

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Division of Family Assistance

Chapter 1240-01-01  
Introduction And Right To Apply

Chapter 1240-01-6  
Medicaid Coverage AFDC Only

Chapter 1240-01-15  
Interviewing For Eligibility

Chapter 1240-01-45  
Purpose, Scope, Application Of Rules, Definitions And Right To Apply

Chapter 1240-01-46  
Family Assistance Unit Families First Program

Chapter 1240-01-47  
Non-Financial Eligibility Requirements  
Families First Program

Chapter 1240-01-48  
Child Support Requirements

Chapter 1240-01-49  
Families First Employment And Training

Chapter 1240-01-50  
Financial Eligibility Requirements  
Families First Program

Chapter 1240-01-51  
Periods Of Eligibility

Chapter 1240-01-55  
Medicaid Coverage – Families First

Chapter 1240-01-56  
Pilot Demonstration Projects  
Families First Program

Statement of Necessity Requiring Public Necessity Rules

Pursuant to Acts 1996, Chapter 950, the General Assembly modified the previous Aid to Families with Dependent Children (AFDC) program of temporary economic assistance to families and children and created the Families First program administered by the Tennessee Department of Human Services. The Department was authorized in the Act to seek a waiver from the federal government to implement the provisions of the Act which provided alternative eligibility and work requirements for AFDC applicants and recipients. On July 25, 1996, the State of Tennessee was granted a waiver from the United States Department of Health and Human Services to operate certain provisions of its economic

assistance program for families and children as exceptions to the then-existing AFDC law, and the waiver's exceptions were continued under the provisions of the federal welfare reform act—the Personal Responsibility and Work Reconciliation Act, Public Law 104-0193 (1996).

This waiver will expire on June 30, 2007, and will require the Department to comply with more stringent new or existing federal requirements concerning work participation rates, work activities, time limits for the receipt of assistance and separate medical assistance eligibility procedures for persons applying for or receiving temporary assistance. Failure to implement these federal requirements will result in substantial loss of federal funding to the Department of Human Services.

Pursuant to Senate Bill 2233/House Bill 2318 (2007), the General Assembly has amended provisions of the Families First Act to enable the Department to meet these new requirements, and has stated in Section 11 of the bill that the Department shall have authority to implement the amended provisions of the Act by public necessity rules to be effective July 1, 2007.

In additions to the potential loss of federal funding or federal financial penalties that may be incurred, the Department is further authorized by Tennessee Code Annotated § 71-3-0158(d)(2)(D) to implement any changes to the Families First program that are necessary to maintain compliance with termination of, or modifications to, the Families First program or to maintain federal funding.

The modifications to the Families First law were not passed by the General Assembly until April 2, 2007, and, therefore, compliance with standard rulemaking procedures will not permit the Department to enact the necessary rules to implement the modifications by July 1, 2007.

For a complete copy of these public necessity rules, contact: Phyllis Simpson, Assistant General Counsel, Tennessee Department of Human Services, Citizens Plaza Building, 400 Deaderick Street, 15<sup>th</sup> Floor, Nashville, TN 37248-0006, telephone number (615) 313-4731.

Virginia T. Lodge  
Commissioner  
Tennessee Department of Human Services

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-01  
Introduction And Right To Apply

Amendments

Rule 1240-01-01-.01 Scope And Purpose, is amended by deleting the rule in its entirety and by substituting instead the following language, so that, as amended, the rule shall read as follows:

1240-01-01-.01 Scope And Purpose.

- (1) Pursuant to the requirements of Public Chapter 950 (1996), the Families First Act of 1996, the Families First (Temporary Assistance) Program was created to replace the Aid to Families with Dependent Children (AFDC) program in order to reform the program of economic assistance to needy families in Tennessee. These rules implement the Families First program as authorized by the Public Act 950 (1996), and as codified in Title 71 of the Tennessee Code Annotated; the federal Temporary Assistance for Needy Families (TANF) block grant under Title IV-A of the Social Security Act; the Personal Responsibility Act of 1996 (P.L. 103-0196); and, the Deficit Reduction Act of 2005 ( P.L. 109-0171), as amended.
- (2) Pursuant to Tennessee Code Annotated, Section 71-3-0157(d), the Department of Human Services is directed to administer the program of economic assistance to families under Title IV-A of the Social Security Act pursuant to federal statutes or regulations as they continue to exist after the effective date of Public Chapter 950 on September 1, 1996 or pursuant to any waivers authorized by the federal government as a result of the enactment of Public Chapter 950 (1996).
- (3) Effective Date of Waiver; Applicable Rules for Eligibility or Appeals of Cases Determined During Waiver Period.
  - (a) A waiver to operate the Families First program under certain exceptions to federal law was granted to the State of Tennessee by the U.S. Department of Health and Human Services on July 25, 1996 until June 30, 2007.
  - (b) Upon review of cases or upon review of eligibility determinations, all initial eligibility determinations prior to the expiration of the waiver shall be reviewed, or determined on appeal, pursuant to applicable terms of the waiver and otherwise applicable law during such period. All eligibility determinations after June 30, 2007, shall be reviewed, or determined on appeal, pursuant to the terms of applicable law then in effect. Where terms of the waiver and federal or state law or regulations are in conflict, the terms of the waiver control during the waiver's effective dates.
- (4) In order to provide continued specific interpretation of certain responsibilities of the Department of Human Services under Title IV-A, Title IV-D, and Title XIX of the Social Security Act which continue to be necessary for the administration of the Families First program, the provisions of paragraph (5) referencing Chapters 1240-01-2 through 1240-01-44 inclusive, Rules of the Tennessee Department of Human Services, Family Assistance Division, as they existed prior to September 1, 1996 or prior to the implementation date of

Public Chapter 950 (1996), or as they may be amended thereafter, will apply to Chapter 1240-01-45 through 1240-01-56, but only where not otherwise in conflict with, or superseded by:

- (a) The specific requirements of 1240-01-45 through 1240-01-56;
  - (b) Federal law or regulations or action transmittals or interpretations of the United States Department of Health and Human Services, as they exist or are amended, or by federal or state court orders which affect Chapter 1240-01-01—1240-01-56 or which otherwise affect the Department of Human Services' responsibility under Title IV-A, Title IV-D and Title XIX of the Social Security Act.
- (5) The following provisions of Chapters 1240-01-2 through 1240-01-44, as limited by Paragraph (4), and as they relate to the Title IV-A, Title IV-D, and Title XIX Medicaid programs concerning the operation of the Families First program, are incorporated by reference into the Families First Program:
- (a) Chapter 1240-01-013 - Case Records Management.
  - (b) Chapter 1240-01-014 - Application Process.
  - (c) Chapter 1240-01-015 - Interviewing for Eligibility.
  - (d) Chapter 1240-01-016 - Verification Procedures.
  - (e) Chapter 1240-01-017 - Timeliness Standards.
  - (f) Chapter 1240-01-018 - Authorization of Grants and Allotments.
  - (g) Chapter 1240-01-019 - Continuing Responsibilities.
  - (h) Chapter 1240-01-43 - Protection of Children.
- (6) (a) Families First, also referred to as Temporary Assistance or Temporary Assistance to Needy Families (TANF), means the program to provide economic support and other support services to families which is provided by the State of Tennessee utilizing funds made available by the Congress of the United States and the Secretary of the Federal Department of Health and Human Services to the State of Tennessee pursuant to the Social Security Act, and any state funds which may be appropriated by the General Assembly designated to support the temporary assistance program.
- (b) Throughout Chapter 1240-01-01 through Chapter 1240-01-44 and Chapters 1240-01-45 through 1240-01-56, and where the context requires, the use of the term "Families First" shall encompass the Temporary Assistance (TA)/Temporary Assistance to Needy Families (TANF) program referenced in Public Chapter 950 (1996), and references to the receipt or application for "Families First" shall, only where the context so requires, mean Temporary Assistance or Temporary Assistance to Needy Families.
- (c) Any existing references to "Aid to Families with Dependent Children" or "AFDC" shall be construed to refer to the Families First program.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153, 71-3-0154, 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq.; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-01-.02 Right To Apply, is amended by deleting paragraph (5) in its entirety and by substituting instead the following language so that, as amended, paragraph (5) shall read as follows:

(5) Reserved for future use.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153, 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq. and 42 U.S.C. § 608(a)(6)(A); 45 C.F.R. § 206.10; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-6  
Medicaid Coverage AFDC Only

Amendments

Rule 1240-01-6-.01 Medicaid Coverage, is amended by deleting the rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-6-.01 Medicaid Coverage. Medicaid coverage is authorized for all recipients of SSI and all recipients classified as Medicaid Only (explained in 1240-3-2-.02). Other Medicaid coverage groups are detailed in the Medicaid Services Manual.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 608(a)(6)(A) and 42 U.S.C. § 1396u-01; 45 C.F.R. § 206.10; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-15  
Interviewing For Eligibility

Amendments

Rule 1240-01-15-.07 General Intake Information, is amended by deleting subparagraph (f) under paragraph (3) in its entirety and by substituting instead the following language so that, as amended, paragraph (3), subparagraph (f) shall read as follows:

(f) That, if approved, he/she will receive a money payment assuming the grant is \$10 or greater.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq.; 42 U.S.C. § 608(a)(6)(A); 45 C.F.R. § 206.10; Deficit Reduction Act 2005 (Pub. L. 109-0171 § 7301, February 8, 2006); and 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-45  
Purpose, Scope, Application Of Rules, Definitions And Right To Apply

Families First Program

Amendments

Rule 1240-01-45-.01 Purpose, Scope And Application Of Rules, is amended by deleting the rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-45-.01 Purpose, Scope And Application Of Rules.

- (1) Pursuant to the requirements of Public Chapter 950 (1996), the Families First Act of 1996, the Families First (Temporary Assistance) Program was created to replace the Aid to Families with Dependent Children (AFDC) program in order to reform the program of economic assistance to needy families in Tennessee. These rules implement the Families First program as authorized by the Public Act 950 (1996), and as codified in Title 71 of the Tennessee Code Annotated; the federal Temporary Assistance for Needy Families (TANF) block grant under Title IV-A of the Social Security Act; the Personal Responsibility Act of 1996 (P.L. 103-0196); and, the Deficit Reduction Act of 2005 ( P.L. 109-0171), as amended.
- (2) Pursuant to Tennessee Code Annotated, Section 71-3-0157(d), the Department of Human Services is directed to administer the program of economic assistance to families under Title IV-A of the Social Security Act pursuant to federal statutes or regulations as they continue to exist after the effective date of Public Chapter 950 on September 1, 1996 or pursuant to any waivers authorized by the federal government as a result of the enactment of Public Chapter 950 (1996).
- (3) Effective Date of Waiver; Applicable Rules for Eligibility or Appeals of Cases Determined During Waiver Period.
  - (a) A waiver to operate the Families First program under certain exceptions to federal law was granted to the State of Tennessee by the U.S. Department of Health and Human Services on July 25, 1996 until June 30, 2007.
  - (b) Upon review of cases or upon review of eligibility determinations, all initial eligibility determinations prior to the expiration of the waiver shall be reviewed, or determined on appeal, pursuant to applicable terms of the waiver and otherwise applicable law during such period. All eligibility determinations after June 30, 2007, shall be reviewed, or determined on appeal, pursuant to the terms of applicable law then in effect. Where

terms of the waiver and federal or state law or regulations are in conflict, the terms of the waiver control during the waiver's effective dates.

- (4) In order to provide continued specific interpretation of certain responsibilities of the Department of Human Services under Title IV-A, Title IV-D, and Title XIX of the Social Security Act which continue to be necessary for the administration of the Families First program, the provisions of paragraph (5) referencing Chapters 1240-01-2 through 1240-01-44 inclusive, Rules of the Tennessee Department of Human Services, Family Assistance Division, as they existed prior to September 1, 1996 or prior to the implementation date of Public Chapter 950 (1996), or as they may be amended thereafter, will apply to Chapter 1240-01-45 through 1240-01-56, but only where not otherwise in conflict with, or superseded by:
  - (a) The specific requirements of 1240-01-45 through 1240-01-56;
  - (b) Federal law or regulations or action transmittals or interpretations of the United States Department of Health and Human Services, as they exist or are amended, or by federal or state court orders which affect Chapter 1240-01-01 – 1240-01-56 or which otherwise affect the Department of Human Services' responsibility under Title IV-A, Title IV-D and Title XIX of the Social Security Act.
- (5) The following provisions of Chapters 1240-01-2 through 1240-01-44, as limited by Paragraph (4), and as they relate to the Title IV-A, Title IV-D, and Title XIX Medicaid programs concerning the operation of the Families First program, are incorporated by reference into the Families First Program:
  - (a) Chapter 1240-01-013 - Case Records Management.
  - (b) Chapter 1240-01-014 - Application Process.
  - (c) Chapter 1240-01-015 - Interviewing for Eligibility.
  - (d) Chapter 1240-01-016 - Verification Procedures.
  - (e) Chapter 1240-01-017 - Timeliness Standards.
  - (f) Chapter 1240-01-018 - Authorization of Grants and Allotments.
  - (g) Chapter 1240-01-019 - Continuing Responsibilities.
  - (h) Chapter 1240-01-43 - Protection of Children.
- (6)
  - (a) Families First, also referred to as Temporary Assistance or Temporary Assistance to Needy Families (TANF), means the program to provide economic support and other support services to families which is provided by the State of Tennessee utilizing funds made available by the Congress of the United States and the Secretary of the Federal Department of Health and Human Services to the State of Tennessee pursuant to the Social Security Act, and any state funds which may be appropriated by the General Assembly designated to support the temporary assistance program.
  - (b) Throughout Chapter 1240-01-01 through Chapter 1240-01-44 and Chapters 1240-01-45 through 1240-01-56, and where the context requires, the use of the term "Families First" shall encompass the Temporary Assistance (TA)/Temporary Assistance to Needy Families (TANF) program referenced in Public Chapter 950 (1996), and

references to the receipt or application for “Families First” shall, only where the context so requires, mean Temporary Assistance or Temporary Assistance to Needy Families.

(c) Any existing references to “Aid to Families with Dependent Children” or “AFDC” shall be construed to refer to the Families First program.

(7) Nothing in this Chapter shall be construed to modify existing Food Stamp regulations in Chapters 1240-01-01 through 1240-01-44 except as otherwise required by federal or state law or regulation, as they are amended, or federal or state court order, or action transmittals or policy interpretations of the United States Department of Agriculture, or any federal waiver requirements.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153, 71-3-0154, 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq.; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-45-.02 Definitions, is amended by deleting paragraph (11) in its entirety and by substituting instead the following language so that, as amended, paragraph (11) shall read as follows:

(11) Disability. Disability is considered to exist if an individual has been approved for Social Security or SSI on the basis of his/her disability, Veterans Benefits based on his/her 100% disability, or Black Lung benefits based on his/her disability.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq.; 42 U.S.C. 607; 45 C.F.R. 233.90 and 45 C.F.R. 261.2; and Acts 2007, Chapter 31.

Rule 1240-01-45-.02 Definitions, is amended by inserting the following language as a new paragraph (12) and renumbering the existing paragraphs accordingly so that, as amended, the new paragraph (12) shall read as follows:

(12) Diversion. An option for assistance groups determined eligible for Families First where the family can get a one-time lump sum grant and/or child care assistance instead of a monthly recurring grant. AGs able to choose the diversion option must meet other criteria beyond Families First eligibility as described in 1240-01-49-.09.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq.; 45 C.F.R. § 260.31; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-45-.02 Definitions, is amended by inserting the following language as a new paragraph (34) and renumbering the remaining paragraphs accordingly so that, as amended, new paragraph (34) shall read as follows:

(34) Supportive Services. Those services deemed essential by the state for a Families First participant to become engaged in countable work, training or educational activities or continue engagement in countable work, training or educational activities.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., and 42 U.S.C. § 607(c) and (d); 45 C.F.R. § 260.31 and 45 C.F.R. § 261.2; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-45-.03 Right To Apply, is amended by deleting paragraph (5) in its entirety and by substituting instead the following language so that, as amended, paragraph (5) shall read as follows:

(5) Reserved for future use.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq.; 42 U.S.C. § 608(a)(6)(A); 45 C.F.R. § 206.10; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-46  
Family Assistance Unit Families First Program

Amendments

Rule 1240-01-46-.02 Filing Unit And Assistance Group, is amended by deleting part 6 of paragraph (2) of subparagraph (b) in its entirety, and by substituting instead the following language so that, as amended, part 6 of paragraph (2) of subparagraph (b) shall read as follows:

6. The natural parent or stepparent of a child who marries the child's parent during the period of receipt of Families First benefits, unless the new spouse falls under the exception found in 1240-01-47-.23(5).

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq. and 42 U.S.C. 603; 45 C.F.R. § 233.90; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-47  
Non-Financial Eligibility Requirements  
Families First Program

Amendments

Rule 1240-01-47-.15 School Attendance, is amended by deleting only subparagraph (c) of paragraph (1) and by substituting instead the following language so that, as amended, subparagraph (c) of paragraph (1) shall read as follows:

- (c) Failure to comply with the school attendance requirement will result in a 20 percent reduction in the assistance group's cash payment.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. 604(i), 42 U.S.C. § 607(c)(2)(C), 42 U.S.C. § 607 (c), (d) and (e), 42 U.S.C. § 608(a)(4), 42 U.S.C. § 608(a)(6)(A), and 42 U.S.C. § 608(b); 45 C.F.R. § 261.2; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-47-.15 School Attendance, is amended by deleting paragraphs (2) and (3) in their entireties and by substituting instead the following language so that, as amended, paragraphs (2) and (3) shall read as follow:

- (2) An individual who is not the head of household, who has not reached eighteen (18) years of age, who has a child who is at least sixteen (16) weeks of age in such person's care, and who has not successfully completed a high school education or its equivalent, will be removed from the Families First AG unless the individual participates in educational activities directed toward the attainment of a high school diploma or its equivalent.
- (3) An individual who is the head of his/her household, who has not reached twenty (20) years of age, who has a child who is at least sixteen (16) weeks of age in such person's care, and who has not successfully completed a high school education or its equivalent, will be subject to sanction for his/her entire AG unless the individual participates in:
  - (a) Educational activities directed toward the attainment of a high school diploma or its equivalent; or
  - (b) Thirty (30) hours of countable work activities as described in 1240-01-49-.03.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 607(c)(2)(C), 42 U.S.C. § 607 (c), (d) and (e), 42 U.S.C. § 608(a)(4), and 42 U.S.C. § 608(a)(6)(A); 45 C.F.R. § 261.2; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-47-.16 Personal Responsibility Plan, is amended by deleting paragraph (1) in its entirety and by substituting instead the following language so that, as amended, paragraph (1) shall read as follows:

- (1) Personal Responsibility Plans Required for Eligibility.
  - (a) As a condition of eligibility for the entire AG, the caretaker (in two-parent groups, both parents) who applies for or receives Families First must sign a Personal Responsibility Plan (PRP). Signing the PRP indicates an intent to comply with the requirements of the plan. The PRP is developed in consultation with the Department and:
  - (b) Requires that all caretakers (in two-parent groups, both parents in the AG):
    1. Agree to cooperate with child support enforcement activities;
    2. Assure that the children in the AG attend school, including kindergarten when available;
    3. Assure that the children in the AG receive regular immunizations and health checks; and
    4. Agree to participate in 30 hours per week of activities as described in 1240-01-49-.03 if not exempt.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 604(i), 42 U.S.C. § 607(c), (d) and (e), 42 U.S.C. § 608(a)(2) and (3), 42 U.S.C. § 608(b)(3), 42 U.S.C. § 609(a)(14) and 42 U.S.C. §§ 654 and 657; 45 C.F.R. § 260.31, 45 C.F.R. § 261.2, 45 C.F.R. § 261.12 and 45 C.F.R. § 261.14; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-47-.16 Personal Responsibility Plan, is amended by inserting a new paragraph (2) and a new paragraph (3), and by renumbering the existing paragraphs accordingly and substituting instead the following language so that, as amended, new paragraphs (2), (3), (4) and (5) shall read as follow:

- (2) As a condition of eligibility for him/herself, the minor parent who is a dependent child in an assistance unit, must sign a Personal Responsibility Plan. Signing the PRP indicates the intent to comply with the requirements of the plan. The PRP requirements are the same as those listed in 1240-01-47-.16(1)(a) above.
- (3) As a condition of eligibility for the entire AG/AU, the minor parent who is a caretaker of his/her own AG/AU must sign a Personal Responsibility Plan. Signing the PRP indicates the intent to comply with the requirements of the plan. The PRP requirements are the same as those listed in 1240-01-47-.16(1)(a) above.
- (4) The Department or its designees will provide benefits such as child care and transportation necessary to assist the individual in complying with the requirements set out in the Personal Responsibility Plan.
- (5) Failure, without good cause, to comply with the provisions of the PRP will result in the following sanctions:
  - (a) For failure to comply with the work requirement:
    1. For noncompliance with the work requirement, the entire AG will be ineligible for a Families First payment until compliance is met;
    2. For noncompliance with the work requirement of a minor parent who is not the head of household, the noncompliant individual's needs will be removed in the determination of eligibility.
  - (b) For failure to comply with the school attendance requirement:
    1. Failure of one or more of the children to meet this requirement will result in a twenty percent (20%) reduction in the Families First grant until compliance is met.
  - (c) For failure to comply with the immunization and health check requirement:
    1. Failure to meet these requirements for one or more children will result in a twenty percent (20%) reduction in the Families First grant until compliance is met.

Authority: T.C.A. 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 604(i); 42 U.S.C. § 607(c), (d) and (e); 42 U.S.C. § 608(a)(2) and (3), 42 U.S.C. § 608(b)(3); 42 U.S.C. § 609(a)(14) and 42 U.S.C. §§ 654 and 657; 45 C.F.R. § 261.2, 45 C.F.R. § 261.12 and 45 C.F.R. § 261.14; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-47-.23 Deprivation Of Parental Support/Care, is amended by deleting paragraph (5) in its entirety and by substituting instead the following language so that, as amended, paragraph (5) shall read as follows:

- (5) Exception: When the custodial parent marries during the period the caretaker is receiving Families First, the caretaker has the option to exclude the new spouse and the new spouse's income from the AG for the three months following the month of marriage.
  - (a) Reserved for future use.
  - (b) Reserved for future use.
  - (c) Reserved for future use.
  - (d) Reserved for future use.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq. and 42 U.S.C. 603; 45 C.F.R. § 233.90; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-47-.26 Absence Of A Parent, is amended by deleting the reference to rule 1240-01-47-.23(5)(d) in subpart (i) under part 1, subparagraph (e) paragraph (3) and by substituting instead the following language so that, as amended, subpart (i), under part 1, subparagraph (e), paragraph (3) shall read as follows:

- (i) Exception: When a Families First custodial parent marries during receipt of assistance, the exception at 1240-01-47-.23(5) applies.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq. and 42 U.S.C. 603; 45 C.F.R. § 233.90; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-47-.27 Unemployment Of A Parent, is amended by deleting paragraphs (3) and (4) in their entireties and by substituting instead the following language so that, as amended, paragraphs (3) and (4) shall read as follow:

- (3) Once eligibility as an unemployed parent has been determined:
  - (a) The PWE must comply with the Families First work requirement on her/his Personal Responsibility Plan; and
  - (b) The second parent in the home must comply with the Families First work requirement on her/his Personal Responsibility Plan.
- (4) Reserved for future use.

Authority: T.C.A. 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 604(i); 42 U.S.C. § 607(c), (d) and (e); 42 U.S.C. § 608(a)(2) and (3), 42 U.S.C. § 608(b)(3); 42 U.S.C. § 609(a)(14) and 42 U.S.C. §§ 654 and 657; 45 C.F.R. § 233.90, 45 C.F.R. § 261.2, 45 C.F.R. § 261.12 and 45 C.F.R. § 261.14; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-48  
Child Support Requirements

Amendments

Rule 1240-01-48-.01 Child Support Requirements, is amended by deleting paragraph (5) in its entirety and by substituting instead the following language so that, as amended, paragraph (5) shall read as follows:

- (5) Cases Subject to Support Procedures. Any Families First case in which eligibility is based upon absence of a parent is subject to child support requirements and will be referred to Child Support upon approval of the Families First case and at the time of an addition of a child(ren) to the assistance group. Cases in which the grant is less than ten dollars (\$10.00) must also be referred to IV-D. Referrals for the absent parent(s) of a minor parent who is the caretaker of her Families First case or a minor parent who is a dependent child in a Families First case are also required. The following types of Families First AGs are exempt from support processes and are not referred to the IV-D agency even where eligibility is based on absence:
  - (a) "Caretaker Only" cases in which the needy child is an SSI recipient.
  - (b) Absence due to court ordered public service in lieu of incarceration.
  - (c) Single parent adoptions.
  - (d) Assistance units consisting of a pregnant woman only.

Authority: T.C.A. 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 608(a)(2) and (3), 42 U.S.C. 608(a)(6)(A), 42 U.S.C. § 608(b)(3), 42 U.S.C. § 609(a)(5) and (14) and 42 U.S.C. §§ 654 and 657; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-48-.06 Child Support Sanctions, is amended by deleting paragraph (1) and paragraph (3) in their entirety and by substituting instead the following language so that, as amended, paragraph (1) and paragraph (3) shall read as follow:

- (1) If a caretaker relative fails or refuses to comply with either the assignment requirement or, without good cause, the cooperation requirement, establishment of paternity, and establishing or modifying a child support order, the assistance group will be ineligible for Families First until compliance is met. Cooperation is required by all caretakers regardless of whether they are included in the assistance group.
  - (a) Reserved for future use.
- (3) Reserved for future use.

Authority: T.C.A. 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 608(a)(2) and (3), 42 U.S.C.

608(a)(6)(A), 42 U.S.C. § 608(b)(3), 42 U.S.C. § 609(a)(5) and (14) and 42 U.S.C. §§ 654 and 657; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-49  
Families First Employment And Training

Amendments

Chapter 1240-01-49 Families First Employment And Training, is amended by deleting the current chapter name and by substituting instead as the Chapter name "Families First Work Requirements" so that, as amended, Chapter 1240-01-49 shall read as follows:

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-49  
Families First Work Requirements

Rule 1240-01-49-.01 Families First Employment And Training, is amended by renaming the rule "Families First Work Requirements", amending the Table of Contents accordingly and by deleting the existing rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-49-.01 Families First Work Requirements.

- (1) The Department of Human Services administers the Families First Program directly and through contractual arrangements with other entities to provide or arrange for employment, training, education, and support services for Families First recipients. All Families First adult recipients in the AG must participate in the Families First work requirements unless they are exempt from this requirement.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c), (d) and (e), 42 U.S.C. § 608 and 42 U.S.C. § 609; 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2, 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31, and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-49-.02 Exemption Determination, is amended by deleting the rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-49-.02 Exemption Determination. The following adults are exempt from participation in the Families First Work Requirements, but may volunteer to participate if they are an eligible member of the Assistance Group:

- (1) Reserved for future use.
- (2) Reserved for future use.
- (3) An individual who is disabled.
  - (a) An individual who has been approved for Social Security Disability or Supplemental Security Income on the basis of his/her disability, Veterans benefits on the basis of his/her one hundred percent (100%) disability, or Black Lung benefits based on his/her disability, is exempt from the Families First work requirements.
- (4) An individual who has been determined to be incapacitated.
  - (a) Incapacity is deemed to exist when one parent has a physical or mental defect, illness or impairment. The defect, illness or impairment must be:
    1. Supported by competent medical testimony;
    2. Of such a debilitating nature as to reduce substantially, or eliminate the parent's ability to support or care for the child(ren); and
    3. Expected to last for a period of at least thirty (30) days.
  - (b) Incapacity shall be determined by:
    1. Reserved for future use.
    2. Reserved for future use.
    3. Reserved for future use.
    4. Reserved for future use.
    5. The Department's Medical Evaluation Unit (MEU). All claims of incapacity must be forwarded to the Medical Evaluation Unit (MEU) for review.
  - (c) Review/Redetermination of Incapacity. Incapacity status must be reviewed at each twelve month case review. Individuals who were recently terminated from Social Security Disability/SSI disability benefits who claim continued incapacity may continue to be exempt as incapacitated while the necessary information is being secured and submitted to the MEU. If the client fails to cooperate with the MEU without good cause or refuses to cooperate, the exemption on the basis of incapacity ends.
  - (d) Period of Incapacity for Families First.
    1. Verification of continued incapacity must be made at the end of the MEU approval period if continued incapacity is claimed.
    2. Reserved for future use.
    3. For an active incapacity exemption denied by the MEU, the exemption will be terminated as soon as the recipient is notified.
    4. If there is any indication the client is no longer incapacitated, the complete medical file will be resubmitted to MEU with current medical-social information including the facts which indicate that incapacity no longer exists.

- (5) An individual who is age sixty-five (65) or older.
- (6) An individual who is age sixty (60) or over as of July 1, 2007. If the participant leaves Families First after their sixtieth (60<sup>th</sup>) birthday and returns to the program before their sixty-fifth (65<sup>th</sup>) birthday and meets no other exemption criteria, the individual will have a work requirement.
- (7) An individual who is needed in the home to care for an in-home relative who is disabled as determined by a physician or a licensed or certified psychologist, and no other appropriate member of the household is available to provide the needed care. This exemption does not apply if the ill or incapacitated family member is enrolled full-time in school.
- (8) An individual who is the caretaker of a child under age 16 weeks.
- (9) Reserved for future use.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602; 42 U.S.C. § 607(c), (d), and (e); 42 U.S.C. § 608; 42 U.S.C. § 608(b); 42 U.S.C. § 609; 45 C.F.R. § 260.30; 45 C.F.R. § 260.31; 45 C.F.R. 233.90, 45 C.F.R. § 261.2(b) through (m); 45 C.F.R. § 261.2(n); Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-49-.03 Special Families First Employment And Training Requirements, is amended by renaming the rule "Families First Work Requirement Provisions", amending the Table of Contents accordingly, by deleting the rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-49-.03 Families First Work Requirement Provisions.

- (1) An individual, unless otherwise exempt, will be required to participate in work or work-related activities for thirty (30) hours per week as set forth in his/her Personal Responsibility Plan (PRP). At least twenty (20) hours must be spent working in core activities; the remaining ten (10) hours must be spent in core or non-core activities.
- (2) Activities that will be included as a part of the Families First work requirements include:
  - (a) Core Activities. Core Activities must be used to meet the first twenty (20) hours of the work requirement and can be used to meet the entire work requirement. The use of core activities to meet the Families First work requirement is subject to allowances or restrictions on these activities, as defined by federal law and regulation. Unless expanded through federal law or regulation, core activities are:
    - 1. Unsubsidized Employment.
    - 2. Job search and job readiness assistance.
    - 3. Work Experience.
    - 4. Community Service.
    - 5. Vocational Education.
    - 6. On-the-job training.

7. Subsidized work. Families First participants can be placed in private or public sector subsidized work positions.
- (b) Non-core Activities. Non-core activities can be used to fulfill up to ten (10) hours of the Families First work requirement as long as the recipient is engaged in twenty (20) hours of core activities. The use of non-core activities to meet the Families First work requirement is subject to allowances or restrictions on these activities, as defined by federal law and regulation. Unless expanded through federal law or regulation, non-core activities are:
    1. Job Skills Training Directly Related to Employment.
    2. Education Directly Related to Employment.
    3. Satisfactory attendance at secondary school or in a GED course, for those who do not yet have a high school diploma.
  - (c) Reserved for future use.
  - (d) Reserved for future use.
  - (e) Reserved for future use.
  - (f) Reserved for future use.
  - (g) Reserved for future use.
  - (h) Reserved for future use.
  - (i) Reserved for future use.
  - (j) Reserved for future use.
  - (k) Reserved for future use.
- (3) Reserved for future use
  - (4) The Families First work requirement can be met through satisfactory attendance at secondary school, in the case of a minor parent recipient who:
    - (a) has not completed secondary school; and
    - (b) is a caretaker who is nineteen (19) years of age or younger.
  - (5) A minor parent who is eligible as a dependent child must attend school. Failure to comply with this requirement will result in the needs of the non-compliant individual being removed from the grant.
  - (6) A caretaker who is in the residential program at Renewal House is in compliance with the Families First work requirement if she is in good standing with Renewal House program requirements.
  - (7) Participation in Vocational Rehabilitation services will meet the Families First work requirement.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c), (d)(1) through (12) and (e), 42 U.S.C. § 608, 42 U.S.C. § 609; 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-49-.04 Failure To Comply, Good Cause, And Sanctions, is amended by deleting the rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-49-.04 Failure To Comply, Good Cause, And Sanctions.

- (1) A Families First participant who is required to meet the work requirement, who fails, without good cause, to participate in the program, will be sanctioned. When the non-exempt caretaker or other parent in a two-parent unit in the Families First assistance group fails or refuses to comply with the work requirement in the caretaker's Personal Responsibility Plan, and he/she does not have good cause for failure to comply, the entire assistance group will be ineligible for cash assistance until compliance.
  - (a) Attendance Standards. Participants will be sanctioned for unexcused absences. A participant's first unexcused absence is considered non-compliance and is grounds for sanction. The DHS worker will determine whether an absence is excused or unexcused. The participant will have the opportunity to claim a good cause for an absence during the conciliation process. Excused absences are never grounds for sanction.
  - (b) Good Cause. The DHS worker is responsible for determining good cause any time she/he learns that a Families First participant has failed or refused to cooperate, failed to make satisfactory progress in the required work activities, failed to meet minimum attendance standards, refused to accept suitable employment, or quit employment. Good cause reasons include:
    1. Recipient is determined through medical evidence to be physically or mentally unable to perform the work requirement assigned.
    2. Lack of child care.
    3. A serious household emergency.
    4. Meets a work requirement exemption criterion.
    5. Health or safety is at risk.
    6. Reserved for future use.
    7. Reserved for future use.
    8. Reserved for future use.
    9. Lack of transportation.
    10. Reserved for future use.

11. Is actively seeking shelter from domestic violence or abuse, such as someone residing in a domestic violence or abuse shelter, or fleeing from immediate harm.
  12. There are other factors which exist that are clearly beyond the control of the participant.
- (c) Conciliation. An attempt to resolve the non-compliance will be made by the Department during the ten (10)-day adverse action period. The following conciliation guidelines will apply:
1. If the participant contacts the DHS worker during the adverse action period and provides verification of good cause, the case will be reopened.
  2. If the participant contacts the DHS worker during the adverse action period, and does not have good cause, but wants to comply, he/she will be re-referred to a work activity and must comply for five (5) consecutive business days.
  3. Following the five-day compliance period, the case will be reopened.
  4. If the participant does not comply or does not want to comply, the case will remain closed, but the participant may reapply at any time. Compliance for five (5) days will be required prior to subsequent approval.
  5. If the participant contacts the DHS worker after the expiration of the ten (10)-day adverse action period, he/she must reapply.
- (d) Sanctions. Refusal or failure, without good cause, by a non-exempt caretaker (including either parent/caretaker in a two-parent AG) to engage in the required work activities that are included in the caretaker's Personal Responsibility Plan will result in the application of sanctions.
1. If the person to be sanctioned is the caretaker or in a two-parent AG, either parent, the entire assistance group is ineligible for the cash assistance payment.
  2. An individual who is not the head of household, who has not reached eighteen (18) years of age, who has a child who is at least sixteen (16) weeks of age in such person's care, and who has not successfully completed a high school education or its equivalent, will be removed from the Families First AG unless the individual participates in educational activities directed toward the attainment of a high school diploma or its equivalent.
    - (i) If the sanctioned individual in the previous paragraph (part 2 of this paragraph) is the only child in the AG, assistance may continue for the caretaker if the caretaker remains otherwise eligible.
  3. An individual who is the head of his/her household, who has not reached twenty (20) years of age, who has a child who is at least sixteen (16) weeks of age in such person's care, and who has not successfully completed a high school education or its equivalent, will be subject to sanction for his/her entire AG unless the individual participates in:
    - (i) Educational activities directed toward the attainment of a high school diploma or its equivalent; or

- (ii) Thirty (30) hours of countable work activities as described in 1240-01-49-.03.
- (e) Length of Sanctions. If a Families First participant fails to comply with the work requirements without good cause, sanctions are applied for the following time periods:
1. For non-compliance with the work requirement, the AG will be ineligible for Families First until the sanctioned person complies or becomes exempt.
  2. Reserved for future use.
  3. Reserved for future use.
  4. When an individual meets the compliance criteria, benefits for the individual or group, whichever is appropriate, will begin effective the next calendar month, or as of the application date, if reapplying to cure a sanction.
  5. Reserved for future use.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq. , 42 U.S.C. § 602, 42 U.S.C. § 607(c)(2)(C), 42 U.S.C. § 607(c), (d)(1) through (12) and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(a)(4) and 42 U.S.C. § 609; 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006) and Acts 2007, Chapter 31.

Rule 1240-01-49-.05 Appeals And Hearings, is amended by deleting the rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-49-.05 Appeals And Hearings. The Department of Human Services is responsible for hearing appeals on any disputed matter relating to Families First eligibility and amount of grant and any Families First work requirement dispute including but not limited to a referral to Families First service providers, effective participation in Families First work requirements, whether good cause for failure to participate exists, and imposition of sanctions. These appeals will be conducted according to appeal procedures set forth in Chapter 1240-5 and Title 4, Chapter 5, Part 3 of the Administrative Procedures Act and which shall not be more narrow than those in existence on August 31, 1996.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 4-5-301 et seq., 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq. , 42 U.S.C. § 602, 42 U.S.C. § 607(c)(2)(C), 42 U.S.C. § 607(c), (d)(1) through (12) and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(a)(4) and 42 U.S.C. § 609; 45 C.F.R. 205.10, 45 C.F.R. § 260.30, 45 C.F.R. § 260.31, 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006) and Acts 2007, Chapter 31.

Rule 1240-01-49-.06 Voluntary Quit, is amended by deleting paragraphs (1) and (2) in their entireties and by substituting instead the following language so that, as amended, paragraphs (1) and (2) shall read as follows:

- (1) When an applicant caretaker, including either parent in a two-parent AG, voluntarily quits a job without good cause within three months prior to the month of application, during the month of application, or during the application processing period, the application will

be denied until the individual completes a five (5)-day compliance with the thirty (30) hour work requirement.

- (2) When a recipient caretaker, including either parent in a two-parent group, voluntarily quits a job without good cause, the assistance group will be terminated and will remain ineligible until the individual completes a five (5)-day compliance with the thirty (30) hour work requirement.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c), (d) and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(a)(4), 42 U.S.C. § 608(b)(3) and 42 U.S.C. § 609; 45 C.F.R. § 261.2, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-49-.06 Voluntary Quit is amended by deleting subparagraph (l) of paragraph (3) in its entirety and by substituting instead the following language so that, as amended, subparagraph (l) of paragraph (3) shall read as follows:

- (l) Reserved for future use.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq. ; 42 U.S.C. § 602; 42 U.S.C. § 607(c), (d) and (e), 42 U.S.C. § 608(b)(3) and 42 U.S.C. § 609; 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.30 and 45 C.F.R. § 261.31; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-49-.06 Voluntary Quit, is amended by deleting paragraphs (4) and (5) in their entireties and by substituting instead the following language so that, as amended, paragraphs (4) and (5) shall read as follows:

- (4) The assistance group may reapply before compliance, but eligibility will not be approved until compliance is met or the individual meets exemption criteria. An individual who has been sanctioned for quitting a job as head of one assistance group will carry the sanction with him/her to a new assistance group if he/she joins the new group as a parent/caretaker.
- (5) Reserved for future use.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c), (d) and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(b)(3), 42 U.S.C. § 609; 45 C.F.R. § 261.2, 45 C.F.R. § 261.10, 45 C.F.R. § 261.14, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31, and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-49-.08 Department of Health Visits, is amended by deleting the rule in its entirety, amending the Table of Contents accordingly, and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-49-.08 Reserved For Future Use.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq.; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-49  
Families First Work Requirements

New Rule

Table of Contents

1240-01-49-.09 Diversion Program For Families With A One-Time Financial Need

Chapter 1240-01-49 Families First Work Requirements, is amended to add a new rule to be designated 1240-01-49-.09, "Diversion Program For Families With A One-Time Financial Need", and by amending the Table of Contents accordingly, so that as amended the new rule shall read as follows:

1240-01-49-.09 Diversion Program For Families With A One-Time Financial Need.

- (1) AGs who are eligible for Families First may receive the option of a one-time lump sum payment, if appropriate for the AG's needs and situation. The one-time lump sum payment would be received in lieu of ongoing, recurring Families First benefits. The one-time lump sum payment is available to AGs:
  - (a) Who meet residency and benefit history requirements, as defined by policy;
  - (b) Who do not have major barriers to employment as defined by policy;
  - (c) Whose caretaker is job ready, as defined by policy; and
  - (d) Who need only a one-time financial assistance payment to prevent the need for ongoing Families First benefits.
- (2) Acceptance of the diversion one-time payment will make the AG ineligible for Families First for one year.
- (3) Employed diversion AGs may receive up to three (3) months of Families First child care.
- (4) Early Return. An AG who received a diversion lump-sum payment may be eligible to return to Families First before the one year period of ineligibility is finished if:
  - (a) The caretaker becomes disabled or incapacitated.
  - (b) Receipt of Families First would prevent a child from being removed from the home by DCS.
  - (c) Receipt of Families First would prevent the Assistance Unit/AG from becoming homeless (as defined by policy).
  - (d) The caretaker begins caring for an in-home disabled relative who is not in school full-time.

- (e) There is an immediate threat of domestic violence.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 45 C.F.R. § 233.90; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-50  
Financial Eligibility Requirements  
Families First Program

Amendments

Rule 1240-01-50-.17 Calculating Net Income And Benefit Levels, is amended by deleting paragraph (3) in its entirety and by substituting instead the following language so that, as amended, paragraph (3) shall read as follows:

- (3) If an assistance group's available income equals or exceeds the CNS for the appropriate family size, the AG is not eligible for a Families First grant. If there is a deficit of one dollar (\$1.00) to nine dollars, ninety-nine cents (\$9.99), no payment can be made, but the AG is deemed to be an eligible Families First assistance group for other purposes, as long as all other points of eligibility continue to be met. If the deficit is ten dollars (\$10.00) or more and other eligibility requirements are met, payment will be made.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153, 71-3-0154 and 71-3-0155; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq.; 42 U.S.C. § 608(a)(6); 45 C.F.R. § 233.20; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-50-.20 Standard Of Need/Income, is amended by deleting subparagraph (d) under paragraph (1) in its entirety and by substituting instead the following language so that, as amended, subparagraph (d) paragraph (1) shall read as follows:

- (d) Differential Grant Payment Amount (DGPA). A Families First Assistance Group which meets any one of the criteria listed below will be eligible for a grant based on the Differential Grant Payment Amount (DGPA). The DGPA is a maximum payment by family size, dependent on funds available, except in the instances specified in subparagraph (e) below. AGs that are eligible to receive the DGPA are:
  - 1. AGs with no eligible adult in the AG. This exemption does not apply if the sole reason there is no adult in the AG is due to penalty or sanction or if the adult is an ineligible alien.
  - 2. AGs in which the caretaker is age sixty-five (65) or older.
  - 3. AG in which the caretaker is age sixty (60) or older as of July 1, 2007.
  - 4. AGs in which the caretaker is disabled.

5. AGs in which the caretaker must provide in-home care for a relative who lives in the home who is disabled and requires full-time care.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153, 71-3-0154 and 71-3-0155; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c) and (d)(1) through (12), 42 U.S.C. § 608(a)(7) and 42 U.S.C. § 609; 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Rule 1240-01-50-.20 Standard Of Need/Income, is amended by deleting parts 2 and 3 under subparagraph (e), paragraph (1) and by substituting instead the following language so that, as amended, parts 2 and 3 of subparagraph (e) of paragraph (1) shall read as follows:

2. The additional child will be included in the need standard for the purpose of determining Families First eligibility. The income of the child, including child support, will be applied against the need standard in determining the Families First payment amount for the family. The child will be considered a Families First recipient for all other purposes.
3. The family benefit cap will not apply to a subsequent period of eligibility for families who reapply for Families First subsequent to receipt of cash assistance as long as the reason for prior case closure was other than a failure to comply with work or child support enforcement requirements or other Personal Responsibility Plan provisions, and the parent/caretaker had cooperated with the Department as defined in departmental policies for the Families First program.
  - (i) Departmental policies and rules with which the parent/caretaker must cooperate include, but are not limited to:
    - (I) Child support cooperation requirements, such as identifying the absent parent, meeting with child support enforcement staff, submitting a child for blood testing, and testifying in court if necessary;
    - (II) Carrying out and fulfilling Personal Responsibility Plan provisions and requirements; or
    - (III) Carrying out and fulfilling Work Plan provisions and requirements.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153, 71-3-0154 and 71-3-0155; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 602, 42 U.S.C. § 607(c)(2)(C), 42 U.S.C. § 607(c), (d)(1) through (12) and (e), 42 U.S.C. § 608, 42 U.S.C. § 608(a)(4), 42 U.S.C. 608(a)(6)(A), 42 U.S.C. § 608(b)(3) and 42 U.S.C. § 609; 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.14, 45 C.F.R. § 261.30, 45 C.F.R. § 261.31 and 45 C.F.R. § 261.32; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006) and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-51  
Periods Of Eligibility

Amendments

Rule 1240-01-51-.01 Eligibility For Families First – Time Limits, is amended by deleting the rule in its entirety and by substituting instead the following language so that, as amended, the rule shall read as follows:

1240-01-51-.01 Eligibility For Families First – Time Limits.

- (1) Receipt of Families First cash benefits will be limited to sixty (60) months, as calculated in paragraphs (2) and (3) below, unless the assistance group meets certain extension criteria, as specified in paragraph (4) below.
  - (a) Reserved for future use.
  - (b) Reserved for future use.
- (2) Calculation of sixty (60) -month time limit.

For persons who were eligible for and received a Families First grant prior to July 1, 2007, then any month prior to July 1, 2007 that was exempt from, or that was otherwise not countable toward, the sixty (60) -month time limit pursuant to applicable law, these rules as in effect prior to such date, or pursuant to the Department's U.S. Department of Health and Human Services Families First waiver of July 25, 1996 as it existed prior to July 1, 2007, shall not be counted toward the sixty (60) -month time limit; provided, however, that for applications or re-application (reapplication means the person has been off the program for at least thirty (30) days) for Families First made on or after July 1, 2007, all months in which a TANF grant was received in any other state or territory on or after August 22, 1996 shall be counted. Months of receipt of Families First or TANF grants accrued after July 1, 2007 shall be counted per applicable laws and rules in effect on and after such date. Therefore, any months accrued in another state before July 1, 2007 will continue to be exempt as long as the person doesn't leave Families First then re-apply. Otherwise, all accrued months will be counted and any months accrued while on TANF in other states after July 1 will also be counted.

- (3) Exclusions from Countable Months. For the purpose of calculating the months for which assistance is received under the sixty (60) -month time limit, the following months will not count:
  - (a) Months in which Families First cash assistance was received as a dependent child by a caretaker who later makes application for Families First as an adult.
  - (b) Reserved for future use.
  - (c) Months during which an AG did not receive a Families First grant. This could be due to the AG qualifying for a grant less than ten dollars (\$10.00) or to the AG having a recoupment of their grant that left the AG with a grant less than ten dollars (\$10).

- (d) Months during which the AG is in a sanction status which results in no benefit being paid to the entire unit.
  - (e) Reserved for future use.
  - (f) Reserved for future use.
  - (g) Reserved for future use.
  - (h) Reserved for future use.
- (4) Extensions To The sixty (60) -Month Time Limits. The following AGs may qualify for an extension to the 60-month time limit for the periods the circumstances below exist:
- (a) AGs in which the caretaker is age sixty-five (65) or older;
  - (b) AGs in which the caretaker is age sixty (60) as of July 1, 2007;
  - (c) AGs in which the caretaker is disabled;
  - (d) AGs in which the caretaker must provide in-home care for a relative who lives in the home (e.g., parent, spouse, child) who is disabled and requires full-time care;
  - (e) AGs in which the caretaker is temporarily incapacitated.
  - (f) AGs with extenuating circumstances, such as a temporary significant life crisis as defined by policy.
  - (g) AGs reaching sixty (60) months between July 1, 2007 and July 1, 2008. These AGs will receive a six (6) -month extension.
  - (h) AGs with a non-parent grantee relative who is not included in the AG and who is not included as a recipient of Families First.
- (5) The extensions to the sixty (60) -month time limit found in subparagraphs (4)(a) through (h) will be granted based on funding availability and on the ability of the Department to maintain compliance with federal time limit restrictions.
- (6) Two parent Assistance Units. The number of lifetime months for a two-parent household will be the same for both adults. The lifetime total for an AG that is formed when two adults combine households will be that of the adult with the higher number of months accrued. For example, if the adults in a two-parent AG that has accrued 25 months separate, and either parent applies for Families First, the time count for the new case will begin at 26 months. In a second example, if a parent with 10 countable months marries a parent with 15 countable months and they have a child in common, one AG will be formed with a time count of 15 months. If they stay together for 12 months and then separate and reapply, each parent will have a time count of 27 months.

Authority: T.C.A. §§ 4-5-201 et seq., 4-5-202, 4-5-209, 71-01-0105, 71-3-0152, 71-3-0153 and 71-3-0154; 71-3-0158(d)(2)(D); 42 U.S.C. §§ 601 et seq., 42 U.S.C. § 607(c) and (d), 42 U.S.C. § 608(a)(7) and 42 U.S.C. § 609(a)(9); 45 C.F.R. § 261.2(b) through (m), 45 C.F.R. § 261.2(n), 45 C.F.R. § 261.10, 45 C.F.R. § 261.14, 45 C.F.R. § 261.30; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-55  
Medicaid Coverage – Families First

Repeals

Chapter 1240-01-55 Medicaid Coverage – Families First, is repealed in its entirety.

Authority: T.C.A. §§ 4-5-201, 4-5-202, 4-5-209, 71-01-0105; 71-3-0158(d)(2)(D); and 71-3-0163; 42 U.S.C. §§ 601 et seq. and 42 U.S.C. § 608(a)(6)(A); Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

Public Necessity Rules  
of  
The Tennessee Department of Human Services  
Family Assistance Division

Chapter 1240-01-56  
Pilot Demonstration Projects

Families First Program

Repeals

Chapter 1240-01-56 Pilot Demonstration Projects – Families First Program, is repealed in its entirety.

Authority: T.C.A. §§ 4-5-201, 4-5-202, 4-5-209, 71-01-0105; 71-3-0158(d)(2)(D); and 71-3-0159; 42 U.S.C. §§ 601 et seq.; Deficit Reduction Act 2005 (Pub. L. 109-0171 §§ 7101 and 7102, February 8, 2006); 71 Federal Register 37454 (June 29, 2006); and Acts 2007, Chapter 31.

The public necessity rules set out herein were properly filed in the Department of State on the 2nd day of July, 2007 and will be effective from the date of filing for a period of 165 days. These public necessity rules will remain in effect through the 14th day of December, 2007. (FS 07-01-07; DBID 2577 through 2588)

