

Policy Changes that affect TANF/MFIP

MFIP Pilot April 1994-July 1998

1. Cash and food benefits are integrated – one set of eligibility and benefit rules. Food benefits are issued as cash.
2. Working families exit the program at 140% of the federal poverty guideline (FPG).
3. Mandatory employment services after family has been on assistance 24 months.
4. Sanctions for non-compliance with program rules are 10%.
5. Participants must meet certain conditions to participate in post-secondary education. Up to four years of education may be allowed in an employment plan.
6. Removed AFDC restrictions on 2-parent families.

Statewide MFIP July 1997-June 2003

1. Cash and food combined into one program but food benefits no longer available as cash
2. 60-month lifetime limit on cash assistance (federal) begins.
3. Earned income disregard adjusted several times—disregard increased to 38% to maintain 120% FPG exit level and indexed to 120% of FPG. (July 2001)
4. Sanctions for non-compliance with employment services rules are 10% the first month; 30% subsequent months. Child support non-cooperation sanction must be at least 25% of grant (federal).
5. Child support pass-through without a disregard begins (result of legal settlement). (January 2001)
6. Extensions for MFIP beyond 60 months: Effective July 2001, ill and incapacitated, hard-to-employ and employed individuals (strictly defined in statute). Effective July 2002, an extension category for limited work due to illness or disability added to hardship extension list. In addition, victims of domestic violence who have developed an Alternative Employment Plan.
7. Individuals participating in MFIP no longer automatically qualify for Medical Assistance (MA). Those that don't qualify for MA must be referred to MinnesotaCare. (July 2002)
8. Federal work participation requirements that increase over the years beginning in 1996. (25% increasing to 50% for single- parent families and 75% increasing to 90% for two-parent families). Federal work activities defined and number of hours for single (30 hours) and two parent (35 hours) families proscribed.
9. Postsecondary education limited to 12 months or less with up to 24 months approved on an exception basis and participant must agree to repay funds expended to support education beyond 12 months. Change in 2002 - Post-secondary education allowed for up to 24 months and no repayment for months 13-24.

2003 Legislative Changes July 2003-July 2007

1. Diversionary Work Program (DWP) begins for new applicants (implemented beginning July 2004), unless not likely to benefit for program. Four months of DWP do not count toward 60-month limit. Employment plans required prior to issuing assistance. (Newly arrived refugees/asylees referred to MFIP, January 2008)
2. Up to \$50 of housing subsidies (with some exemptions) counted as unearned income toward the cash portion of MFIP. (Austin lawsuit delays implementation 1 month.)
3. Up to \$125 of SSI benefits per SSI recipient counted as unearned income toward the cash portion of MFIP. (Austin lawsuit delays implementation 1 month.) This is limited to \$125 per case in November 2005.
4. Family Cap implemented to affect first families May 2004. No cash benefits for additional children (some exceptions).
5. Full Family sanction at 7th occurrence implemented (MFIP closed but Food Stamps may continue).
6. To approve postsecondary education participants must be working 20+ hours in unsubsidized employment.
7. MFIP exit level reduced from 120% to 115% of the FPG. (October 2003)

2007 Legislative Session

1. Participants no longer required to be working in unsubsidized employment for at least 20 hours/week for an education plan to be approved.
2. Vehicle limit for DWP/MFIP increases. Exclusion of one vehicle with loan value less than or equal to \$15,000; combined loan value of other vehicles of \$7,500 or less. (January 2008)
3. All SSI benefits excluded for MFIP/DWP. (February 2008)
4. Cash benefits received by MFIP and DWP units who meet the criteria for inclusion in Family Stabilization Services (FSS) are funded under a solely state funded (non-MOE) program. FSS serves families who meet the ill or incapacitated or hard-to-employ extension criteria (including those who have not used 60 months yet), those applying for SSI or RSDI, and families with non-citizen caregivers who have been in the U.S. for 12 months or less. Sanctions can only be imposed if a health professional determines the participant has the ability to comply with the FSS family stabilization plan. Families are moved back to MFIP funding when they no longer meet FSS criteria, or at recertification if the caregiver meets the WPR, whichever occurs sooner. (February 2008)
5. Participants exiting DWP or the cash portion of MFIP with earnings are eligible for a \$75 work participation bonus for up to 24 consecutive months if they meet the WPR. Receipt of the bonus does not count towards the 60 month time limit. The bonus helps the State meet the federal WPR. (February 2009)