

DEPARTMENTAL PHILOSOPHY

The Family Independence Program (FIP) is temporary assistance to families in need. Recipients of FIP strive for self-sufficiency as required in their Family Self-Sufficiency Plan (FSSP). When the family has successfully gained employment and has income that exceeds the FIP eligibility limit, the department offers Extended FIP (EFIP) to help families transition to self-sufficiency. This extends the family's eligibility for supportive programs and is required by MCL 400.57s as a critical part of Michigan's plan to meet federal participation requirements and maintain TANF funding.

DEPARTMENTAL POLICY

FIP Only

Families receive EFIP for up to six months, with a grant of \$10, when loss of FIP eligibility relates to income from employment of a FIP program group member.

Persons in this stage of FIP eligibility are called Extended FIP (EFIP) recipients. EFIP recipients continue to be categorically eligible for other programs such as Medicaid, Child Development and Care (CDC), Direct Support Services (DSS) and energy assistance. Families eligible for Transitional Medicaid (TMA) receive TMA and EFIP simultaneously.

Initial EFIP Eligibility

EFIP starts the month following the last month the family was eligible for regular FIP regardless of when the EFIP determination is made. All financial and non-financial FIP eligibility requirements except income must be met.

To be eligible for EFIP, the family must have received FIP benefits, even if it was for a partial month or an early payment (EP) the period before EFIP would be issued.

Do not require a new or updated application or an in-person interview to transfer to EFIP.

When you determine that a group loses regular FIP eligibility due to excess income that includes earnings, determine Low-Income Family/Transitional Medicaid (LIF/TMA) eligibility. If eligible for MA, send appropriate approval notices.

Manual Child Support Income Test

After completing the LIF/TMA determination, determine the total amount of child support the FIP group would receive if not receiving FIP, using the DL-060.

If the total child support expected is **greater than or equal to \$60.00 per month**, there is no EFIP eligibility. Document EFIP ineligibility on your LOA2 FIP budget and take appropriate case actions to close FIP

and/or transfer to the appropriate MA program(s). The family will receive child support directly.

If the total monthly child support expected is **less than \$60.00 per month**, the family is eligible for EFIP if otherwise eligible for FIP except for income.

Documenting EFIP Do all of the following when transferring to EFIP:

- Document the manual child support income test and EFIP approval on the LOA2 FIP budget showing excess income.
- Complete and send a DHS-176, Benefit Notice instead of the DHS-4400, LOA2 Client Notice. On the notice:
 - Check box 1 or 2 in section B, BENEFITS CHANGE.
 - Enter **FIP**, the grant amount, and the effective date in section B.
 - On page two enter the following reason message in section one:

“You have excess income (that includes earnings) for FIP. You will receive Extended FIP (EFIP) for 6 months with a grant of \$10 if other FIP eligibility requirements are met. If child support collections for your family exceed \$60 per month, your EFIP case will close and you will receive child support directly. EFIP will end after 6 months without an additional notice.”

- Enter PEM 519 as the manual policy reference in section 2.
- If receiving Food Assistance Program (FAP) benefits, complete an LOA2 FAP budget to reflect the new FIP grant amount. Because the \$10 EFIP grant amount will not be passed from the FIP budget to the FAP budget, you must enter the correct FIP grant amount of \$10 on the FAP FIP/SA income screen.

CIMS

To authorize EFIP, complete the FPOS (grant increase) or FNEG (grant decrease) transaction, including the following:

- Enter Project Code (Proj) **E** at the top right. Any existing project codes can be replaced with **E**.
- Set the EFIP redetermination date to the sixth month following the last month there was eligibility for regular FIP.
- Enter negative action code N035 if the previous grant amount was more than \$10.

- Enter the payment standard, income and grant amount:

Group Size	Payment Standard	Income	Grant Amount
ONE	\$306	\$296	\$10
TWO	\$403	\$393	\$10
THREE	\$492	\$482	\$10
FOUR	\$597	\$587	\$10
FIVE	\$694	\$684	\$10
SIX	\$828	\$818	\$10
SEVEN	\$905	\$895	\$10
EIGHT or more	Add \$80 for each additional person	Payment Standard minus \$10	\$10

- Enter the client’s actual monthly earnings and weekly hours at the recipient level.

Note: When a pending EFIP closure is deleted prior to being effective, the project code **E** will not be retained. You must re-enter project code **E** to correctly identify the case as EFIP.

Work Related Activities

DHS and JET/MWA case managers must continue to record the client’s activities and actual hours of participation. DHS records actual participation of client’s with employment code other than WF in the FSSP. JET/MWA records actual participation of client’s with employment code WF in the One Stop Michigan Information System (OSMIS). The EFIP group is not required to complete the FAST or FSSP.

When a case moves from regular FIP to EFIP, the client is identified as closed due to earnings on the OSMIS at the JET/MWA. JET treats the case as closed due to earnings and provides retention services up to 180 days after job placement.

Continue to use appropriate employment codes for mandatory EFIP recipients e.g. WF if served by JET/MWA.

Exception: Use the following employment code work around in ASSIST when an EFIP client who is not working 40 hours per week refuses MWA services or was added to the EFIP group as a required participant:

- Enter employment code **WU**.
- Enter 40 hours of employment.
- Enter \$1 of income.

The above work around suppresses a referral to JET/MWA or excuses the EFIP recipient from meeting JET/MWA requirements.

Note: DHS case managers must record actual hours of participation in the FSSP for clients no longer served by the MWA.

Noncompliance

An EFIP recipient is noncompliant with work related activities and requires the triage process in PEM 233A **only** when he/she does one of the following:

- Quits a job without good cause.
- Is fired from a job for misconduct.
- Voluntarily reduces hours of employment without good cause.

Continued Eligibility

EFIP eligibility continues until the end of the six-month EFIP period or until one of the following occurs:

- It is known by the department that no EFIP program group member has earned income.
- The group regains regular FIP eligibility.
- The group fails the child support income test (child support collections equal or exceed \$60 per month).
- The group fails any financial or non-financial eligibility factor for FIP other than excess income or change reporting.
- The group requests case closure.

Once EFIP eligibility is lost, it cannot be regained unless regular FIP eligibility is regained and subsequently lost due to excess income that includes earnings of a program group member.

EFIP Qualified Group

The EFIP qualified group includes those persons in the FIP eligible group when regular FIP eligibility is lost due to excess income including earnings. When a group member joins (including newborns) or leaves the EFIP group, complete an LOA2 FIP budget to determine regular FIP eligibility. When regular FIP eligibility is regained, see the instructions below in [FIP Eligibility Regained](#). When regular FIP eligibility is not regained, continue the EFIP, adding or removing members according to PEM 210. Process changes for other programs based on the new group.

Note: The FIP group, including the new member, may be eligible for EFIP when a mandatory or optional group member with income joins the group and the countable income (including earnings) exceeds regular FIP eligibility.

Reporting and Acting on Changes

Recipients of EFIP are not required to report changes. However, any changes known to the department that could affect EFIP eligibility must be acted upon.

When income decreases are known, complete a new FIP budget to determine if regular FIP eligibility is regained. If the income decrease results in regained FIP eligibility, request verification of decreased income. When verification is received and regular FIP eligibility is regained, see [FIP Eligibility Regained](#) below.

If verification of decreased income is not provided, take no action on the EFIP unless it is known that no EFIP group member has earned income. When it is known that no EFIP group has earned income, and verification needed to re-establish regular FIP eligibility is not provided, pend the EFIP to close due to failure to provide requested verification.

When increases in income other than child support are known, no action is required for EFIP.

Increased Child Support Collections

Check the DL-060, Support Collections report for EFIP cases with collections in excess of \$60. See Manual Child Support Income Test earlier in this item. When the group fails the child support income test after becoming eligible for EFIP, close the EFIP and authorize any remaining TMA months for which the family is eligible. If there is no LIF/TMA eligibility, determine eligibility for other MA coverage.

Example: Family receives three months of EFIP. In the third month you discover that the group's child support collections are expected to exceed \$60.00 monthly. When you check the case record, you find that the family was eligible for TMA at the time of the EFIP determination. Authorize TMA for the nine-month balance of the TMA period.

FIP Eligibility Regained

When regular FIP eligibility is regained, document this on the LOA2 FIP budget and do all of the following:

- Enter the correct income and grant amount and remove the project code E from CIMS.
- If receiving FAP, complete an LOA2 FAP budget to reflect the new FIP grant amount.
- Change the FIP redetermination date to the current month plus two.
- Send out a FIP redetermination packet.

Redetermination

EFIP cases will be identified on the RD-093, Redetermination Report - Worker Listing with an asterisk (*) in front of the program **C**. When you identify an EFIP case is coming up for redetermination, check the case record to see if the family was eligible for TMA at the time of the EFIP determination.

If all EFIP group members were TMA eligible, do not send a redetermination packet. Pend the EFIP to close by the end of the redetermina-

tion month using negative action code N035 (increased earnings). Authorize TMA for the balance of the TMA eligibility period, usually another six (6) months. Update the redetermination date to the end of the TMA period. **If any EFIP group member was not eligible for TMA,** send a redetermination packet to determine eligibility for other MA programs.

LEGAL BASE

MCL 400.57(s)