals at school.
- Emergency utility assistance.
- Child care and transportation assistance in connection with the family's FIA.
- Individual Development Accounts, or IDAs, which help low-income Iowans accumulate assets through personal savings and matching contributions.
- Short-term assistance and services to link a FIP participant to employment and shorten the time on FIP, known as "diversion assistance."

Appendix A: Family Investment Program Calculation of Eligibility and Benefit Example

Assumptions. Here's a sample calculation of initial eligibility requirements and a benefit amount for a single-parent family with two children, one a toddler age one and the other a third grader. In this example, the single parent works full-time in a \$6.25 per hour job and meets all resource requirements, and there is no other income source such as child support for the two children.

Explanation	Calculation
Step A: Calculate gross monthly income. Monthly income of \$6.25 per hour @ 40 hours per week is \$250 per week x 4 weeks = \$1,000 per month.	<p>→ Gross Monthly Income \$1,000</p>
Step B: Apply first eligibility test. Compare Step A Gross Income to DHS 185% of Living Costs Schedule. This test uses a schedule of living costs developed by DHS. In this test the eligible family unit's countable gross nonexempt earned and unearned income cannot exceed 185 percent of the living costs for that size of family unit (for a family of three, it is \$1,570.65 per month).	<p>→ Is \$1,000 < or = \$1,570.65? YES-move to Step C (If NO, applicant or participant is ineligible)</p>
Step C: Calculate countable monthly income. Apply earned income deduction: 20 percent of gross income (covers all work-related expenses other than child care, including taxes, transportation, meals, and uniforms) $\$1,000 \times 20\% = \2000	<p>→ Gross Monthly Income \$1,000 - 200 Countable Monthly Income \$800</p>
Step D: Apply second test. This test uses a schedule developed by DHS called "standard of need." In this test the monthly countable income from Step C must be less than the standard of need for the family group (for a family of three = \$849 per month). The Step C countable income of \$800 is less than \$849 per month (this test is used only for applicants).	<p>→ Is \$800 < \$849? YES-go to Step E (If NO, applicant is ineligible)</p>
Step E: Calculate net countable monthly income. The net countable income of \$800 from Step C is adjusted with a work incentive deduction of 50% as follows: $\$800 \times 50\% = \400	<p>→ Countable Monthly Income \$800 Work Incentive Deduction - 400 Net Countable Income \$800</p>
Step F: Apply third test. The third test uses a payment standard schedule	<p>→ Is \$400 < \$426?</p>

developed by DHS which provides the maximum grant amount for various family sizes. With this test, the net countable income from Step E must be less than the payment standard for that family. The payment standard for an applicant family of three is \$426 per month. In our example, the applicant family's countable net income of \$400 is less than the relevant payment standard.



YES-go to Step F:
Benefit Calculation
(If NO, applicant or
participant is
ineligible)

Step G: Benefit calculation. The amount of the FIP grant is calculated by subtracting the net countable monthly income from the applicable payment standard. In our example, the applicable payment standard for a family of three is \$426 per month and the net countable monthly income of the example family is \$400 so that family's monthly FIP grant would be \$26.



Payment
Standard \$426
Net Countable
Monthly
Income -400
Monthly FIP
Grant \$26

Step H: Determine continuing eligibility. Once a family is determined to be eligible, continuing eligibility is determined by applying only the first and third tests.



Apply First & Third
Tests
(Steps B & F)

Source: Iowa Department of Human Services Employees' Manual, Title 4, as of 11/99.

Schedule of Needs (in Dollars)											
Number of Persons	1	2	3	4	5	6	7	8	9	10	Each Add'l Person
185% of Living Costs	675.25	1330.15	1570.65	1824.10	2020.20	2249.60	2469.75	2695.45	2915.60	3189.40	320.05
Schedule of Living Costs or Standard of Need	365	719	849	986	1092	1216	1335	1457	1576	1724	173
Schedule of Basic Needs or Payment Standard	183	361	426	495	548	610	670	731	791	865	87
Ratio of Basic Needs to Living Costs	50.18	50.18	50.18	50.18	50.18	50.18	50.18	50.18	50.18	50.18	50.18

Appendix B: Sample Calculation of Food Stamp Benefits

Assumptions. This is a sample calculation of food stamp benefits using the Appendix A example of a working

single-parent family with two children, one a toddler who is age one and the other a third grader. In this example, the single parent works full-time in a \$6.25 per hour job and there is no other income source such as child support for the two children. It is assumed that apartment rent is \$450 per month with an average of \$100 per month in telephone, power, and other utility costs. Because the family is participating in the FIP program, the family is categorically eligible for food stamps. Therefore, this example only shows how the benefit amount is calculated and does not show an eligibility determination.

Explanation	Calculation															
Step A: Calculate gross monthly income. Monthly income of \$6.25 per hour @ 40 hours per week is \$250 per week x 4 weeks = \$1,000 per month.	Step A Gross Monthly Income \$1,000															
Apply earned income adjustment. 20 percent of gross income of \$1,000 (covers all work-related expenses other than child care, including taxes, transportation, meals, and uniforms) $\$1,000 \times 20\% = \200	Gross Monthly Income from Step A \$1,000 - 200 Step B Subtotal \$800															
Step C: Add unearned income to adjusted income. In our example the family is receiving a monthly FIP benefit. <i>Step B Adjusted Income \$800</i> <i>FIP Benefit +\$26</i>	Subtotal from Step B \$800 + 26 Step C Subtotal \$826															
Step D: Apply standard deduction. The standard deduction allowed for all recipients in the amount of \$134 is subtracted from the subtotal from Step C.	Subtotal from Step C \$826 - 134 Step D Subtotal \$692															
Step E: Subtract medical. Since this deduction is only available for household members who are elderly or disabled, the deduction is not applicable to this example.	Subtotal from Step D \$692 - 0 Step E Subtotal \$692															
Step F: Subtract child support payment deduction. Since the example family does not have a child support obligation, this deduction does not apply	Subtotal from Step E \$692 - 0 Step F Subtotal \$692															
Step G: Subtract allowable dependent care costs. Since the family is not responsible for the dependent care costs under the FIP Program, this deduction does not apply.	Subtotal from Step F \$692 - 0 Step G Subtotal \$692															
Step H: Subtract excess shelter expenses. The procedure is to total the shelter costs and subtract 50% of the subtotal from Step G, up to a maximum of \$275.	Subtotal from Step G \$692 - 204 Net Monthly Income \$488															
<table border="0" style="margin-left: auto;"> <tr> <td>Rent</td> <td>\$450</td> <td>Subtotal from Step G</td> <td>\$692</td> <td>\$550</td> </tr> <tr> <td>Utilities</td> <td>+100</td> <td>X 50%</td> <td>-346</td> <td></td> </tr> <tr> <td></td> <td><u>\$550</u></td> <td></td> <td><u>\$346</u></td> <td></td> </tr> </table>	Rent	\$450	Subtotal from Step G	\$692	\$550	Utilities	+100	X 50%	-346			<u>\$550</u>		<u>\$346</u>		
Rent	\$450	Subtotal from Step G	\$692	\$550												
Utilities	+100	X 50%	-346													
	<u>\$550</u>		<u>\$346</u>													

Sneller Cost \$550

\$346

\$204

Step I: Benefit calculation.

Step 1. Multiply the net monthly income figure from Step H by 30%.

$$488 \times 30\% = 146.4 \text{ (round up result) } \$147$$

Step 2. Determine maximum food stamp allotment for family.

\$335 for a family of 3

Step 3. Subtract the Step 1 amount from the Step 2 amount.

\$335

-147

\$188 Net Monthly Food Stamp Benefit



Source: Iowa Department of Human Services Employees' Manual, Title 7, as of 11/99.

Appendix C: Programs and Benefits Using Federal Poverty Guidelines for Eligibility

Overview. Federal poverty guidelines are often used for eligibility determination for other public assistance programs and benefits. While the two programs described in this Legislative Guide do not use the guidelines, many local programs for persons with low income utilize the guidelines or a percentage of the guidelines to determine eligibility for the assistance. In addition, the guidelines are useful as a yardstick for understanding what is considered low income.

1999 HHS Poverty Guidelines¹

Size of Family Unit 48 Contiguous States and District of Columbia

1	\$8,350
2	11,250
3	14,150
4	17,050
5	19,950
6	22,850
7	25,750
8	28,650

For each additional person, add
\$2,900

Programs and Benefits Using Federal Poverty Guidelines. The Iowa Administrative Code contains rules utilizing the above federal guidelines or a percentage amount, such as 185 percent, for eligibility determination purposes. The programs involved include the following:

- Child care assistance programs administered by DHS.²
- Protective child care programs administered by DHS.³
- Transportation assistance for children who are open enrolled in a different school district.⁴
- Hunting and fishing licenses provided without charge to low-income persons 65 years of age and older, or low-income persons who are permanently disabled.⁵
- Educational support programs for parents of at-risk children age birth through three years.⁶
- Various programs administered by the Department of Elder Affairs, such as the Senior Community Service Employment Program.⁷
- Weatherization assistance programs for low-income persons administered by community action

programs.⁸

- Distribution of federal Community Services Block Grant funding.⁹
- Emergency utility costs assistance for persons participating in FIP.¹⁰
- Foster care and services to prevent or eliminate foster care placements.¹¹
- Genetic consultation services sliding fee scale.¹²
- Supplemental Nutrition Program for Women, Infants, and Children (WIC).¹³
- Statewide Obstetrical and Newborn Indigent Patient Care Program.¹⁴
- State sales and use tax exemption for purchase of goods, wares, merchandise, or services rendered, furnished, or performed that are used for free distribution to the poor and needy.¹⁵

¹Guidelines adopted by the United States Department of Health and Human Services, Federal Register, Vol. 64, No. 52, March 18, 1999, pp. 13428-13430, Internet: <http://aspe.hhs.gov/poverty99.htm>.

²Iowa Admin. Code 441-170.2.

³Iowa Admin. Code 441-130.1.

⁴Iowa Admin. Code 281-17.9(3).

⁵Iowa Admin. Code 571-15.7.

⁶Iowa Admin. Code 281-67.4.

⁷Iowa Admin. Code 321.10.

⁸Iowa Admin. Code 427-5.2.

⁹Iowa Admin. Code 427-22.3.

¹⁰Iowa Admin. Code 441-58.26.

¹¹Iowa Admin. Code 441-133.3(6).

¹²Iowa Admin. Code 641-4.7(3).

¹³Iowa Admin. Code 641-73.7(2).

¹⁴Iowa Admin. Code 641-82.2.

¹⁵Iowa Admin. Code 701-18.6.

Appendix D: Iowa Department of Human Services Regional and County Offices

Location/County	DHS Region	DHS Cluster	Address	City	Zip	Administrator	Telephone
Regional Offices:							
Cedar Rapids	Cedar Rapids Regional Office		411 Third Street - SE Suite 600	Cedar Rapids	52401	Jay Barfels	(319) 362-5333 (800) 272-8703
Council Bluffs	Council Bluffs Regional Office		417 East Kanesville Blvd.	Council Bluffs	51503	Dan Sparks	(712) 328-5697
Des Moines	Des Moines Regional Office		1200 University, Suite B	Des Moines	50314	Dale Schmitz	(515) 283-7900
Sioux City	Sioux City Regional Office		520 Nebraska Street 5th Floor	Sioux City	51101	Robert Peters	(712) 255-3522
Waterloo	Waterloo		5109 Nordic	Cedar Falls	50613	Marlys	(319)

	Regional Office		Drive			Kasemeier	268-7370
County Offices:							
Adair	Council Bluffs	Union	132 S.E. Court Drive	Greenfield	50849	Terry Hutchinson	(515) 743-2119
Adams	Council Bluffs	Union	Courthouse	Corning	50841	Terry Hutchinson	(515) 322-4031
Allamakee	Waterloo	Winneshiek	Courthouse	Waukon	52172	Melanie Tietz	(319) 568-4583
Appanoose	Cedar Rapids	Appanoose	209 East Jackson P.O. Box 488	Centerville	52544	Jean Sprouse	(515) 437-4450 (888) 820-0804
Audubon	Council Bluffs	Carroll	210 North Market	Audubon	50025	Jack Slauson	(712) 563-4259
Benton	Cedar Rapids	Benton	114 East Fourth Street P.O. Box 454	Vinton	52349	Sandra Teich	(319) 472-4746
Black Hawk	Waterloo	Black Hawk	1407 Independence Ave. P.O. Box 7500	Waterloo	50704	Evan Klenk	(319) 291-2441
Boone	Des Moines	Boone	900 W. Mamie Eisenhower	Boone	50036	John Grush	(515) 433-0593
Bremer	Waterloo	Butler	209 20th Street NW	Waverly	50677	Deb Huisinga	(319) 352-4233
Buchanan	Waterloo	Buchanan	1413 First Street - West P.O. Box 408	Independence	50644	Art Finnigan	(319) 334-6091
Buena Vista	Sioux City	Buena Vista	311 East Fifth Street	Storm Lake	50588	Lyle Fleshner	(712) 749-2536
Butler	Waterloo	Butler	315 North Main P.O. Box 306	Allison	50602	Deb Huisinga	(319) 267-2594
Calhoun	Sioux City	Webster	515 Court Street P.O. Box 71	Rockwell City	50579	Ronald D. Walrod	(712) 297-8524
Carroll	Council Bluffs	Carroll	515 North Main Street	Carroll	51401	Jack Slauson	(712) 792-4391
Cass	Council Bluffs	Cass	601 Walnut Street	Atlantic	50022	Carol L. Gutchewsky	(712) 243-4401
Cedar	Cedar Rapids	Muscatine	101 Lynn Street	Tipton	52772	Gary Hoxmeier	(319) 886-6036
Cerro Gordo	Waterloo	Cerro Gordo	Mohawk Square 22 North Georgia Avenue	Mason City	50401	Allen L. Grooters	(515) 424-8641
Cherokee	Sioux City	Sioux	239 West Maple	Cherokee	51012	Dennis Sassman	(712) 225-6723
Chickasaw	Waterloo	Floyd	910 East Main	New Hampton	50659	Lori Nettleton	(515) 394-4315
Clarke	Council Bluffs	Decatur	115 North Main P.O. Box 377	Osceola	50213	Terry Hutchinson	(515) 342-6516

Clay	Sioux City	Clay	217 West Fifth Street P.O. Box 7977	Spencer	51301	Paula Heckenlively	(712) 262-3586
	Clay Satellite Office		20 West Sixth Street Suite 306	Spencer	51301		
Clayton	Waterloo	Winneshiek	Clayton County Office Building 100 Sandpit Road	Elkader	52043	Melanie Tietz	(319) 245-1766
Clinton	Cedar Rapids	Clinton	P.O. Box 1180 121 Sixth Avenue S	Clinton	52732	Brent Andresen	(319) 242-0573 (800) 798-4737
Crawford	Sioux City	Buena Vista	1527 Fourth Avenue North	Denison	51442	Lyle Fleshner	(712) 263-5668
Dallas	Des Moines	Boone	210 North 10th Street	Adel	50003	John Grush	(515) 993-5817 (800) 397-3232
Davis	Cedar Rapids	Appanoose	203 South Madison P.O. Box 107	Bloomfield	52537	Jean Sprouse	(515) 664-2239 (888) 818-1700
Decatur	Council Bluffs	Decatur	210 North Main Street	Leon	50144	Terry Hutchinson	(515) 446-4312
Delaware	Waterloo	Buchanan	721 South Fifth Street P.O. Box 500	Manchester	52057	Art Finnigan	(319) 927-4512
Des Moines	Cedar Rapids	Des Moines	Service Unit/Satellite Office 409 North Fourth	Burlington	52601	Sally O'Riley	(319) 754-4622
			Income Maintenance Unit 1000 North Roosevelt	Burlington	52655		(319) 753-1671 (888) 346-9561
Dickinson	Sioux City	Clay	901 - 20th Street Suite 3	Spirit Lake	51360	Paula Heckenlively	(712) 336-2555
Dubuque	Waterloo	Dubuque	Town Clock Plaza Nesler Centre, Suite 410 Box 87	Dubuque	52001	Gary Lippe	(319) 557-8251
Emmet	Sioux City	Kossuth	220 South First Street	Estherville	51334	Kathryn Lucas	(712) 362-7237
Fayette	Waterloo	Buchanan	129 A North Vine P.O. Box 476	West Union	52175	Art Finnigan	(319) 422-5634
	Fayette Satellite		300 - 12th Street SE	Oelwein	52175		

	Office		Suite 2				
Floyd	Waterloo	Floyd	1206 South Main P.O. Box 158	Charles City	50616	Lori Nettleton	(515) 228-5713
Franklin	Waterloo	Butler	19 Second Avenue NW P.O. Box 58	Hampton	50441	Deb Huisinga	(515) 456-4763
Fremont	Council Bluffs	Page	414 Clay Street P.O. Box 419	Sidney	51652	Steve Hoegh	(712) 374-2512
Greene	Council Bluffs	Carroll	Courthouse 114 North Chestnut	Jefferson	50129	Jack Slauson	(515) 386-2143
Grundy (less-than-full-time office)	Waterloo	Butler	315 North Main P.O. Box 306	Allison	50602	Deb Huisinga	(319) 267-2594
Guthrie	Council Bluffs	Carroll	Courthouse 200 North Fifth Street	Guthrie Center	50115	Jack Slauson	(515) 747-2293
Hamilton	Sioux City	Webster	2300 Superior Street	Webster City	50595	Doug Koons	(515) 832-9555
Hancock	Waterloo	Cerro Gordo	120 East Eighth Street Courthouse Annex	Garner	50438	Allen L. Grooters	(515) 923-3758
Hardin	Des Moines	Marshall	1201 - 14th Avenue	Eldora	50627	Lee Bergen	(515) 939-8141 (800) 859-3048
Harrison	Council Bluffs	Harrison	204 East Sixth Street P.O. Box 189	Logan	51546	John Mock	(712) 644-2460
Henry	Cedar Rapids	Des Moines	205 West Madison	Mt. Pleasant	52641	Sally O'Riley	(319) 986-5157
Howard	Waterloo	Winneshiek	205 East Second Street	Cresco	52136	Melanie Tietz	(319) 547-2860
Humboldt	Sioux City	Hamilton	Courthouse P.O. Box 656	Dakota City Humboldt	50529 50548	Doug Koons	(515) 332-3383
Ida	Sioux City	Buena Vista	Courthouse	Ida Grove	51445	Lyle Fleshner	(712) 364-2631
Iowa	Cedar Rapids	Benton	1061 Court Avenue Box 147	Marengo	52301	Sandra Teich	(319) 642-5573
Jackson	Cedar Rapids	Clinton	700 West Quarry	Maquoketa	52060	Brent Andresen	(319) 652-4000 (800) 237-0089
Jasper	Des Moines	Jasper	120 First Street N Suite 500	Newton	50208	Jerry Sawin	(515) 792-1955

Jefferson	Cedar Rapids	Jefferson	51 West Hempstead P.O. Box 987	Fairfield	52556	Mike Hodoly	(515) 472-5011
Johnson	Cedar Rapids	Johnson	Service Unit 911 North Governor	Iowa City	52240	Cheryl Whitney	(319) 356-6050
	Income Maintenance Unit		Eastdale Plaza 1700 First Avenue P.O. Box 1787	Iowa City	52240		(319) 339-6171
Jones	Cedar Rapids	Linn	500 West Main Street	Anamosa	52205	Marc Baty	(319) 462-3557
Keokuk	Cedar Rapids	Jefferson	Route 1 P.O. Box 308	Sigourney	52591	Mike Hodoly	(515) 622-2090
Kossuth	Sioux City	Kossuth	109 West State Street	Algona	50511	Kathryn Lucas	(515) 295-7771
Lee-North	Cedar Rapids	Lee	Service Unit 933 Avenue H P.O. Box 188	Fort Madison	52627	Sue Frice	(319) 372-3651
	Income Maintenance Unit		Workforce Center 610 Eighth Street P.O. Box 188	Fort Madison	52627		(319) 372-4412 (888) 381-6831
Lee-South	Cedar Rapids	Lee	107 Bank Street P.O. Box 937	Keokuk	52632	Sue Frice	(319) 524-1052 (888) 790-9757
Linn	Cedar Rapids	Linn	Service Unit 411 Third Street SE Suite 400	Cedar Rapids	52401	Marc Baty	(319) 398-3950
	Income Maintenance Unit		411 Third Street SE Suite 400	Cedar Rapids	52401		(319) 398-3525 (800) 272-8703
	Satellite Office		Kirkwood Resource Center 1030 Fifth Avenue SE Suite 2800	Cedar Rapids	52403		
Louisa	Cedar Rapids	Des Moines	317 Van Buren	Wapello	52653	Sally O'Riley	(319) 523-6351
Lucas	Cedar Rapids	Appanoose	125 South Grand P.O. Box 735	Chariton	50049	Jean Sprouse	(515) 774-5071
Lyon	Sioux City	Sioux	803 South Greene, Suite 2 P.O. Box 148	Rock Rapids	51246	Dennis Sassman	(712) 472-3743
Madison	Des Moines	Warren	209 East Madison R.R. #1	Winterset	50273	Dale Carter	(515) 462-2931
Mahaska	Cedar Rapids	Wapello	410 South 11th Street	Oskaloosa	52577	Rick Johnson	(515) 677-2406

	rapids		street P.O. Box 290				515-3490 (800) 407-6250
Marion	Des Moines	Newton	P.O. Box 191 3014 E. Main	Knoxville	50138	Jerry Sawin	(515) 842-5087
Marshall	Des Moines	Marshall	206 West State Street	Marshalltown	50158	Lee Bergen	(515) 752-6741
Mills	Council Bluffs	Cass	711 South Vine Street P.O. Box 469	Glenwood	51534	Carol L. Gutchewsky	(712) 527-4803
Mitchell (less-than-full-time office)	Waterloo	Charles City	1206 South Main P.O. Box 158	Charles City	50616	Lori Nettleton	(515) 228-5713
Monona	Council Bluffs	Logan	Courthouse 610 Iowa Avenue P.O. Box 58	Onawa	51040	John Mock	(712) 423-1921
Monroe	Cedar Rapids	Centerville	103 South Clinton P.O. Box 176	Albia	52531	Jean Sprouse	(515) 932-5187 (888) 818-2500
Montgomery	Council Bluffs	Cass	1109 Highland P.O. Box 525	Red Oak	51566	Carol L. Gutchewsky	(712) 623-4838
Muscatine	Cedar Rapids	Muscatine	120 East Third Street 4th Floor	Muscatine	52761	Gary Hoxmeier	(319) 263-9302
O'Brien	Sioux City	Clay	160 Second Street SE P.O. Box 400	Primghar	51245	Paula Heckenlively	(712) 757-5135
Osceola	Sioux City	Clay	110 Cedar Lane P.O. Box 8	Sibley	51249	Paula Heckenlively	(712) 754-3622
Page	Council Bluffs	Page	121 South 15th, Suite C P.O. Box 178	Clarinda	51632	Steve Hoegh	(712) 542-5111 (712) 246-4167
Palo Alto	Sioux City	Kossuth	2105 Main	Emmetsburg	50536	Kathryn Lucas	(712) 852-3523
Plymouth	Sioux City	Sioux	19 Second Avenue N.W.	LeMars	51031	Dennis Sassman	(712) 546-8877
Pocahontas	Sioux City	Webster	23 Third Avenue, N.E. P.O. Box F	Pocahontas	50574	Ronald D. Walrod	(712) 335-3565
Polk	Des Moines	Des Moines	Administrative Offices City View Plaza 1200 University Avenue	Des Moines	50314	Ken Riedel	(515) 283-9238
Polk-Central			1900 Carpenter	Des Moines	50314		(515) 286-3555
Polk-East			1740 Garfield	Des Moines	50316		(515) 286-3270
Polk-Pioneer			2100 SE Fifth	Des Moines	50315		(515)

Columbus							288-9333
Polk-Refugee Services			1200 University	Des Moines	50314		(515) 283-7999
Pottawattamie	Council Bluffs	Pottawattamie	417 E. Kanesville Blvd.	Council Bluffs	51503	Thomas Bouska	(712) 328-5648
Poweshiek	Cedar Rapids	Benton	718 Industrial Avenue Box 449	Grinnell	50112	Sandra Teich	(515) 236-3149
Ringgold	Council Bluffs	Decatur	Courthouse	Mount Ayr	50854	Terry Hutchinson	(515) 464-2247
Sac	Sioux City	Buena Vista	116 South State Street Suite B	Sac City	50583	Lyle Fleshner	(712) 662-4782
Scott	Cedar Rapids	Scott	428 Western Avenue 2nd Floor	Davenport	52801	Dennis R. Timmermann	(319) 326-8680
Shelby	Council Bluffs	Harrison	807 Court Street P.O. Box 126	Harlan	51537	John Mock	(712) 755-3145
Sioux	Sioux City	Sioux	215 Central Avenue, S.E. P.O. Box 270	Orange City	51041	Dennis Sassman	(712) 737-2943 (800) 337-2943
Story	Des Moines	Story	126 South Kellog Suite 101	Ames	50010	Roxanne Thompson	(515) 292-2035
Tama	Cedar Rapids	Benton	129 West High Street P.O. Box 10	Toledo	52342	Sandra Teich	(515) 484-3406
Taylor	Council Bluffs	Page	309 Main P.O. Box 175 (Mailing)	Bedford	50833	Steve Hoegh	(712) 523-2129
Union	Council Bluffs	Union	Courthouse	Creston	50801	Terry Hutchinson	(515) 782-2173
Van Buren	Cedar Rapids	Lee	Courthouse Box 458	Keosauqua	52565	Sue Frice	(319) 293-3791
Wapello	Cedar Rapids	Wapello	120 East Main	Ottumwa	52501	Rick Johnson	(515) 682-8793 (888) 338-6067
Warren	Des Moines	Warren	901 East Iowa P.O. Box 729	Indianola	50125	Dale Carter	(515) 961-5353
Washington	Cedar Rapids	Jefferson	108 West Jefferson P.O. Box 519	Washington	52353	Mike Hodoly	(319) 653-7752
Wayne	Council Bluffs	Decatur	117 West Jackson P.O. Box 465	Corydon	50060	Terry Hutchinson	(515) 872-1820
Webster	Sioux City	Webster	330 First Avenue N P.O. Box 837	Fort Dodge	50501	Ron Walrod	(515) 955-6353
Winnebago	Waterloo	Mason City	216 South Clark	Forest City	50436	Allen L.	(515) 582-2271

Winneshiek	Waterloo	Winneshiek	305 Montgomery Street P.O. Box 286	Decorah	52101	Grooters Melanie Tietz	582-3211 (319) 382-2928
Woodbury	Sioux City	Woodbury	Trospar-Hoyt County Services Building 822 Douglas Street	Sioux City	51101	Phil Kratz	(712) 255-0833
Worth (less-than-full-time office)	Waterloo	Cerro Gordo	22 North Georgia Avenue	Mason City	50401	Allen L. Grooters	(515) 424-8641
Wright	Sioux City	Hamilton	114 First Street, S.W. P.O. Box 346	Clarion	50525	Doug Koons	(515) 532-6645

ENDNOTES

¹U.S. Department of Health and Human Services, Administration for Children and Families, State Maintenance of Effort Levels Required Under Pub. L. No. 104-193, accessed 11/5/99. The welfare program spending used to determine the maintenance of effort amount includes Aid to Families With Dependent Children, administration, emergency assistance, certain child care, and welfare employment programming.

²Linda Mount, Division of Economic Assistance, Iowa Department of Human Services, 8/18/2000.

³A family member who is 18 years of age and a full-time student expected to complete secondary school before age 19 is considered to be a child for eligibility and related purposes.

⁴Iowa Code §§ 239B.1 and 239B.2; Iowa Admin. Code 441-41.21(3) and 41.22(3).

⁵Iowa Code § 239B.10; Iowa Admin. Code 441-41.22 (15) - (19).

⁶Iowa Code § 239B.2; Iowa Admin. Code 441-41.21, 41.22, 41.23-25, 41.26.

⁷Iowa Admin. Code 441-40.24(1) and (2).

⁸Iowa Admin. Code 444-40.27(1)

⁹Iowa Admin. Code 441-40.27(1).

¹⁰Iowa Admin. Code 441-41.27.

¹¹Iowa Admin. Code 441-41.26(1)(e).

¹²Iowa Code § 239B.2(3).

¹³Iowa Code § 239B.2A.

¹⁴42 U.S.C. § 608(a)(7).

¹⁵42 U.S.C. § 607.

¹⁶Iowa Admin. Code 441-41.26(2)(c).

¹⁷Federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, § 115, opt-out in Iowa Code § 239B.5(3)(a).

¹⁸Iowa Code § 239B.5(3)(b). According to a telephone interview with DHS policy specialist, Linda Mount, on 9/23/98, such individuals are self-identified, participation requirements are based upon applicable court orders and written into the FIA, and DHS provides options to address the presence of substance abuse in general.

¹⁹1999 Iowa Acts ch. 100, §§ 1, 3; codified at Iowa Code §§ 239B.2(4) and 239B.9(1).

²⁰Iowa Code § 239B.8.

²¹Iowa Code § 239B.8.

²²Iowa Department of Human Services Employees' Manual, Title 4, Vol. 2, Ch. J, "Excusing Clients From PROMISE JOBS

Activities or for Refusing Employment."

²³Iowa Department of Human Services Employees' Manual, Title 4, Vol. 2A, Ch. J, "PROMISE JOBS Components and Services."

²⁴Iowa Code §§ 217.11 and 217.12; Iowa Admin. Code 441-165.

²⁵1993 Iowa Acts ch. 97, § 3, 1995 Iowa Acts ch. 116, 1998 Iowa Acts ch. 1218, div. III, and Iowa Code § 239B.9.

²⁶Iowa Admin Code 441-41.24(11).

²⁷Iowa Code § 239B.14.

²⁸Iowa Code §§ 714.8, 714.9-714.11, 714.12, 714.13, and 714.14.

²⁹Iowa Department of Human Services Employees' Manual, Title 4, Vol. 2, Ch. F, "Calculating the Amount of Assistance - Special Needs," pp. 18-23.

³⁰Iowa Department of Human Services Employees' Manual, Title 4, Ch. G, "Budgeting for Ongoing Eligibility."

³¹7 C.F.R. § 271.4(a) and (b).

³²Linda Mount, Division of Economic Assistance, Iowa Department of Human Services, 8/18/00

³³Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. F, "Determining Benefits - Calculating Benefit Level."

³⁴Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. B, "Filing a Food Stamp Application."

³⁵Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. B, "Establishing the Certification Period."

³⁶Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. A, "Participant Use of Benefits."

³⁷1998 Iowa Acts ch. 1066 and Iowa Code § 234.12A. Under 1999 Iowa Acts ch. 203, § 5(1)d, the target date for statewide implementation of EBT is October 1, 2002.

³⁸Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. A, "Participant Use of Benefits."

³⁹Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. C, "Household Composition."

⁴⁰Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. F, "Calculating Net Income."

⁴¹Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. F, "Gross Income Limit" and "Net Income Limit."

⁴²Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. D, "Resource Limits."

⁴³Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. D, "Licensed Motor Vehicles."

⁴⁴Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. C, "Work Requirements for Mandatory Work Registrants."

⁴⁵Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. F, "Prospective Budgeting" and "Retrospective Budgeting."

⁴⁶Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. F, "Determining Benefits - Calculating Benefit Level."

⁴⁷Iowa Code § 234.13.

⁴⁸Iowa Code §§ 714.8, 714.9-714.11, 714.12, 714.13, and 714.14.

⁴⁹Iowa Department of Human Services Employees' Manual, Title 7, Ch. J, "Penalties for Intentional Program Violation."

⁵⁰Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Ch. L, "Disaster Food Stamp Assistance."

⁵¹Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Appendix S, "Commodity Supplemental Food Program."

⁵²Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Appendix T, "Institutional Food Program."

⁵³Iowa Department of Human Services Employees' Manual, Title 7, Vol. 4, Appendix U, "Federal Surplus Food Program."



Comments about this site or page? lsbinfo@legis.state.ia.us

Please remember that the person listed above does not vote on bills. Direct all comments concerning legislation to State Legislators.

© 1995 [Cornell College and League of Women Voters of Iowa](#)

1 of 1 DOCUMENT

IOWA ADMINISTRATIVE CODE

*** THIS DOCUMENT IS CURRENT THROUGH THE JULY 18, 2007 SUPPLEMENT ***

HUMAN SERVICES DEPARTMENT[441]
TITLE VII: FOOD PROGRAMS
CHAPTER 65: FOOD ASSISTANCE PROGRAM ADMINISTRATION
DIVISION I

441 IAC 65.30(234) (2007)

441-65.30(234) Resources.

65.30(1) Jointly held resources. When property is jointly held it shall be assumed that each person owns an equal share unless the intent of the persons holding the property can be otherwise established.

65.30(2) Limit for households with a disabled person. The resource limit for a household that includes a disabled person is \$ 3000.

65.30(3) Resources of SSI and FIP household members. Notwithstanding anything to the contrary in these rules or in federal regulations, all resources of SSI or FIP recipients are excluded. For food assistance purposes, those members' resources, if identified, cannot be included when a household's total resources are calculated.

65.30(4) Earned income tax credits. Notwithstanding anything to the contrary in these rules or in federal regulations, earned income tax credits (EITC) shall be excluded from consideration as a resource for 12 months from the date of receipt if:

- a. The person receiving the EITC was participating in the food assistance program at the time the credits were received; and
- b. The person participated in the program continuously during the 12-month period.

65.30(5) Student income. Exclude from resources any income excluded by subrule 65.29(6).

65.30(6) Motor vehicles. One motor vehicle per household shall be excluded without regard to its value. The value of remaining motor vehicles shall be determined using federal regulations at 7 *CFR* 273.8, as amended to April 29, 2003.

1 of 1 DOCUMENT

LEXIS NEXIS (R) IOWA ANNOTATED STATUTES

*** THIS DOCUMENT IS CURRENT THROUGH THE 2006 EDITION (2006 LEGISLATION) ***
*** ANNOTATIONS CURRENT THROUGH JUNE 1, 2007 ***

TITLE VI. HUMAN SERVICES
SUBTITLE 6. CHILDREN AND FAMILIES
CHAPTER 249A. MEDICAL ASSISTANCE

Go to the Iowa Code Archive Directory

Iowa Code § 249A.3 (2006)

Legislative Alert: LEXSEE 2007 Ia. HF 909 -- See sections 41, 42, 43 and 124.

249A.3 Eligibility.

The extent of and the limitations upon eligibility for assistance under this chapter is prescribed by this section, subject to federal requirements, and by laws appropriating funds for assistance provided pursuant to this chapter.

1. Medical assistance shall be provided to, or on behalf of, any individual or family residing in the state of Iowa, including those residents who are temporarily absent from the state, who:

a. Is a recipient of federal supplemental security income or who would be eligible for federal supplemental security income if living in their own home.

b. Is an individual who is eligible for the family investment program or is an individual who would be eligible for unborn child payments under the family investment program, as authorized by Title IV-A of the federal Social Security Act, if the family investment program provided for unborn child payments during the entire pregnancy.

c. Was a recipient of one of the previous categorical assistance programs as of December 31, 1973, and would continue to meet the eligibility requirements for one of the previous categorical assistance programs as the requirements existed on that date.

d. Is a child up to one year of age who was born on or after October 1, 1984, to a woman receiving medical assistance on the date of the child's birth, who continues to be a member of the mother's household, and whose mother continues to receive medical assistance.

e. Is a pregnant woman whose pregnancy has been medically verified and who qualifies under either of the following:

(1) The woman would be eligible for cash assistance under the family investment program, if the child were born and living with the woman in the month of payment.

(2) The woman meets the income and resource requirements of the family investment program, provided the unborn child is considered a member of the household, and the woman's family is treated as though deprivation exists.

f. Is a child who is less than seven years of age and who meets the income and resource requirements of the family investment program.

g. (1) Is a child who is one through five years of age as prescribed by the federal Omnibus Budget Reconciliation Act of 1989, Pub. L. No. 101-239, § 6401, whose income is not more than one hundred thirty-three percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services.

Iowa Code § 249A.3

(2) Is a child who has attained six years of age but has not attained nineteen years of age, whose income is not more than one hundred thirty-three percent of the federal poverty level, as defined by the most recently revised poverty income guidelines published by the United States department of health and human services.

h. Is a woman who, while pregnant, meets eligibility requirements for assistance under the federal Social Security Act, section 1902(1), and continues to meet the requirements except for income. The woman is eligible to receive assistance until sixty days after the date pregnancy ends.

i. Is a pregnant woman who is determined to be presumptively eligible by a health care provider qualified under the federal Omnibus Budget Reconciliation Act of 1986, Pub. L. No. 99-509, § 9407. The woman is eligible for ambulatory prenatal care assistance until the last day of the month following the month of the presumptive eligibility determination. If the department receives the woman's medical assistance application by the last day of the month following the month of the presumptive eligibility determination, the woman is eligible for ambulatory prenatal care assistance until the department actually determines the woman's eligibility or ineligibility for medical assistance. The costs of services provided during the presumptive eligibility period shall be paid by the medical assistance program for those persons who are determined to be ineligible through the regular eligibility determination process.

j. Is a pregnant woman or infant less than one year of age whose income does not exceed the federally prescribed percentage of the poverty level in accordance with the federal Medicare Catastrophic Coverage Act of 1988, Pub. L. No. 100-360, § 302.

k. Is a pregnant woman or infant whose income is more than the limit prescribed under the federal Medicare Catastrophic Coverage Act of 1988, Pub. L. No. 100-360, § 302, but not more than two hundred percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services.

l. Is an infant whose income is not more than two hundred percent of the federal poverty level, as defined by the most recently revised income guidelines published by the United States department of health and human services.

m. Is a child for whom adoption assistance or foster care maintenance payments are paid under Title IV-E of the federal Social Security Act.

n. Is an individual or family who is ineligible for the family investment program because of requirements that do not apply under Title XIX of the federal Social Security Act.

o. Was a federal supplemental security income or a state supplementary assistance recipient, as defined by section 249.1, and a recipient of federal social security benefits at one time since August 1, 1977, and would be eligible for federal supplemental security income or state supplementary assistance but for the increases due to the cost of living in federal social security benefits since the last date of concurrent eligibility.

p. Is an individual whose spouse is deceased and who is ineligible for federal supplemental security income or state supplementary assistance, as defined by section 249.1, due to the elimination of the actuarial reduction formula for federal social security benefits under the federal Social Security Act and subsequent cost of living increases.

q. Is an individual who is at least sixty years of age and is ineligible for federal supplemental security income or state supplementary assistance, as defined by section 249.1, because of receipt of social security widow or widower benefits and is not eligible for federal Medicare, part A coverage.

r. Is an individual with a disability, and is at least eighteen years of age, who receives parental social security benefits under the federal Social Security Act and is not eligible for federal supplemental security income or state supplementary assistance, as defined by section 249.1, because of the receipt of the social security benefits.

s. Is an individual who is no longer eligible for the family investment program due to earned income. The department shall provide transitional medical assistance to the individual for the maximum period allowed for federal financial participation under federal law.

t. Is an individual who is no longer eligible for the family investment program due to the receipt of child or spousal support. The department shall provide transitional medical assistance to the individual for the maximum period allowed for federal financial participation under federal law.

2. Medical assistance may also, within the limits of available funds and in accordance with section 249A.4, subsection 1, be provided to, or on behalf of, other individuals and families who are not excluded under subsection 5 of this

section and whose incomes and resources are insufficient to meet the cost of necessary medical care and services in accordance with the following order of priorities:

a. As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XIII), individuals with disabilities, who are less than sixty-five years of age, who are members of families whose income is less than two hundred fifty percent of the most recently revised official poverty guidelines published by the United States department of health and human services for the family, who have earned income and who are eligible for medical assistance or additional medical assistance under this section if earnings are disregarded. As allowed by 42 U.S.C. § 1396a(r)(2), unearned income shall also be disregarded in determining whether an individual is eligible for assistance under this paragraph. For the purposes of determining the amount of an individual's resources under this paragraph and as allowed by 42 U.S.C. § 1396a(r)(2), a maximum of ten thousand dollars of available resources shall be disregarded, and any additional resources held in a retirement account, in a medical savings account, or in any other account approved under rules adopted by the department shall also be disregarded. Individuals eligible for assistance under this paragraph, whose individual income exceeds one hundred fifty percent of the official poverty guidelines published by the United States department of health and human services for an individual, shall pay a premium. The amount of the premium shall be based on a sliding fee schedule adopted by rule of the department and shall be based on a percentage of the individual's income. The maximum premium payable by an individual whose income exceeds one hundred fifty percent of the official poverty guidelines shall be commensurate with the cost of state employees' group health insurance in this state.

b. As provided under the federal Breast and Cervical Cancer Prevention and Treatment Act of 2000, Pub. L. No. 106-354, women who meet all of the following criteria:

- (1) Are not described in 42 U.S.C. § 1396a(a)(10)(A)(i).
- (2) Have not attained age sixty-five.

(3) Have been screened for breast and cervical cancer under the United States centers for disease control and prevention breast and cervical cancer early detection program established under 42 U.S.C. § 300k et seq., in accordance with the requirements of 42 U.S.C. § 300n, and need treatment for breast or cervical cancer. A woman is considered screened for breast and cervical cancer under this subparagraph if the woman is screened by any provider or entity, and the state grantee of the United States centers for disease control and prevention funds under Title XV of the federal Public Health Services Act has elected to include screening activities by that provider or entity as screening activities pursuant to Title XV of the federal Public Health Services Act. This screening includes but is not limited to breast or cervical cancer screenings or related diagnostic services provided by family planning or community health centers and breast cancer screenings funded by the Susan G. Komen foundation which are provided to women who meet the eligibility requirements established by the state grantee of the United States centers for disease control and prevention funds under Title XV of the federal Public Health Services Act.

- (4) Are not otherwise covered under creditable coverage as defined in 42 U.S.C. § 300gg(c).

A woman who meets the criteria of this paragraph shall be presumptively eligible for medical assistance.

c. Individuals who are receiving care in a hospital or in a basic nursing home, intermediate nursing home, skilled nursing home or extended care facility, as defined by section 135C.1, and who meet all eligibility requirements for federal supplemental security income except that their income exceeds the allowable maximum therefor, but whose income is not in excess of the maximum established by subsection 4 for eligibility for medical assistance and is insufficient to meet the full cost of their care in the hospital or health care facility on the basis of standards established by the department.

d. Individuals under twenty-one years of age living in a licensed foster home, or in a private home pursuant to a subsidized adoption arrangement, for whom the department accepts financial responsibility in whole or in part and who are not eligible under subsection 1.

e. Individuals who are receiving care in an institution for mental diseases, and who are under twenty-one years of age and whose income and resources are such that they are eligible for the family investment program, or who are sixty-five years of age or older and who meet the conditions for eligibility in paragraph "a" of this subsection.

f. Individuals and families whose incomes and resources are such that they are eligible for federal supplemental security income or the family investment program, but who are not actually receiving such public assistance.

Iowa Code § 249A.3

g. Individuals who are receiving state supplementary assistance as defined by section 249.1 or other persons whose needs are considered in computing the recipient's assistance grant.

h. Individuals under twenty-one years of age who qualify on a financial basis for, but who are otherwise ineligible to receive assistance under the family investment program.

i. Individuals and families who would be eligible under subsection 1 or 2 of this section except for excess income or resources, or a reasonable category of those individuals and families.

j. Individuals who have attained the age of twenty-one but have not yet attained the age of sixty-five who qualify on a financial basis for, but who are otherwise ineligible to receive, federal supplemental security income or assistance under the family investment program.

k. As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XVII), individuals under twenty-one years of age who were in foster care under the responsibility of the state on the individual's eighteenth birthday, and whose income is less than two hundred percent of the most recently revised official poverty guidelines published by the United States department of health and human services. Medical assistance may be provided for an individual described by this paragraph regardless of the individual's resources.

Notwithstanding the provisions of this subsection establishing priorities for individuals and families to receive medical assistance, the department may determine within the priorities listed in this subsection which persons shall receive medical assistance based on income levels established by the department, subject to the limitations provided in subsection 4.

3. Additional medical assistance may, within the limits of available funds and in accordance with section 249A.4, subsection 1, be provided to, or on behalf of, either:

- a.* Only those individuals and families described in subsection 1 of this section; or
- b.* Those individuals and families described in both subsections 1 and 2.

4. Discretionary medical assistance, within the limits of available funds and in accordance with section 249A.4, subsection 1, may be provided to or on behalf of those individuals and families described in subsection 2, paragraph "i" of this section.

5. Assistance shall not be granted under this chapter to:

- a.* An individual or family whose income, considered to be available to the individual or family, exceeds federally prescribed limitations.
- b.* An individual or family whose resources, considered to be available to the individual or family, exceed federally prescribed limitations.

5A. In determining eligibility for children under subsection 1, paragraphs "b", "f", "g", "j", "k", "n", and "s"; subsection 2, paragraphs "c", "e", "f", "h", and "i"; and subsection 5, paragraph "b", all resources of the family, other than monthly income, shall be disregarded.

5B. In determining eligibility for adults under subsection 1, paragraphs "b", "e", "h", "j", "k", "n", "s", and "t"; subsection 2, paragraphs "d", "e", "h", "i", and "j"; and subsection 5, paragraph "b", one motor vehicle per household shall be disregarded.

6. In determining the eligibility of an individual for medical assistance under this chapter, for resources transferred to the individual's spouse before October 1, 1989, or to a person other than the individual's spouse before July 1, 1989, the department shall include, as resources still available to the individual, those nonexempt resources or interests in resources, owned by the individual within the preceding twenty-four months, which the individual gave away or sold at less than fair market value for the purpose of establishing eligibility for medical assistance under this chapter.

a. A transaction described in this subsection is presumed to have been for the purpose of establishing eligibility for medical assistance under this chapter unless the individual furnishes convincing evidence to establish that the transaction was exclusively for some other purpose.

b. The value of a resource or an interest in a resource in determining eligibility under this subsection is the fair market value of the resource or interest at the time of the transaction less the amount of any compensation received.

c. If a transaction described in this subsection results in uncompensated value exceeding twelve thousand dollars, the department shall provide by rule for a period of ineligibility which exceeds twenty-four months and has a reasonable relationship to the uncompensated value above twelve thousand dollars.

7. In determining the eligibility of an individual for medical assistance under this chapter, the department shall consider resources transferred to the individual's spouse on or after October 1, 1989, or to a person other than the individual's spouse on or after July 1, 1989, and prior to August 11, 1993, as provided by the federal Medicare Catastrophic Coverage Act of 1988, Pub. L. No. 100-360, § 303(b), as amended by the federal Family Support Act of 1988, Pub. L. No. 100-485, § 608(d)(16)(B), (D), and the federal Omnibus Budget Reconciliation Act of 1989, Pub. L. No. 101-239, § 6411(e)(1).

8. Medicare cost sharing shall be provided in accordance with the provisions of Title XIX of the federal Social Security Act, section 1902(a)(10)(E), as codified in *42 U.S.C. § 1396a(a)(10)(E)*, to or on behalf of an individual who is a resident of the state or a resident who is temporarily absent from the state, and who is a member of any of the following eligibility categories:

a. A qualified Medicare beneficiary as defined under Title XIX of the federal Social Security Act, section 1905(p)(1), as codified in *42 U.S.C. § 1396d(p)(1)*.

b. A qualified disabled and working person as defined under Title XIX of the federal Social Security Act, section 1905(s), as codified in *42 U.S.C. § 1396d(s)*.

c. A specified low-income Medicare beneficiary as defined under Title XIX of the federal Social Security Act, section 1902(a)(10)(E)(iii), as codified in *42 U.S.C. § 1396a(a)(10)(E)(iii)*.

d. An additional specified low-income Medicare beneficiary as described under Title XIX of the federal Social Security Act, section 1902(a)(10)(E)(iv)(I), as codified in *42 U.S.C. § 1396a(a)(10)(E)(iv)(I)*.

e. An additional specified low-income Medicare beneficiary described under Title XIX of the federal Social Security Act, section 1902(a)(10)(E)(iv)(II), as codified in *42 U.S.C. § 1396a(a)(10)(E)(iv)(II)*.

9. Beginning October 1, 1990, in determining the eligibility of an institutionalized individual for assistance under this chapter, the department shall establish a minimum community spouse resource allowance amount of twenty-four thousand dollars to be retained for the benefit of the institutionalized individual's community spouse in accordance with the federal Social Security Act, section 1924(f) as codified in *42 U.S.C. § 1396r-5(f)*.

10. Group health plan cost sharing shall be provided as required by Title XIX of the federal Social Security Act, section 1906, as codified in *42 U.S.C. § 1396e*.

11. a. In determining the eligibility of an individual for medical assistance, the department shall consider transfers of assets made on or after August 11, 1993, as provided by the federal Social Security Act, section 1917(c), as codified in *42 U.S.C. § 1396p(c)*.

b. The department shall exercise the option provided in *42 U.S.C. § 1396p(c)* to provide a period of ineligibility for medical assistance due to a transfer of assets by a noninstitutionalized individual or the spouse of a noninstitutionalized individual. For noninstitutionalized individuals, the number of months of ineligibility shall be equal to the total, cumulative uncompensated value of all assets transferred by the individual or the individual's spouse on or after the look-back date specified in *42 U.S.C. § 1396p(c)(1)(B)(i)*, divided by the average monthly cost to a private patient for nursing facility services in Iowa at the time of application. The services for which noninstitutionalized individuals shall be made ineligible shall include any long-term care services for which medical assistance is otherwise available. Notwithstanding section 17A.4, the department may adopt rules providing a period of ineligibility for medical assistance due to a transfer of assets by a noninstitutionalized individual or the spouse of a noninstitutionalized individual without notice of opportunity for public comment, to be effective immediately upon filing under section 17A.5, subsection 2, paragraph "b", subparagraph (1).

c. A disclaimer of any property, interest, or right pursuant to section 633E.5 constitutes a transfer of assets for the purpose of determining eligibility for medical assistance in an amount equal to the value of the property, interest, or right disclaimed.

d. Unless a surviving spouse is precluded from making an election under the terms of a premarital agreement, the failure of a surviving spouse to take an elective share pursuant to chapter 633, division V, constitutes a transfer of assets

Iowa Code § 249A.3

for the purpose of determining eligibility for medical assistance to the extent that the value received by taking an elective share would have exceeded the value of the inheritance received under the will.

12. In determining the eligibility of an individual for medical assistance, the department shall consider income or assets relating to trusts or similar legal instruments or devices established on or before August 10, 1993, as available to the individual, in accordance with the federal Comprehensive Omnibus Budget Reconciliation Act of 1986, Pub. L. No. 99-272, § 9506(a), as amended by the federal Omnibus Budget Reconciliation Act of 1986, Pub. L. No. 99-509, § 9435(c).

13. In determining the eligibility of an individual for medical assistance, the department shall consider income or assets relating to trusts or similar legal instruments or devices established after August 10, 1993, as available to the individual, in accordance with 42 U.S.C. § 1396p(d) and sections 633C.2 and 633C.3.

HISTORY: C62, 66, § 249A.3, 249A.4; C71, 73, 75, 77, 79, 81, § 249A.3; 81 Acts, ch 7, § 15, ch 82, § 1

84 Acts, ch 1297, § 3--5; 85 Acts, ch 146, § 2; 89 Acts, ch 104, § 2--4; 89 Acts, ch 304, § 202; 90 Acts, ch 1258, § 6; 90 Acts, ch 1270, § 48; 91 Acts, ch 158, § 3, 4; 92 Acts, ch 1043, § 4; 92 Acts, 2nd Ex, ch 1001, § 420; 93 Acts, ch 97, § 37; 94 Acts, ch 1120, § 1, 8, 9, 16; 95 Acts, ch 68, § 1; 96 Acts, ch 1129, § 64; 97 Acts, ch 41, § 26--28; 98 Acts, ch 1218, § 77; 99 Acts, ch 94, § 1; 99 Acts, ch 203, § 50; 99 Acts, ch 208, § 50; 2000 Acts, ch 1060, § 1--3; 2000 Acts, ch 1221, § 6; 2000 Acts, ch 1228, § 41; 2001 Acts, ch 184, § 9; 2003 Acts, ch 62, § 2; 2004 Acts, ch 1015, § 1; 2005 Acts, ch 38, § 1, 55; 2006 Acts, ch 1104, § 1; 2006 Acts, ch 1159, § 4, 8

NOTES:

Section Notes:

Spousal support debt for medical assistance to institutionalized spouse; community spouse resource allowance; chapter 249B

Subsection 2, NEW paragraph k

NEW subsection 5B

Subsection 11, paragraph d amended

LexisNexis (R) Notes:

CASE NOTES

1. Court erred in finding that a trust was terminated by the government's denial of Medicaid benefits to a patient and that, therefore, the patient was entitled to benefits. *Bidler v. Iowa Dep't of Human Servs.*, 2002 Iowa App. LEXIS 264 (Iowa Ct. App. Mar. 13 2002).

1 of 1 DOCUMENT

IOWA ADMINISTRATIVE CODE

*** THIS DOCUMENT IS CURRENT THROUGH THE JULY 18, 2007 SUPPLEMENT ***

HUMAN SERVICES DEPARTMENT[441]
TITLE VIII: MEDICAL ASSISTANCE
CHAPTER 75: CONDITIONS OF ELIGIBILITY
DIVISION II: ELIGIBILITY FACTORS SPECIFIC TO COVERAGE GROUPS RELATED TO THE FAMILY
MEDICAL ASSISTANCE PROGRAM (FMAP)

441 IAC 75.56(249A) (2007)

441 -- 75.56(249A) Resources.

75.56(1) Limitation. Unless otherwise specified, an applicant or recipient may have the following resources and be eligible for the family medical assistance program (FMAP) or FMAP-related programs. Any resource not specifically exempted shall be counted toward the applicable resource limit when determining eligibility for adults. All resources shall be disregarded when determining eligibility for children.

a. A homestead without regard to its value. A mobile home or similar shelter shall be considered as a homestead when it is occupied by the recipient. Temporary absence from the homestead with a defined purpose for the absence and with intent to return when the purpose of the absence has been accomplished shall not be considered to have altered the exempt status of the homestead. Except as described at paragraph 75.56(1) "n" or "o," the net market value of any other real property shall be considered with personal property.

b. Household goods and personal effects without regard to their value. Personal effects are personal or intimate tangible belongings of an individual, especially those that are worn or carried on the person, which are maintained in one's home, and include clothing, books, grooming aids, jewelry, hobby equipment, and similar items.

c. Life insurance which has no cash surrender value. The owner of the life insurance policy is the individual paying the premium on the policy with the right to change the policy as the individual sees fit.

d. One motor vehicle per household. If the household includes more than one adult or working teenaged child whose resources must be considered as described in subrule 75.56(2), an equity not to exceed a value of \$ 3,000 in one additional motor vehicle shall be disregarded for each additional adult or working teenaged child.

(1) The disregard for an additional motor vehicle shall be allowed when a working teenager is temporarily absent from work.

(2) The equity value of any additional motor vehicle in excess of \$ 3,000 shall be counted toward the resource limit in paragraph 75.56(1) "e." When a motor vehicle is modified with special equipment for the handicapped, the special equipment shall not increase the value of the motor vehicle.

(3) Beginning July 1, 1994, and continuing in succeeding state fiscal years, the motor vehicle equity value to be disregarded shall be increased by the latest increase in the consumer price index for used vehicles during the previous state fiscal year.

e. A reserve of other property, real or personal; not to exceed \$ 2,000 for applicant assistance units and \$ 5,000 for recipient assistance units.

EXCEPTION: Applicant assistance units with at least one member who was a recipient in Iowa in the month prior to the month of application are subject to the \$ 5,000 limit.

Resources of the applicant or the recipient shall be determined in accordance with persons considered, as described at subrule 75.56(2).

441 IAC 75.56(249A)

f. Money which is counted as income in a month, during that same month; and that part of lump sum income defined at subparagraph 75.57(9) "c" (2) reserved for the current or future month's income.

g. Payments which are exempted for consideration as income and resources under subrule 75.57(6).

h. An equity not to exceed \$ 1,500 in one funeral contract or burial trust for each member of the eligible group. Any amount in excess of \$ 1,500 shall be counted toward resource limits unless it is established that the funeral contract or burial trust is irrevocable.

i. One burial plot for each member of the eligible group. A burial plot is defined as a conventional gravesite, crypt, mausoleum, urn, or other repository which is customarily and traditionally used for the remains of a deceased person.

j. Settlements for payment of medical expenses.

k. Life estates.

l. Earned income credit payments in the month of receipt and the following month, regardless of whether these payments are received with the regular paychecks or as a lump sum with the federal income tax refund.

m. The balance in an individual development account (IDA), including interest earned on the IDA.

n. An equity not to exceed \$ 10,000 for tools of the trade or capital assets of self-employed households.

When the value of any resource is exempted in part, that portion of the value which exceeds the exemption shall be considered in calculating whether the eligible group's property is within the reserve defined in paragraph "e."

o. Nonhomestead property that produces income consistent with the property's fair market value.

75.56(2) Persons considered.

a. Resources of persons in the eligible group shall be considered in establishing property limits.

b. Resources of the parent who is living in the home with the eligible children but who is not eligible for Medicaid shall be considered in the same manner as if the parent were eligible for Medicaid.

c. Resources of the stepparent living in the home shall not be considered when determining eligibility of the eligible group, with one exception: The resources of a stepparent included in the eligible group shall be considered in the same manner as a parent.

d. The resources of supplemental security income (SSI) recipients shall not be counted in establishing property limitations. When property is owned by both the SSI beneficiary and a Medicaid recipient in another eligible group, each shall be considered as having a half interest in order to determine the value of the resource, unless the terms of the deed or purchase contract clearly establish ownership on a different proportional basis.

e. The resources of a nonparental specified relative who elects to be included in the eligible group shall be considered in the same manner as a parent.

75.56(3) Homestead defined. The homestead consists of the house, used as a home, and may contain one or more contiguous lots or tracts of land, including buildings and appurtenances. When within a city plat, it shall not exceed 1/2 acre in area. When outside a city plat it shall not contain, in the aggregate, more than 40 acres. When property used as a home exceeds these limitations, the equity value of the excess property shall be determined in accordance with subrule 75.56(5).

75.56(4) Liquidation. When proceeds from the sale of resources or conversion of a resource to cash, together with other nonexempted resources, exceed the property limitations, the recipient is ineligible to receive assistance until the amount in excess of the resource limitation has been expended unless immediately used to purchase a homestead, or reduce the mortgage on a homestead.

a. Property settlements. Property settlements which are part of a legal action in a dissolution of marriage or palimony suit are considered as resources upon receipt.

b. Property sold under installment contract. Property sold under an installment contract or held as security in exchange for a price consistent with its fair market value is exempt as a resource. If the price is not consistent with the contract's fair market value, the resource value of the installment contract is the gross price for which it can be sold or discounted on the open market, less any legal debts, claims, or liens against the installment contract.

441 IAC 75.56(249A)

Payments from property sold under an installment contract are exempt as income as specified in paragraphs 75.57(1)"d" and 75.57(7)"ag." The portion of any payment received representing principal is considered a resource upon receipt. The interest portion of the payment is considered a resource the month following the month of receipt.

75.56(5) Net market value defined. Net market value is the gross price for which property or an item can currently be sold on the open market, less any legal debts, claims, or liens against the property or item.

75.56(6) Availability.

a. A resource must be available in order for it to be counted toward resource limitations. A resource is considered available under the following circumstances:

(1) The applicant or recipient owns the property in part or in full and has control over it. That is, it can be occupied, rented, leased, sold, or otherwise used or disposed of at the individual's discretion.

(2) The applicant or recipient has a legal interest in a liquidated sum and has the legal ability to make the sum available for support and maintenance.

b. Rescinded IAB 6/30/99, effective 9/1/99.

c. When property is owned by more than one person, unless otherwise established, it is assumed that all persons hold equal shares in the property.

d. When the applicant or recipient owns nonhomestead property, the property shall be considered exempt for so long as the property is publicly advertised for sale at an asking price that is consistent with its fair market value.

75.56(7) Damage judgments and insurance settlements.

a. Payment resulting from damage to or destruction of an exempt resource shall be considered a resource to the applicant or recipient the month following the month the payment was received. When the applicant or recipient signs a legal binding commitment no later than the month after the month the payment was received, the funds shall be considered exempt for the duration of the commitment providing the terms of the commitment are met within eight months from the date of commitment.

b. Payment resulting from damage to or destruction of a nonexempt resource shall be considered a resource in the month following the month in which payment was received.

75.56(8) Conservatorships.

a. Conservatorships established prior to February 9, 1994. The department shall determine whether assets from a conservatorship, except one established solely for the payment of medical expenses, are available by examining the language of the order establishing the conservatorship.

Funds clearly conserved and available for care, support, or maintenance shall be considered toward resource or income limitations.

When the county office questions whether the funds in a conservatorship are available, the county office shall refer the conservatorship to central office. When assets in the conservatorship are not clearly available, central office staff may contact the conservator and request that the funds in the conservatorship be made available for current support and maintenance. When the conservator chooses not to make the funds available, the department may petition the court to have the funds released either partially or in their entirety or as periodic income payments. Funds in a conservatorship that are not clearly available shall be considered unavailable until the conservator or court actually makes the funds available. Payments received from the conservatorship for basic or special needs are considered income.

b. Conservatorships established on or after February 9, 1994. Conservatorships established on or after February 9, 1994, shall be treated according to the provisions of paragraphs 75.24(1)"e" and 75.24(2)"b."

75.56(9) Not considered a resource. Inventories and supplies, exclusive of capital assets, that are required for self-employment shall not be considered a resource. Inventory is defined as all unsold items, whether raised or purchased, that are held for sale or use and shall include, but not be limited to, merchandise, grain held in storage and livestock raised for sale. Supplies are items necessary for the operation of the enterprise, such as lumber, paint, and seed. Capital assets are those assets which, if sold at a later date, could be used to claim capital gains or losses for federal income tax

441 IAC 75.56(249A)

purposes. When self-employment is temporarily interrupted due to circumstances beyond the control of the household, such as illness, inventory or supplies retained by the household shall not be considered a resource.