

DEPARTMENT OF HUMAN SERVICES

Whole Family Systems (WFS)

How Guaranteed Income Payments Affect Public Benefits

This information is provided for community organizations and others that are considering providing Guaranteed Income to families in Minnesota. This is a basic and high-level overview of how the income could affect benefits families may already be receiving or may want to apply for. <u>Policy</u> <u>Bulletin 23-04-01 Unearned Income Policy for Public Assistance Programs</u> has guidance for DHS public assistance programs. Please refer your questions to Jeanne McGovern-Acuna Whole Family Systems Manager at jeanne.mcgovern-acuna@state.mn.us.

For other programs listed below, the policy information listed is correct as of 11-30-22, and for questions about these programs, please refer to the contact names in the chart and when sending questions to non-DHS program contacts, please cc Jeanne McGovern-Acuna Whole Family Systems manager at jeanne.mcgovern-acuna@state.mn.us.

U	State Agency		-	What action is necessary in order to disregard this source of income?
Minnesota Family	MN	Jeanne McGovern-Acuna	States have broad discretion in defining	None. Based on the list of unearned income sources
Investment Program	Department	Whole Family Systems	income for TANF eligibility. Temporary	at <u>256P.06, subd. 3(2)</u> , recurring payments from
(MFIP)	of Human	Manager	Assistance to Needy Families (TANF) is	guaranteed income programs are not counted when
Cash and food	Services	Jeanne.mcgovern-	the name of the federal block grant	determining eligibility or benefits for public assistance
assistance for families		acuna@state.mn.us	states receive to fund cash assistance and	programs under chapter 256P (MFIP, DWP, RCA,
with children in			other services to very low income	CCAP, GA, MSA, and Housing Support).
poverty.			families.	
Diversionary Work	MN	Jeanne McGovern-Acuna	States have broad discretion in defining	None. Based on the list of unearned income sources
Program (DWP)	Department	Whole Family Systems	income for TANF eligibility. Temporary	at <u>256P.06, subd. 3(2)</u> , recurring payments from
When families with	of Human	Manager	Assistance to Needy Families (TANF) is	guaranteed income programs are not counted when
children first apply for	Services	Jeanne.mcgovern-	the name of the federal block grant	determining eligibility or benefits for public assistance
cash assistance, they		acuna@state.mn.us	states receive to fund cash assistance and	

DHS Whole Family Systems 1-13-23

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usually start in DWP. It's a four consecutive month program that provides cash assistance and helps parents find jobs.			-	programs under chapter 256P (MFIP, DWP, RCA, CCAP, GA, MSA, and Housing Support).
Refugee Cash Assistance (RCA) Assistance for people without children with an eligible immigration status.	of Human	Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us	(MFIP).	None. Based on the list of unearned income sources at <u>256P.06, subd. 3(2)</u> , recurring payments from guaranteed income programs are not counted when determining eligibility or benefits for public assistance programs under chapter 256P (MFIP, DWP, RCA, CCAP, GA, MSA, and Housing Support).
Child Care Assistance Program (CCAP) Funds to help low income families pay for child care.	Department	Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us		None. Based on the list of unearned income sources at 256P.06, subd. 3(2), recurring payments from guaranteed income programs are not counted when determining eligibility or benefits for public assistance programs under chapter 256P (MFIP, DWP, RCA, CCAP, GA, MSA, and Housing Support). Child care authorization policies are not impacted by DHS' guidance about recurring payments from guaranteed income pilots or programs.
General Assistance (GA) Cash assistance for adults without children who have a serious illness, disability, or other issue that limits their ability to work.	of Human	Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us	General Assistance is a state program but people who receive GA also may qualify for federal disability benefits.	None. Based on the list of unearned income sources at 256P.06, subd. 3(2), recurring payments from guaranteed income programs are not counted when determining eligibility or benefits for public assistance programs under chapter 256P (MFIP, DWP, RCA <u></u> CCAP, GA, MSA, and Housing Support).
, Minnesota Supplemental Aid (MSA)		Jeanne McGovern-Acuna Whole Family Systems Manager		None. Based on the list of unearned income sources at <u>256P.06, subd. 3(2)</u> , recurring payments from guaranteed income programs are not counted when determining eligibility or benefits for public assistance

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An income supplement for people who receive federal Supplemental Security Income (SSI). Some people who are blind, have a disability, or are older than 65 but do not get SSI because their other income is too high may also be eligible for MSA if they meet the income		Jeanne.mcgovern- acuna@state.mn.us		programs under chapter 256P (MFIP, DWP, RCA, CCAP, GA, MSA, and Housing Support).
limit. Housing Support (formerly known as Group Residential Housing) The Housing Support program is an income supplement program providing room and board and sometimes supplemental services for people with disabilities and older adults with low incomes.	of Human Services	Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us	Housing Support is a state program but people must meet a combination of eligibility requirements set by the Supplemental Security Income program or General Assistance program to qualify for assistance.	None. Based on the list of unearned income sources at <u>256P.06</u> , <u>subd. 3(2)</u> , recurring payments from guaranteed income programs are not counted when determining eligibility or benefits for public assistance programs under chapter 256P (MFIP, DWP, CCAP, GA, MSA, and Housing Support).
Supplemental Nutrition Assistance Program (SNAP)	MN Department of Human Services	Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us	SNAP is a federal program governed by federal law and regulations. States have the authority to exclude income sources from SNAP that the state's Temporary Assistance for Needy Families (TANF) program excludes, with some	None. Recurring payments from guaranteed income programs are not counted when determining eligibility or benefits for SNAP if the payments are sourced solely from private funds or a mix of private and public funds. Payments funded with funds from a variety of public sources (e.g. State, local, and federal

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Medical Assistance and MinnesotaCare	•	Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us	Eligibility for Medical Assistance under a Families with Children and Adults (MA- FCA) basis and MinnesotaCare is determined according to whether the income is taxable. If the income is taxable, it is counted when determining eligibility for MA-FCA and MinnesotaCare. Eligibility for Medical Assistance under an	DHS-Health Care Eligibility and Access Division is currently in discussions with Federal Relations to determine if payments from guaranteed income programs are considered non-taxable due to being general welfare payments or disaster relief payments. If the income is considered taxable, it must be counted when determining eligibility. If it is not taxable income, then the income from the guaranteed income pilots would not be counted.
			Age 65 or Older and People Who Are Blind or Have a Disability (MA-ABD) basis is determined according to the methodology of the Social Security	The statute specifying that MA-ABD follows SSI methodology is 256B.056, subd. 1a. State legislation would be required to exclude payments from guaranteed income programs for Medical Assistance for Persons over 65, Who are Blind, or Disabled (MA- ABD). DHS would also have to submit an amendment to its state Medicaid plan to obtain federal approval.
Energy Assistance		Michael Schmitz, Director Office of Energy Assistance Programs <u>michael.schmitz@state.m</u> n.us	The Department of Commerce utilizes federal funds from the Low Income Home Energy Assistance Program (LIHEAP). Because LIHEAP is a block grant, States have broad discretion in defining income and disregards.	The Department of Commerce can exclude income from guaranteed income pilots from eligibility determination through their annual plan process with the federal government.

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• • •	Department of Health	Minnesota Department of Health <u>Kate.Franken@state.mn.us</u>	Cash payments cannot be disregarded. But families are categorically eligible for WIC if they receive assistance from SNAP, MFIP, or Medical Assistance or Minnesota Care. The US Department of Agriculture has denied waivers on this in the past.	The question is an arithmetic question: Will the extra income make a family ineligible for Medical Assistance?
Lunch Program	Department of Education		receiving SNAP or TANF. The US Department of Agriculture has denied waivers on this in the past.	 This is primarily federal funding. Applications are all approved by school districts. SNAP TANF₂ some Medicaid categories and American Indian Food Distribution programs on reservations are categorically eligible. If a school district or site participates in the Community Eligibility Provision (CEP) program, all the children in the designated school are automatically eligible for breakfast and lunch at no costs to the family. The following groups have categorical eligibility for free and reduced lunches, meaning if they are in one of the following groups they are automatically eligible for free and reduced lunches. A child in Head Start

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				 Foster children SNAP participants Some Medicaid participants (those that meet income eligibility, only 2 of the 5 Medicaid categories line up with NSLP income guidelines) A family in an emergency shelter
Child and Adult Care Food Program	Department of Education	FDCH.mde@state.mn.us The mailbox listed above is for contacting the Nutrition Program Consultants at MDE	Statement (HIS) for CACFP. The impact of the additional income, won't affect an individual family whose	CACFP Reimbursement is provided to organizations such as licensed child care and licensed adult daycare centers that are approved to participate in CACFP. The funds must be used to aid the costs of providing nutritious meals and snacks that meet the CACFP meal pattern and nutrition requirements. Since meals are provided to all participants enrolled, individual families are not impacted by reporting the additional household income when completing the household income statement (HIS) for CACFP. When a provider operates a licensed family child care the reimbursement amount is based on a Tiering status of each licensed family child care home. Tier 1 status ensures the higher rate of reimbursement for CACFP meals and snacks. Tier 2 providers still receive CACFP reimbursement, but at a lower rate per meal and/or snack. Tier 1 eligibility is determined based on area and census data to establish a low-income eligibility. In addition, If a provider's home is not area eligible by school area or census area data the licensed provider can submit a HIS to their sponsoring organization to determine individual provider eligibility. If the provider is approved for Tier 1 reimbursement rates based on the HIS they will receive the higher rate of

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				reimbursement for meals and snacks served while operating CACFP.
				If the provider's home is not Tier 1 the provider will be given a status of Tier 2, but can still collect HIS from enrolled families and receive the higher reimbursement rate just for those families' meals and snacks who's income meets the guidelines for free or reduced-price meals.
Head Start	of Education	MN Department of Education	Cash gifts of less than \$14,000 do not count as taxable income, and are not reported to the IRS or states as income. Head Start grantees are allowed to hold 10 percent of their enrollment slots for over-income families. This is a local level decision that can be discussed with the Head Start programs who may participate. Local programs establish selection criteria that weighs prioritization of eligibility factors, including those listed below.	Minnesota supplements federal funding with state funding for Early Head Start/Head Start federal grantees. <u>State law</u> ^[1] allows local programs to submit a plan to use state funds for an innovative initiative. If approved, funding for an Innovative Initiative may be used to operate differently than what is required by federal <u>Head Start Program Performance Standards</u> . A requested and approved exemption does not apply to the entire Early Head Start/Head Start program. An exemption applies only to the portion of the program with the approved Innovative Initiative. Program plans are submitted and approved annually. An Early Head Start/Head Start program may request a program plan revision at any time throughout the state fiscal year.
			An expectant family or child is eligible if: The family's income is equal to or below the poverty line ; or,	In certain circumstances, Head Start/Early Head Start programs may enroll up to 35% of participants whose families do not meet eligibility criteria and whose incomes are below 130 percent of the federal poverty

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			would be potentially eligible for	line. There are additional allowances for Tribal Head Start/Early Head Start programs Head Start, income verification is valid for 2 years. In certain instances, a child may be age-eligible for a 3 rd year of Head Start. Income verification would be done again prior enrollment in a 3rd year of Head Start.
Scholarships	Department of Education	Sandra Myers Early Learning Services Supervisor MN Department of Education Sandra.myers@state.mn.us Please cc: Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us	program.	Eligibility is for families at or below 185% of poverty. If the family receives assistance from one of 8 programs, the child is categorically eligible for scholarships. This means the family does not have to submit detailed income information to determine the child's eligibility. The 8 programs are: free and reduced school lunches, Child or adult care food program, Food Distribution program on Indian reservations, Head Start, Minnesota Family Investment Program, Child Care Assistance Program, Supplemental Nutrition Assistance Program, or in foster care. ³
Family Home visiting	Department	Dawn Reckinger Manager, Family Home Visiting <u>Dawn.reckinger@state.mn.</u> <u>us</u>	the poverty line to qualify for home visiting services.	TANF: Families have to be below 200% of the poverty line to qualify for home visiting services supported by TANF funding. MIECHV: Does not have income requirements

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		Please cc: Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us	evidence based home visiting programs set eligibility criteria that are in addition to income: pregnancy status, risk factors,	Regardless of source, the question is an arithmetic question: will the extra income make a family ineligible for Medical Assistance or other benefits. All counties have state funding for home visiting which has no restrictions on income.
Transitional Housing		Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us		For the state funded Transitional Housing Program families have to be homeless when they enter the program. The law is silent on income.
Emergency Assistance	MN Department of Human Services	Please cc: Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us		Counties determine local emergency assistance policies. They can choose to disregard or not disregard different income sources.
Supplement Security Income A federal income support program for people in poverty with disabilities.	N.A.		-	There is no role for state government in this program.
Section 8 and Public Housing	Authorities		Urban Development administers section	A local public housing authority can request a waiver from HUD to disregard the income. The board of the local public housing authority has to approve the request for that waiver.
		Please cc: Jeanne McGovern-Acuna Whole Family Systems Manager Jeanne.mcgovern- acuna@state.mn.us		