

A CA Benefit Determination



This section identifies how CA eligibility and benefit amounts are determined.

Policy

Under Title IV-A of the Social Security Act, federal funds are available in block grants to states for the purpose of providing temporary CA to needy families with eligible dependent children.

The CA payment standard test is used to approve, deny, or close CA and Two Parent Employment Program (TPEP) benefits.

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CA Payment Determination

Participants must apply, complete an interview, and be determined prospectively eligible in order to receive CA benefits. Prospective eligibility consists of meeting required eligibility factors along with the following income tests:

- [CA Needy Family Test](#)
- [CA Payment Standard Test](#)

When all eligibility factors and income tests are met, participants are considered to be prospectively eligible.

FAA compares the CA budgetary unit size and income to the CA income maximum limit for purposes of determining prospective eligibility. Participants must meet prospective eligibility requirements before a budgetary unit can receive benefits.

Prospective eligibility includes meeting the needy family criteria and having less income than the payment standard for the size of the budgetary unit living in the home.

NOTE The CA Needy Family Test is not conducted on Kinship Foster Care (KFC) child only cases or Tribal TANF cases.

The CA Payment Standard Test is conducted for all CA determinations.

The countable income minus CA earned income deductions cannot exceed the maximum benefit amount an eligible budgetary unit with no income would receive. This

amount is 36% of the 1992 Federal Poverty Level (FPL), based on the A1 or A2 CA Payment Standard. (See [CA Payment Standard \(A1/A2\)](#))

The payment standard is based on the number of budgetary unit participants for whom the CA benefit is intended. The CA payment standard is used when computing prospective eligibility based on the payment limit. The benefit payment amount is computed automatically by completing **all** of the following:

- The appropriate CA earned income deductions are subtracted from the gross countable income to determine the net income.
- Net income is subtracted from the CA payment standard.
- The remaining figure is the net unrounded payment.

When the net unrounded payment is at least one cent, the budgetary unit is prospectively eligible.

When the net unrounded payment is zero, the budgetary unit is not prospectively eligible.

Participants are required to complete the CA renewal process for continuing eligibility. (See [CA Renewal Requirements and Time Frames](#))

In addition to meeting income and other eligibility factors, participants are obligated to specific reporting requirements.

CA Needy Family Test

To be eligible for CA, the CA budgetary unit must be prospectively eligible. The CA Needy Family Test is used in the prospective eligibility determination process.

The CA Needy Family Test is used to determine whether the dependent child resides in a needy family. The test is based on the earned and unearned income of the [family\(g\)](#) of the [caretaker relative\(g\)](#). All members of the caretaker relative's family must be registered to the case so that AZTECS can perform the CA Needy Family Test.

FAA determines eligibility for state CA when a budgetary unit does not meet the following Tribal TANF program eligibility requirements:

- Tribal enrollment of specific participants
- Resides in a Tribal Service Delivery Area (SDA)

NOTE The CA Needy Family Test is not conducted on some Tribal TANF budgetary units. (See [Tribal TANF](#) for Tribal TANF policy.)

The family size of the caretaker relative is used for the CA Needy Family Test. However, the budgetary unit size is used to determine the CA payment amount. See

any of the following examples to assist in understanding the difference between family sizes and budgetary unit sizes:

[Example 1](#)

[Example 2](#)

[Example 3](#)

[Example 4](#)

When the adult caretaker is a nonparent caretaker relative (NPCR) of the dependent child and they are applying for the child only, then the family's combined income cannot exceed 130% of the current Federal Poverty Level (FPL).

When the caretaker relative is a parent of the dependent child or the NPCR is applying for themselves and the child, then the family's combined income cannot exceed 100% of the current FPL.

The CA Needy Family Test is not conducted on Kinship Foster Care (KFC) child only cases.

When it is determined that the dependent child resides in a needy family, FAA determines a payment amount based on the CA payment standard test. (See [CA Payment Standard Test](#))

CA Earned Income Deductions

Policy and procedures regarding CA earned income deductions include **all** of the following:

- [Cost of Employment Deduction \(COE\)](#)
- [30% Earned Income Deduction](#)
- [Dependent Care Expense Deduction](#)
- [EMPOWER Deduction](#)

Cost of Employment Deduction (COE)

The Cost of Employment (COE) deduction is calculated for each wage earner in the needy family(g).

The COE is a \$90 monthly deduction from the total countable gross earned income of each participant who is employed.

The COE is meant to compensate for job-related personal expenses. Job-related expenses include, and are not limited to, **all** of the following:

- Transportation
- Uniforms
- Mandatory payroll deductions

30% Earned Income Deduction

The earned income deduction is equal to 30% of each CA employed participant's

countable earned income.

Dependent Care Expense Deduction

Each employed participant is eligible for a dependent care expense deduction from earned income. (For more information, see [Dependent Care Expenses](#))

EMPOWER Deduction

EMPOWER was a pilot project designed to encourage participants to transition off CA. It was in effect for the benefit months of November 1995 through September 2002.

During this pilot project FAA implemented the Family Benefit Cap Period (FBCP) policy, which is still in effect. Benefit Cap (BC) children are not eligible for CA unless FBCP exempt. However, the CA budgetary unit is eligible to receive an EMPOWER deduction from earned income.

The EMPOWER earned income deduction is an amount equal to the amount of CA benefits the BC child would be eligible for when included in the CA benefit.

This amount is deducted from the participant with the greatest countable earned income after all other deductions are calculated. Any remaining amount of the deduction is applied against the earned income of any additional participants.

NOTE This deduction does not apply to the CA Needy Family Test and many Tribal TANF cases.

CA Payments Under 10 Dollars

When a budgetary unit is prospectively eligible with a payment amount under \$10, the case is designated as eligible no pay. The CA budgetary unit is eligible to receive Jobs Program Supportive Services and Division of Child Care (DCC) services, even though payments under \$10 are not issued by AZTECS. CA renewal interviews are still required for eligible no pay CA cases.

When changes occur, supplemental payments cannot be issued unless regular benefits and supplemental benefits total \$10 or more.

CA Voluntary Withdrawal

Participants have the right to withdraw from CA at any time. FAA accepts the Voluntary Withdrawal (VW) in **one** of the following ways:

- CA Written Withdrawals
- CA Verbal Withdrawals

The [primary informant\(g\)](#) (PI) may request verbally or in writing the removal of only certain participants from the budgetary unit. When the participant is remaining in the household, FAA determines whether the participant is a mandatory participant in the budgetary unit. When the participant is a mandatory participant, they cannot be removed from the budgetary unit.

CA Initial Month Special Rules

CA payments can only be issued during a month when the budgetary unit is prospectively eligible. CA initial month special rules include **all** of the following:

- When the CA budgetary unit is eligible in the month the determination is completed and eligible in the following month, the CA can be approved.
- When the CA budgetary unit is eligible in the month the determination is completed but not eligible in the following month, the CA is approved until the month the budgetary unit is no longer eligible.
- When the CA budgetary unit is not eligible in the month the determination is completed, but is eligible in the following month, the CA is prorated to the month of eligibility.
- When the CA budgetary unit is eligible on the date of application but becomes ineligible on or before the date the determination is made, the application is denied.
- When a non-mandatory participant in the budgetary unit becomes ineligible before the determination is completed and continues to be ineligible for the following month, the participant is removed from the budgetary unit.
- When a non-mandatory participant is eligible in the month the determination is completed but becomes ineligible for the following month, the participant is approved for the determination month, then removed from the budgetary unit.

CA Approval Periods

FAA assigns the [approval period\(g\)](#) based on the budgetary unit's circumstances. Approval periods begin the first day of the first eligible month.

FAA automatically assigns a 12-month approval period for **all** of the following CA child only budgetary units:

- Kinship Foster Care (KFC) child only
- Kinship Care (KC) cases in which the nonparent caretaker relative ([NPCR\(g\)](#)) is not included in the budgetary unit
- Parent is not included in the budgetary unit receiving benefits due to receipt of Supplemental Security Income (SSI) benefits

FAA assigns a six-month approval period to all other CA cases.

A renewal interview must be completed by the last calendar day of the renewal month to be considered timely. (See [CA Renewal Requirements and Time Frames](#))

CA Childcare While Employed

The Division of Child Care (DCC) provides childcare assistance for CA participants to participate with the Jobs Program, to accept or maintain employment.

Jobs staff refers the participant to the local DCC office through an interface between the Jobs Automated System (JAS) and the DCC automated system. Jobs also gives the

participant the phone number for the local DCC office and advises the participant to call and arrange for childcare.

DCC may pay part or all of the cost of childcare depending on the age of the child and the type of provider the participant chooses. The participant is responsible for charges that are more than the DCC payment. When choosing a provider, the participant needs to ask the provider about any costs in addition to what DCC pays. Jobs may be able to help the participant pay certain additional costs.

CA Ineligibility Date

The date of ineligibility when more than one change occurs is the first calendar day of the month after the month the change occurred that caused ineligibility.

The first month after the change occurs in which the budgetary unit does not meet CA eligibility requirements is the first month the budgetary unit is prospectively ineligible. (See [CA Initial Month Special Rules](#) for ineligible dates for a new application.)

Procedures

AZTECS displays the results of the need standard income test on AFNN based on information keyed in prior eligibility information screens. Two AFPD screens display **all** of the following information:

- The first AFPD screen displays the case name, case number, and benefit month that is being determined.
When ENTER is pressed from the first AFPD screen, the second AFPD screen displays.
- The second AFPD screen displays a summary of income, income deductions, and sanctions, based on information keyed on EAIN, SEEI, UNIN, UNIE, and EXNS.

Authorize the eligibility determination on AFPD when any changes are made on income screens, SEPA, or any other data screens. This allows AZTECS to perform income tests and compare income to appropriate income limits.

CA Ineligible Date Procedures

When a change occurred prior to the [current system month\(g\)](#) complete the following before stopping benefits on AFPD:

- Calculate the budget for each applicable month, using the CA Needy Family Test (FAA-0200A) form and the CA Income Maximum and Needs Test (FAA-0200C) form.
- Compare the income calculation to the limits listed in the CA income standards to determine eligibility for the month following the month the change occurred. (See [CA income standards](#))

When the participant fails to timely report a change in earned income, do not allow the earned income deductions until the month after the change is reported. (See [CA Ineligible Date Keying Procedures](#))

Prorating New Application Benefits

CA payments for the month of application are paid beginning with the date of application. AZTECS computes the prorated payment amount by completing **all** of the following:

- Adding one to the number of days remaining in the application month from the application date
- Multiplying the resulting figure by the Net Unrounded Need figure
- Dividing the resulting figure by the total number of days in the application month
- Rounding the resulting figure down to the next whole dollar

No Earned Income Deductions Displayed

AFPD does not display the total countable deductions when deductions are more than the countable income.

Do not allow the earned income deductions when the participant meets **one** of the following and does not verify good cause:

- Voluntarily reduces work effort.
- Voluntarily quits a job or refuses a bona fide offer of employment.
- Fails to report all sources of earnings or a change in earned income.

NOTE When calculating an overpayment and the change is not reported timely, do not allow earned income deductions until the month after the change is reported.

CA Delays In Processing

Verification may not be available for certain participants in the budgetary unit (such as citizenship or noncitizen status). When this occurs, do not delay processing CA eligibility for participants whose eligibility factors have been verified. In these situations, complete **all** of the following:

- Determine eligibility for participants for whom all information is verified
- Add the remaining eligible participants when verification becomes available

Document all reasons for delays in processing the case past the CA processing deadline in the [case file\(g\)](#).

When the participant's refusal or failure to cooperate delays processing of the CA case, the following apply:

- Inform the participant must be informed of their requirement to cooperate.
- Give the applicant ten calendar days from the time of any request for information, or verification, to provide the information. There is no requirement to wait until the CA processing deadline to deny the application.
- A participant may be unable to provide required information or verification. In this situation, FAA must offer help. Document the case file accordingly.

A participant may have an eligibility interview scheduled near the CA processing deadline. When this occurs, allow the participant ten calendar days to provide the required information and verification even when this extends the processing beyond the CA processing deadline.

CA Voluntary Withdrawal Procedures

Participants have the right to withdraw from CA at any time. Prior to stopping benefits, explore the reason the withdrawal has been requested and use the appropriate Denial Closure Reason Code. (See [Verbal Request for Withdrawal](#) and [Written Request for Withdrawal](#).)

The PI may request, verbally or in writing the removal of certain participants from the budgetary unit. When this occurs, and the participant is remaining in the household, determine whether the participant is a mandatory participant in the budgetary unit. When the participant is a mandatory participant, they must not be removed from the budgetary unit.

The budgetary unit retains their right to request an appeal. However, do not continue benefits pending the outcome of the hearing when benefits are stopped using the VW Denial Closure Reason Code.

The PI may request to withdraw from CA after the EBT run date. When this occurs, complete the EBT Emergency Benefits /Cancellation E-form. When OnBase is unavailable, complete the EBT Emergency Benefits/Cancellation of Benefits Request Form (FAA-1003A) and send it via email to the EBT Emergency Benefits Unit at FAACCEBTissuanceCancel@azdes.gov the same day of the voluntary withdrawal request.

The EBT Emergency Benefits Unit ensures that the benefits made available to the PI's EBT account for the following month are removed.

When withdrawing from CA would avoid an overpayment, advise the PI, and give them the opportunity to withdraw.

Verbal Request for Withdrawal

When a budgetary unit verbally requests to withdraw their application for benefits, the reason for the request must be explored and documented in the [case file\(g\)](#).

When the reason for the request is due to the budgetary unit moving out of Arizona, ask for, and document the date the budgetary unit moved or is moving out of AZ. (See [Change of Address – Moved Out of State](#))

When the reason for the request is due to a change of budgetary unit size, or income, complete **all** of the following:

- Advise the participant that a change in household or income may not result in ineligibility for benefits.
- Offer to report the information as a change to redetermine eligibility.
- When the participant agrees, process Report a Change (RAC) in Health-e-Arizona Plus (HEAplus).

- Inform the participant a decision notice is being sent to the budgetary unit.

Written Request for Withdrawal

When a budgetary unit provides a written request for benefits to be stopped, stop benefits the first month possible allowing for adequate notice for CA. Prior to stopping benefits, explore the reason the withdrawal has been requested and use the appropriate Denial Closure Reason Code. (For information on Denial Closure Reason Codes, see [Denial Closure Reason Reference Links](#))

Send the Voluntary Withdrawal (C201) notice.

The budgetary unit retains their right to request an appeal. However, do not continue benefits pending the outcome of the appeal.

Verification

System interface and the [case file\(g\)](#) must be reviewed before verification is requested. No additional verification is needed when AZTECS interface or HEAplus hubs have verified the information.

The participant has the primary responsibility for providing verification. (See [Participant Responsibilities – Providing Verification](#) for additional policy.)

AZTECS Keying Procedures

CA Eligibility Determination (AFED)

AFED summarizes the CA eligibility criteria and how CA is determined for the benefit month. Use AFED for **all** of the following:

- To key an Untimely Reason Code when the determination is completed untimely.
- To change the status of the CA case when a budgetary unit is ineligible.
- To deny or close CA for reasons other than income, such as CA voluntary withdrawal.

NOTE When closing CA on AFED for a combination CA and NA case, access UNIN and remove the CA income before authorizing the NA benefits.

Key Y in the AUTHORIZE field to authorize the CA denial or closure as a result of ineligibility.

AZTECS displays a message at the bottom of AFED to indicate one of the following:

- PASS
- FAIL
- ELIGIBILITY UNKNOWN - ALL ELIGIBILITY REQUIREMENTS NOT COMPLETED

When some eligibility factors are not yet determined, pass through the corresponding screens to resolve the undetermined criteria.

AZTECS automatically computes and displays the prospective eligibility income

determinations on AFNN, and AFPD.

Determine prospective eligibility using the CA Needy Family Test (FAA-0200A) form and CA Income Maximum and Needs Test form when AZTECS is not available. Upload the forms to OnBase.

Complete the prospective eligibility income test for the family and the budgetary unit by projecting **all** of the following circumstances:

- Key income anticipated to exist for the benefit month on applicable income screens (i.e., EAIN, UNIE, UNIN, and SEEI).
- Key expenses anticipated to exist for the benefit month on EXNS.
- Key resources anticipated to exist for the benefit month on appropriate resource screens (i.e., FIAC, LIAS, VEHI, and OTAS).

CA Payment Determination (AFPD)

AZTECS automatically calculates and displays a benefit amount on AFPD when the budgetary unit is determined to be **one** of the following:

- Prospectively eligible for both income tests
- Prospectively ineligible for both income tests

Actions taken on AFPD allow AZTECS to perform **all** of the following functions:

- Update CA benefit history on AFBH when new benefits are authorized, or when overpayments or underpayments are created.
- Delete any benefits previously created for the month when benefits have not been issued and the budgetary unit is ineligible.
- Update UNIN with the newly calculated CA benefit amount, when authorized on UNAU.
- Establish and send the appropriate notices on NORE.

Complete **all** of the following when AFPD indicates the budgetary unit is eligible:

- Key the user PCN in the PAYMENT AUTH field to authorize benefits.
- Send the appropriate notice informing the PI of the decision. (See [Notice Listing](#) for a list of notices available to send.) (See [CA Renewal Requirements](#) for policy regarding establishing the next renewal date)

To review income or dependent care expenses that are summarized on AFPD, key an X next to the item to be reviewed and press ENTER. AZTECS advances to the applicable screen.

CA Voluntary Withdrawal Keying Procedures

When the PI requests to withdraw from CA, key VW in the DENIAL CLOSURE REASON field on AFED.

When the reason for the request is explored and the budgetary unit continues to request a withdrawal of benefits, without providing a different reason that can be used other than

VW, complete **all** of the following:

- Key the Voluntary Withdrawal (VW) Denial Closure Reason Code when unable to determine the reason for the request, and the budgetary unit wants to withdraw.
- Stop benefits the first month possible allowing for adequate notice.
- When benefits are stopped for a reason other than voluntary withdrawal, complete **all** of the following, allowing for [NOAA\(g\)](#):

Key the Denial Closure Reason Code that corresponds to the reason for the closure. (See [Denial Closure Reason Reference Links](#) for a list of Denial Closure Reason Codes.)

Send the notice that corresponds to the closure reason. (See [Notice Listing](#) for a list of notices available to send.)

- When benefits are stopped using the VW Denial Closure Reason Code, send the Voluntary Withdrawal (C201) notice to confirm a closure request for voluntary withdrawal.

CA Ineligible Date Keying Procedures

When the participant fails to timely report a change in earned income, do not allow the earned income deductions until the month after the change is reported. Key UR in the DENIAL CODE field on EAIN or SEEI as applicable to budget the income. This prevents AZTECS from allowing the earned income deductions.

Complete **all** of the following on AAFP to stop CA benefits:

- Key the user PCN in the PAYMENT AUTH field.
- Key the appropriate Denial Closure Reason Code in the DENIAL/CLOSURE REASON field. (See [Denial Closure Reason Reference Links](#) for a list of Denial Closure Reason Codes.)
- Key the date of the first ineligible month in the INELIG DATE field. This date is no sooner than the month following the change that caused ineligibility.
- Send the appropriate notice. (For additional notice requirements, see [Advance Notice of Adverse Action \(NOAA\)](#), [Adequate Notice](#), and [No Notice](#).)
- Place the completed CA Needy Family Test (FAA-0200A) form and the CA Income Maximum and Needs Test (FAA-0200C) form in the [case file\(g\)](#).
- Complete an overpayment referral when an [overpayment\(g\)](#) exists.
- Document the actions completed.

NOTE When the income information is reported untimely, key the UT Verification Code in the VR field on the appropriate income screen, and stop CA using the appropriate Denial Closure Reason Code.

AAFP Indicates the Budgetary Unit is Not Eligible

Complete **all** of the following when AAFP indicates the budgetary unit is not eligible:

- Key the appropriate Denial Closure Reason Code to close CA in the DENIAL/CLOSURE REASON field. See [CA Initial Month Special Rules](#) before denying a new application.
- Send the appropriate [denial notice](#) or [closure notice](#) to inform the PI of the decision.
- Determine the first month the budgetary unit is prospectively eligible for benefits.

See [CA Ineligible Date](#) for additional policy regarding the first ineligible month.

Complete the Potential Overpayment (OP) Referral (FAA-0526A) form when the budgetary unit received more than it was eligible to receive. (See [Overpayments](#) for additional policy and procedures)

Complete **all** of the following when AFNN displays the edit message, FAILED - INELIGIBLE:

- Key the Denial or Closure Reason code in the DENIAL/CLOSURE REASON field on AFPD. (See [Denial Closure Reason Reference Links](#) for Denial Closure Reason Codes and links to the policy)
- Key the CA ineligible date in the INELIG DATE field on AFPD.

NOTE The ineligible date is used to determine the eligibility begin date for Transitional Child Care (TCC) and NA Transitional Benefit Assistance (TBA). The date is also used to establish a CA overpayment.

CA Initial Month Special Rules Procedures

Determine whether the budgetary unit is prospectively eligible to receive a payment during the month the determination is completed.

The budgetary unit might be ineligible in the determination month, but eligible in the following month. When this occurs, CA benefits may be prorated up to the third month after the original application date, but not more than 45 calendar days past the application date.

See **all** of the following for policy and procedures regarding CA initial month special rules:

- [The budgetary unit is eligible in the determination month and eligible in the following month](#)
- [The budgetary unit is eligible in the determination month but not eligible in the following month](#)
- [The budgetary unit is not eligible in the determination month but eligible in the following month](#)
- [The budgetary unit is eligible at the time of application but becomes not eligible on or before the determination date](#)
- [A participant becomes not eligible before the determination is completed and remains not eligible in the following month](#)

- [A participant is eligible in the determination month and becomes not eligible for the following month](#)

Call the AZTECS Help Desk when assistance is needed in closing a CA case. Inform the Help Desk staff that the closure is due to CA initial month special rules policy.

Eligible Determination Month/Eligible Following Month

When the CA budgetary unit is eligible in the month the determination is completed and eligible in the following month, complete **all** of the following:

- Key the user PCN in the PAYMENT AUTH field on AFPD to approve eligibility. AZTECS assigns the CA approval periods.
- Send the appropriate approval notice to inform the PI of eligibility.

Eligible Determination Month/Not Eligible Following Month

When the budgetary unit is eligible in the month the determination is completed but not eligible in the following month, complete **all** of the following:

- Key the user PCN in the PAYMENT AUTH field on AFPD to authorize the case for all eligible months.
- Stop CA beginning with the first month the budgetary unit is not eligible. (See [CA Ineligible Date](#))
- Key the Denial Closure Reason Code in the AFPD DENIAL/CLOSURE REASON field.
- Send the CA Approval (A100) notice, the TPEP Approval For Tribal Jobs Referrals (A141) notice, or the TPEP Approval - Participation Exempt (A142) notice indicating the approved months only.
- Send the appropriate closure notice based on the Denial Closure Reason Code that was used.

Notices must be sent, but NOAA time frames do not apply when processing a new application.

This CA special rule does not apply to Grant Diversion

Not Eligible Determination Month/Eligible Following Month

When AFPD indicates the budgetary unit is not eligible in the month the determination is completed, but is eligible in the following month, complete **all** of the following:

- Screen print the AFPD budget for the ineligible month and document the [case file\(g\)](#) with the reason for ineligibility.
- Go to APMA and change the benefit prorate date to the first day of the first eligible month in the BEN PRORATION DATE field.

Benefits may be prorated to the third month after the original application date, but not more than 45 calendar days past the application date.

- Process through the application entry sequence.

AFPD displays the edit message *WARNING* APPLICATION APPROVAL IS UNTIMELY.

- Authorize benefits. AZTECS assigns CA approval periods.
- Copy details and process each month up to the [current system month\(g\)](#).
- Send the Approve Elig Month Deny Inelig Month (A124) notice.

Eligible at Application/Not Eligible at Determination

When AFPD indicates the budgetary unit is eligible on the date of application but becomes ineligible on or before the determination is made, complete **all** of the following:

- Prorate CA benefits on APMA to the first day of the month of determination when the budgetary unit becomes not eligible after the month of application.
- Deny the application using the correct Denial Closure Reason Code.
- Send a denial notice informing the PI of the eligibility determination. (See [Notice Types Requirements](#))

The denial decision covers all months. Even though the budgetary unit may have been eligible in one or more prior months, the budgetary unit is not prospectively eligible to receive benefits.

Screen print the AFPD budget for the ineligible month and document the [case file\(g\)](#) with the reason for ineligibility.

This CA special rule does not apply to Grant Diversion

Participant Becomes Not Eligible Before Determination

When a participant in the budgetary unit becomes not eligible before the determination is completed and continues to be ineligible for the following month, complete **all** of the following for non-mandatory participants:

- Remove the participant from the budgetary unit beginning with the date of application. (For instruction on removing a participant, see [Participant Maintenance](#).)
- Send the appropriate notice informing the PI of all eligible and ineligible participants.

Notices must be sent, but [NOAA\(g\)](#) time frames do not apply when processing a new application.

Participant Eligible at Determination/Not Eligible for Following Month

When a participant is eligible in the month the determination is completed but becomes not eligible for the following month, complete **all** of the following for non-mandatory participants:

- Approve the participant in the month the determination is completed.
- Process the change to remove the participant for the month of ineligibility. (For instruction on removing a participant, see [Participant Maintenance](#).)

- Set an alert when the change is for a month later than the current system month.
- Send the appropriate approval notice and closure notice.

This CA special rule does not apply to Grant Diversion. Notices must be sent, but NOAA time frames do not apply when processing a new application.

Examples

- 1) April (age 23) applied for herself and her three children, Abigail, Albert, and Bert. She lives with her parents, Lloyd and Loretta, and her niece Maria. The CA Needy Family Test is based on the following family:

Individual	Relationship	Family Member
April (23)	PI	Y
Abigail (5)	CH	Y
Albert (3)	CH	Y
Bert (newborn)	CH	Y
Lloyd (53)	PA	N
Loretta (51)	PA	N
Maria (17)	NN	N

The CA budgetary unit size is 4

The family size is 4

NOTE For purposes of the CA Needy Family Test, a family is based on the caretaker relative who exercises responsibility for the dependent child.

April does not exercise responsibility for Lloyd, Loretta, and Maria and therefore they are not included in the CA needy family determination.

- 2) Brenda (age 33) applied for CA for her nephew, Billy, only. Brenda's spouse, Bob, is in the home, along with her daughter, Sally, and her stepdaughter, Brianna. The CA Needy Family Test is based on the following family:

Individual	Relationship	Family Member
Brenda (33)	PI	Y
Billy (12)	NN	Y
Bob (38)	SP	Y
Sally (11)	CH	Y
Brianna (9)	SC	Y

The CA budgetary unit size is 1

The family size is 5

NOTE For purposes of the CA needy family test, a family is based on the Caretaker relative who exercises responsibility for the dependent child.

Brenda exercises responsibility for her nephew and therefore her spouse and minor children are included in the CA needy family determination.

- 3) Carol (age 33) applied for CA for herself and her daughter, Cindy. Carol's spouse, Carlos, is in the home, along with Carlos's daughter Camilla, and Florence, Carol's mother. The CA Needy Family Test is based on the following family:

Individual	Relationship	Family Member
Carol (33)	PI	Y
Carlos (38)	SP	Y
Cindy (14)	CH	Y
Camilla (11)	SC	Y
Florence (62)	PA	N

The CA budgetary unit size is 2

The family size is 4

NOTE For purposes of the CA Needy Family Test, a family is based on the caretaker relative who exercises responsibility for the dependent child.

Carol and her spouse exercise responsibility for her daughter and her stepdaughter therefore they are all included in the CA needy family determination. Carol does not exercise responsibility for Florence. Therefore, she is not included in the needy family determination.

- 4) Donna (age 73) applied for CA for her two granddaughters, Danielle, and Diane, only. Danielle and Diane are the daughters of Michelle, Donna's daughter, who is not in the home. Also in the home is Mary, Donna's daughter, and Mary's two sons, Sam, and Tom. The CA Needy Family Test is based on the following family:

Individual	Relationship	Family Member
Donna (73)	PI	Y
Danielle (10)	GC	Y
Diane (14)	GC	Y
Mary (29)	CH	N
Sam (8)	GC	N
Tom (6)	GC	N

The CA budgetary unit size is 2

The family size is 3

NOTE For purposes of the CA Needy Family Test, a family is based on the caretaker relative who exercises responsibility for the dependent child.

Donna exercises responsibility for two granddaughters only. Therefore, they are included in the CA needy family determination. Donna does not exercise responsibility for Mary or her two children therefore they are not included in the needy family determination.

Legal Authorities

7 CFR 273.9(c)(1)(i)(B)

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