

Number
#24-68-16

Date
October 4, 2024

Of interest to

County Social Service Directors,
Supervisors and Staff

Tribal Social Service Directors,
Supervisors and Staff

Income Maintenance
Supervisors and Staff

Title IV-E Coordinators

Guardians ad litem

Child Attorneys

Action/due date

Please read information and
implement.

Expiration date

October 4, 2026

New requirements for agencies receiving federal cash benefits for children in foster care

Topic

New requirements for county social service agencies receiving federal cash benefits for children in foster care.

Purpose

Provide guidance on new requirements for a county agency receiving or applying to receive an eligible child's Supplemental Security Income (SSI); Retirement, Survivors, and Disability Insurance (RSDI); and Veterans, Railroad Retirement and Black Lung benefits to apply to the cost of foster care.

Contact

For questions:

Title IV-E policy: csp.titleive.DCYF@state.mn.us

Foster care policy: dcyf.csp.fostercare@state.mn.us

Signed

Bharti Wahi

BHARTI WAHI

Interim Assistant Commissioner

Child Safety and Permanency Administration

Terminology notice

The terminology used to describe people we serve has changed over time. The Department of Children, Youth, and Families (DCYF) supports the use of "People First" language.

I. Introduction

This bulletin provides guidance to implement Laws of Minnesota 2024, [chapter 115](#), article 12, sections 2-3, and 11, which amends Minnesota Statutes, sections [256N.26](#), subdivision 12,13; [260C.331](#), effective July 1, 2024. The legislation applies to children in foster care who are eligible for federal cash benefits, and a county agency receiving or intending to apply to receive the child's benefits to offset the child's cost of foster care. The agency responsibilities under this legislation do not apply to Tribal social service agencies, including American Indian Child Welfare Initiative Tribes. County agencies are required to implement the following requirements as of July 1, 2024:

- Provide notice when the financially responsible agency receives or applies to be the representative payee for a child in foster care who is receiving federal cash benefits.
- Follow required limitations on the use of federal benefits.
- Track data and meet annual reporting requirements, with the first report due by July 1, 2025.

A. Definitions

For purpose of these new requirements, "federal cash benefits" includes the following:

- **Supplemental Security Income (SSI):** A federal government program that provides stipends to low-income people who are either age 65 or older, blind, or disabled.
- **Retirement, Survivors, and Disability Insurance (RSDI):** RSDI is an acronym for the three types of benefits from the Social Security Administration: Retirement, survivors and disability.
- **Veterans benefits:** A federal government program that can provide health care or related benefits, survivor compensation, education, and career benefits to children of veterans.
- **Railroad Retirement benefits:** A federal program that extends retirement benefits to railroad employees. It also pays survivor, unemployment and sickness benefits to eligible railroad workers and their families.
- **Black Lung Benefits:** A federal program that provides monthly benefits for dependent survivors of miners and benefits for surviving family members of miners whose deaths were due to black lung disease.

The following terms, when used in this policy, have the following meaning, unless the context indicates otherwise:

- **Social Security Administration (SSA):** An independent agency of the federal government that administers Social Security, a social insurance program consisting of RSDI and SSI.
- **Social Security benefits (SSB or SS):** Monetary benefits based on earnings by an individual who has paid into the Social Security system. These benefits can be paid to retired and disabled workers, their survivor spouse or their children.

- **Representative payee (rep payee):** A person or entity who acts as the receiver of Social Security Disability benefits or SSI for a person who is not fully capable of managing their benefits.

II. Children in foster care who receive federal cash benefits

A. Supplemental Security Income

If a child placed in foster care receives SSI benefits at the time of foster care placement or after placement in foster care, the financially responsible county agency may apply to be the representative payee for the child for the duration of the child's placement in foster care.

A child may be eligible for SSI and Title IV-E foster care benefits concurrently, as both are intended to meet a child's maintenance needs. There is nothing to prohibit claiming Title IV-E reimbursement for foster care maintenance payments made on behalf of a child who is receiving SSI benefits. A child, if eligible, may receive benefits from both programs simultaneously. ([Administration of Children and Families, Child Welfare Policy Manual, section 8.4D.](#))

B. Other federal cash benefits

If a child placed in foster care receives RSDI, veterans benefits, Railroad Retirement benefits or Black Lung Benefits at the time of foster care placement or after placement in foster care, the financially responsible county agency may apply to be the representative payee for the child for the duration of the child's placement in foster care.

Social Security benefits do not impact Title IV-E reimbursement. A county agency can request to become the representative payee of benefits and also claim Title IV-E if a child is eligible. ([Administration of Children and Families, Child Welfare Policy Manual, section 8.4D.](#))

III. Notice requirements

If a financially responsible county agency applies to be the representative payee for a child in foster care receiving federal cash benefits, or if the financially responsible county agency receives these benefits on a child's behalf, it must provide a written notice (**sample in [Appendix A](#)**) by certified mail, written receipt requested, to the following individuals and entities:

- Child (if age 13 or older)
- Child's parent, guardian, or custodian, or if there is no legal parent, guardian or custodian, the child's relative as selected by the agency; when selecting a relative, the agency should consider the relative's involvement with the child's case planning and permanency goals, and consult with the child's Tribe, if applicable

- Child’s guardian ad litem
- Legally responsible agency, if different from the financially responsible county agency
- Child’s attorney.

To implement the new requirement, the financially responsible county agency must provide written notices for existing cases where they are the representative payee for children in foster care. Going forward, notice is required when an agency applies to be the representative payee for federal cash benefits on behalf of a child in foster care. After the initial notice, a second notice is required when:

- Initial notice was provided prior to a child’s 13th birthday
- Child’s legal parent, guardian, or custodian changes due to adoption or transfer of permanent legal and physical custody, and the child remains in foster care, or
- Legally responsible agency changes, such as the foster care case being transferred to Tribal court.

For children who are at least age 13 and living in Minnesota, their legally responsible county agency and guardian ad litem must also talk with the child in person to help them understand the notice. When a Tribe is the legally responsible agency, it is recommended that the financially responsible agency consult with the legally responsible agency about the conversation with the child, as this requirement does not apply to Tribal social service agencies that are legally responsible agencies for children in foster care. (Laws of Minnesota 2024, [chapter 115](#), article 12, sections 2-3, and 11.)

When a second notice is required due to the change in the child’s legal parent, guardian, legal custodian or legally responsible agency, the subsequent notice may be sent only to the new legal parent, guardian, legal custodian or agency. When the initial notice was sent before the child’s 13th birthday, the second notice must be provided to the legally reasonable county agency and the guardian ad litem to prompt the conversation with the child.

A written notice is not required if the parent/s or custodian/s of a child:

- Are required to pay parental fees and the parent/s or custodian/s are the representative payee for the child’s federal cash benefits.
- Use income and resources attributable to the child, which include, but are not limited to, Social Security benefits, SSI, veterans benefits, Railroad Retirement benefits and child support, to reimburse a county for the cost of care as required under Minnesota Statutes, section [260C.331, subdivision 1\(b\)](#).

IV. Limitations on use of benefits

The financially responsible county agency that receives federal cash benefits on behalf of a child is responsible to maintain an individual record of the funds received and is prohibited from using those funds for any other purpose than the care of that child. County agencies must not commingle any federal cash benefit funds and must not put benefits received into a general fund. The funds from the benefits must be maintained in separate accounts. It is recommended that county agencies consult with their fiscal staff and county attorney’s office if they have questions about this section. (Laws of Minnesota 2024, [chapter 115](#), article 12, sections 2-3, and 11.)

V. Tracking and annual reporting requirements

The financially responsible county agency that receives federal cash benefits on behalf of a child must maintain a record of the following data:

- Total dollar amount received on behalf of all children for whom the agency receives federal cash benefits.
- Total number of children for whom the agency applied to be representative payee.
- Total number of children for whom the agency received federal cash benefits.

This data must be reported to the Department of Children, Youth, and Families (DCYF) on an annual basis, **beginning July 1, 2025**, and each July 1 thereafter. DCYF will submit an annual report containing this data to the legislature beginning Sept. 1, 2025. More information about reporting will be provided in the spring of 2025. (Laws of Minnesota 2024, [chapter 115](#), article 12, sections 2-3, and 11.)

VI. Resources

[A letter from the Social Security Administration and the Administration for Children and Families](#) describes how state and Tribal Title IV-E agencies that serve as representative payees for children receiving Social Security or SSI benefits must manage those benefits.

Americans with Disabilities Act (ADA) Advisory

This information is available in accessible formats for people with disabilities by calling (651) 431-4660 (voice) or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.

Appendix A

Notice re: (select one) Agency receiving federal cash benefit on behalf of a child in foster care OR Agency applying to be a representative payee for a child in foster eligible for federal cash benefits.

Date:

Dear: *(insert recipient name and title, if applicable)*

RE: *(insert child first and last name (Date of Birth))*

This notice is to inform you that **[insert county agency name]** (select one): *is receiving the following federal cash benefits on behalf of child, [insert name] OR has applied to be a representative payee for child, [insert name], who is receiving the following federal cash benefits) (check all that apply):*

- Supplemental Security Income (SSI):** A federal government program that provides stipends to low-income people who are either aged (65 or older), blind, or disabled.
- Retirement, Survivors, and Disability Insurance (RSDI):** RSDI is an acronym for the three types of benefits from the Social Security Administration: Retirement, survivors and disability.
- Veterans benefits:** A federal government program that can provide healthcare or related benefits; survivor compensation; education and career benefits to children of a veterans.
- Railroad Retirement benefits:** A federal program that extends retirement benefits to railroad employees. It also pays survivor, unemployment and sickness benefits to eligible railroad workers and their families.
- Black Lung Benefits:** A federal program that provides monthly benefits for dependent survivors of miners and benefits for surviving family members of miners whose deaths were due to black lung disease.

When the legally responsible county agency case manager and guardian ad litem receive this notice, they are required to have a conversation with the child aged 13 and older to help them understand this information.

Additionally, a written notice has been sent to the following recipients as required under Minnesota Statutes sections [256N.26](#), subdivision 12, 13; [260C.331](#): (**remove recipient who is receiving this notice**)

- Child, if age 13 or older
- Child's parent, guardian, or custodian; if there is no legal parent or custodian, the child's relative as selected by the agency
- Child's guardian ad litem
- Legally responsible agency, if different from the financially responsible county agency
- Child's attorney.

If you have any questions, please contact:

Agency name

Agency worker's name and title, Email and Phone number.