

RHODE ISLAND DEPARTMENT OF HUMAN SERVICES

DATE: APRIL 30, 2009

NOTICE OF

PROPOSED ADOPTION OF RULES, REGULATIONS,  
POLICIES, PROCEDURES, AND OTHER MATERIALS  
RELATING TO THE ADMINISTRATION OF THE FOLLOWING PROGRAM(S):

In accordance with Title 42, Chapter 35, of the General Laws of the State of Rhode Island, notice is hereby given that the Department of Human Services (DHS) proposes to adopt rules, regulations, policies, procedures, and other materials relating to the following programs(s):

**FAMILY INDEPENDENCE PROGRAM (FIP) REPEAL**

The Family Independence Act (RIGL 40-5.1) was repealed effective July 1, 2008, and was replaced by The Rhode Island Works (RIW) Program (RIGL 40-5.2). Effective July 1, 2009, The Family Independence Program policies in Section 0800, et al, are repealed and replaced by the Rhode Island Works Program policies in Sections 1400, et al.

For all assistance units that were receiving cash assistance on October 1, 2008, without any break in eligibility through June 30, 2009, the RI Works time limits will take effect on July 1, 2009.

A Fiscal Note is available upon request. In the development of the rules and regulations, consideration was given to the following: (1) alternative approaches; and (2) overlap or duplication with other statutory and regulatory provisions. No alternative approach or duplication or overlap was identified based upon available information. (Complies with 42-35-3(3).) The health, safety, and welfare of the public preclude any economic impact that may be incurred as a result of these regulations.

Interested persons may inspect said proposed rules, regulations, policies, procedures, summary of policies, and other related materials on the R.I. Secretary of State's website at [www.sec.state.ri.us/ProposedRules/](http://www.sec.state.ri.us/ProposedRules/) or on the Department of Human Services website at [www.dhs.ri.gov](http://www.dhs.ri.gov), or in the Office of Policy Development, Department of Human Services, Louis Pasteur Building, Bldg. 57, Howard Avenue, Cranston, Rhode Island 02920, between the hours of 9:00 a.m. and 3:00 p.m., Monday through Friday.

Interested persons may submit data, views, or written arguments to the Office of Legal Counsel, Department of Human Services, Louis Pasteur Building, Bldg. 57, 600 New London Avenue, Cranston, Rhode Island 02920, within thirty (30) days of the date of this notice.

In accordance with the Rhode Island General Laws 42-35-3, an oral hearing will be granted on these rules if requested by twenty-five (25) persons, or an agency, or by an

association having at least twenty-five (25) members. A request for an oral hearing must be made within thirty (30) days of this notice.

### **SCOPE OF CHANGE**

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### **SUMMARY OF CHANGE**

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## ~~0828 BUDGET METHODOLOGY~~

### ~~0828.05 PROSPECTIVE BUDGETING~~

~~REV:07/1999~~

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~~In the process of determining eligibility for and the amount of FIP cash assistance, prospective budgeting is used.~~

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~~Eligibility is established based on the knowledge and reasonable expectation of what income and circumstances will exist in the month for which a payment is authorized. The agency representative must determine all factors of eligibility prospectively for all payment months.~~

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~~Two separate actions must always take place in determining eligibility:~~

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~~\* First, a current determination of all factors of eligibility is made.~~

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~~\* Second, if the case is found eligible, the amount of the grant for the payment month is calculated using the prospective method.~~

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~~Each assistance unit is considered a change reporter which is required to report any changes in income, resources, family composition, or other factors within ten (10) days of occurrence.~~

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~~These changes include:~~

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~~\* Changes in sources of income;~~

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~~\* Changes in the amount of gross monthly income of more than twenty five dollars (\$25), except for a change in FIP cash assistance;~~

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~~\* All changes in household composition, such as the addition or loss of a household member;~~

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~~\* Changes in residence;~~

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~~\* Acquisition of a licensed vehicle not excluded under Sections 0822.20.20.05 and 0822.10.20; and~~

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~~\* When cash on hand, stocks, bonds, and money in a bank account or savings institution reach or exceed a total of ONE thousand dollars (\$1,000).~~

## **0828.05.05 — Prospective Budgeting Method**

REV:07/1999

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~~The prospective budgeting method is used to determine the income which will exist during the period of eligibility for cash assistance under the Family Independence Program. This means that weekly income for these cases is converted to a monthly amount using the 4.3333 weeks per month conversion method.~~

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~~The projected estimate of income is valid for the period of time between the initial determination of eligibility and redetermination and between redeterminations or following a change in income or circumstances which is reported by the recipient or is discovered by the Department.~~

## **0828.05.10 — Authorizing Assistance**

REV:07/1999

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~~Benefits are issued on the first (1st) and the sixteenth (16th) of each month. The agency representative updates appropriate STAT and/or APPL panels in INRHODES and approves new versions of eligibility in order to effect changes for the next effective date.~~

## **0828.10 — CHANGE REPORTERS**

REV:01/2002

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~~All circumstances and income received or anticipated to be received are used to determine eligibility for and to calculate the amount of the FIP benefit.~~

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~~Data from the application, the DHS 1 and DHS 2, (and other documents) are entered into INRHODES. Following initial approval, the payment for each month thereafter is calculated based on the projected circumstances until a change is reported or discovered.~~

~~Each assistance unit is advised that it is considered a change reporter which must report all changes in income, resources, family composition, or other factors within ten (10) days of occurrence. The agency provides a Change Report Form (FS/FIP-200) to each assistance unit at the time of the certification interview, and at the time of the redetermination interview, if the assistance unit needs a new form. The agency representative is required to mail a form to the assistance unit whenever a Change Report Form is received in the mail from the assistance unit. (The assistance unit should be in possession of a Change Report Form at all times.) Although assistance units are encouraged to complete and return the Change Report Form when a change is being reported, changes reported over the telephone or in person by the assistance unit acted on in the same manner as those reported on the Change Report Form.~~

~~In addition, earners are required to submit an Earnings Report Form (DHS-3E) in the sixth month of each certification period.~~

~~Earners are defined as individuals with income from a job (JINC), self-employment, i.e., income from: a self owned and operated business (BUSI), including provision of child care in their own home (DCIN), rental property (RINC), boarder(s), and/or roomer(s)(RBIN). Earnings Report policy and procedures are outlined in Section 0828.15.~~

~~When a change occurs, appropriate panels in INRHODES are updated by the agency representative, eligibility approved, and notices issued as appropriate.~~

## **0828.10.05 — Action on Changes**

REV:07/1999

~~The agency representative advises the household of its responsibility to report any changes in income, resources, family composition, or other factors within ten (10) days. The agency is required to take prompt action on all changes to determine whether the change affects the family's eligibility or payment.~~

~~Even if there is no change in the payment, the agency representative documents the reported change in the case record, specifically the case chronology (CLOC) or the case narrative (CNAR) in INRHODES, as appropriate. The agency representative mails another FIP/FS Change Report Form to the client. If the reported change affects the family's eligibility or payment, the family is notified of the adjustment. The agency representative also advises the client of any additional verification requirements.~~

~~When a change occurs, appropriate panels in INRHODES are updated by the agency representative, eligibility approved, and notices issued.~~

~~Restoration of lost benefits is provided to any family if the agency representative fails to take action within ten (10) days of the date~~

~~the change was reported on a timely reported change which increases benefits.~~

### **0828.10.10 — Increases and Decreases in FIP Payment**

~~REV:07/1999~~

~~For changes which result in an increase in a family's benefits due to, for example, the addition of a new family member or a decrease in the family's income, the agency makes the changes effective no later than the first payment issued ten (10) days after the date the change is reported. However, in no event must these changes take effect any later than the second payroll following the date the change is reported.~~

~~If the change is reported too late for the agency representative to adjust the following payroll, s/he must issue a supplementary payment to the family.~~

~~However, no supplementary benefits shall be authorized when a client fails to report in a timely manner any change which increases benefits.~~

~~If the household's benefit level decreases or the family becomes ineligible as a result of the change, the agency must issue a notice of adverse action (See Section 0834.05) within ten (10) days of the date the change was reported. When a notice of adverse action is used, the decrease in the payment must be made no later than the next payroll following the date in which the notice of adverse action period has expired, provided a hearing and continuation of benefits have not been requested.~~

### **0828.10.15 — Failure to Report Changes**

~~REV:07/1999~~

~~If the agency representative discovers that the family failed to report a change as required by Section 0828.05, and, as a result, received benefits to which it was not entitled, the agency representative determines the overpayment and refers the case to the CCRU in accordance with Section 0830.10.25.~~

### **0828.15 — EARNINGS REPORT PROCESSING**

~~REV:07/1999~~

~~All cases required to file an Earnings Report Form (as outlined in Section 0808.30 and 0828.10) are determined and identified by INRHODES.~~

~~INRHODES issues Earnings Report Forms on or about the twenty fifth (25th) of the review month to those family assistance units required to report their earnings. The Earnings Report Form collects information in the following areas:~~

~~\* Review month income, family composition, and other circumstances relevant to the amount of the assistance payment.~~

~~\* Verification of earned income (including termination of~~

~~such income) and child care expenses.~~

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~~\* Changes pertaining to income, resources, family composition, or other factors that affect continued eligibility and are expected to occur in the current month or in future months.~~

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~~All recipients are still required to report to the agency any changes in income, resources, family composition, or other factors relevant to the amount of the assistance payment within ten (10) days of occurrence.~~

## **0828.15.05 ~~Completeness Criteria for Earnings Report~~**

~~REV:01/2002~~

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~~Before continuing eligibility can be determined and amount of benefits issued, an Earnings Report Form must be completed and received in a timely manner for all assistance units required to report in the sixth month of each certification period. See Section 0828.15.10 for policy on the timeliness standards for Earnings Reports.~~

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~~For a Earnings Report Form to be considered complete, Question 3 (household member information), Question 4 (unearned income information), and Question 5 (earned income information) must be answered. The parent must document her/his earned income by attaching pay stubs, statements from the employer, or other proof of earned income if pay stubs are not available as verification (including termination of earned income). Additionally, the Earnings Report Form must be signed by the parent(s)/caretaker relative.~~

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~~Question 6 of the Earnings Report Form requests information with regard to dependent care expenses paid by the assistance unit which enable an individual to work. Verification of such expenses is not required if previously verified and unchanged.~~

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~~Any change in dependent care expenses must be reported and documented. Failure to answer this question will not prevent processing of the Earnings Report Form; however, failure to provide verification of a dependent care expense when there is a change results in the loss of the dependent care disregard.~~

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~~The Earnings Report Form must be processed if Questions 3, 4, and 5 have been completed, complete verification of earned income has been submitted, and the report has been signed by the parent(s)/caretaker relative.~~

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~~The Earnings Reporting function (MONT) of INRHODES provides for entry of information contained in the Earnings Report Form.~~

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~~INRHODES on-line procedures are located in POLI Section 1122 under General Procedures.~~

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~~An incomplete Earnings Report Form is returned to the recipient by local office staff as appropriate. A separate notice is generated by INRHODES in which the recipient is advised that the Earnings Report Form is incomplete and what information or verification is needed.~~

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If the form and accompanying documentation are complete, the Filing Status of the case is coded as "C." The information contained in the DHS 3E is used to determine continuing eligibility; the agency representative updates the case from the form through the MONT function. JINC panel(s) must have the 4.3333 Override flag set to "N" unless it is the first or last month such income is received.~~

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INRHODES recomputes eligibility and the payment amount, as appropriate, and generates an appropriate notice. If a recipient requests a hearing within ten (10) days from the date of the notice, the payment is reinstated at the previous payment level, pending the hearing decision.~~

## **0828.15.10 — Timeliness Standards for Earnings Report**

REV:07/1999

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The Earnings Report Form must be completed by the recipient and returned to the local office by the end of the month following the review month for an Earnings Report Form to be considered timely filed. If the Earnings Report Form is complete, appropriate STAT panels are added and/or modified and eligibility is approved as outlined in Section 0828.15.05.~~

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For those recipients who have not returned an Earnings Report Form by the tenth (10th) of the month following the review month, INRHODES sends a reminder notice advising them that the agency cannot determine continuing eligibility for FIP without a completed and timely filed Earnings Report Form.~~

## **0828.15.15 — Earnings Report Not Received**

REV:01/2002

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When an Earnings Report Form (DHS 3E) has not been received or is considered incomplete by the agency by the day before the adverse action date for the month following the review month, INRHODES sends a notice of discontinuance to the recipient. If the recipient subsequently files a completed form by the end of the month following the review month, the agency accepts the form and determines continuing eligibility. INRHODES recalculates the payment based on the information on the form if eligibility exists.~~

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When information provided on the Earnings Report Form results in a change from the previous payment or ineligibility for assistance, the agency notifies the recipient of the change. If a recipient requests a hearing within ten (10) days from the date of the notice, the payment is reinstated at the previous payment level, pending the hearing decision.~~

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If the recipient does not request a hearing within ten (10) days of the date of the notice, or does not send in a completed DHS 3E by the end of the month, the cash assistance payment is discontinued.~~