

**RULES
OF
THE TENNESSEE DEPARTMENT OF HUMAN SERVICES
FAMILY ASSISTANCE DIVISION**

**CHAPTER 1240-01-18
AUTHORIZATION OF GRANTS AND ALLOTMENTS**

TABLE OF CONTENTS

1240-01-18-.01	Authorization of Grants and Allotments - Introduction	1240-01-18-.05	Designation of Alternate Payee, Protective Payee or Authorized Representative
1240-01-18-.02	Responsibility for Authorization	1240-01-18-.06	Authorization of Retroactive Assistance - AFDC Only
1240-01-18-.03	Repealed		
1240-01-18-.04	Repealed		

1240-01-18-.01 AUTHORIZATION OF GRANTS AND ALLOTMENTS - INTRODUCTION.

- (1) Food Stamps Only. Food Stamp allotments may be obtained either by issuance of an "Authorization to Participate" (ATP) HS-0758 card entitling the household to receive coupons of a specified value, or direct mail issuance.
- (2) AFDC Only. An AFDC grant may be in the form of an assistance check issued directly to the recipient or other designated payee or a vendor payment issued to a provider of specified services on behalf of the recipient (as in situations involving Foster Home Care).

Authority: T.C.A. §§ 14-3-102 and 14-8-103; PL 97-35; and 45 CFR 233.110, 234.11, 234.60.
Administrative History: Original rule filed August 15, 1980; effective September 29, 1980. Repeal and new rule filed December 10, 1981; effective January 25, 1982.

1240-01-18-.02 RESPONSIBILITY FOR AUTHORIZATION.

- (1) The County Director has been designated as the agent of the Regional Director for purposes of making case decisions relating to eligibility, the extent of need, and the amount of the grant, if any. The County Director is authorized to delegate the authority for officially signing the authorizing document. The signature of the County Director or his/her designee is not required on documents authorizing benefit changes in the following circumstances:
 - (a) When the position of County Director is vacant or when the County Director is absent, the Regional Director or his/her designated agent will sign authorization documents.
 - (b) When the A/R is a close relative of some member of the county staff, all authorization or change of status forms relating to that A/R will be signed by the Regional Director.
 - (c) Should the state office, for some special reason, assume responsibility for a decision and for executing an authorization document, the signature of the Commissioner will remove the need for the signature of the County Director or his/her designee.
- (2) The circumstances in which the State Office, rather than the County Office, will act to authorize, change, or discontinue an award are as follows:
 - (a) The state office reserves the right to review any decision made by a County Director or a Regional Director. This includes the right to make or have made any additional investigation which is indicated and the right to execute the authorization document if such action is indicated.

(Rule 1240-01-18-.02, continued)

- (b) When a decision results from a hearing in an appeal case, the authorization document itself will be executed by the State Office or in the County Office according to instructions of the Appeals Examiner.
- (c) In some instances when changes in law or policy affecting classes of recipients occur, such changes may be implemented by listing or other devices.

Authority: T.C.A. §§ 14-8-106 and 14-8-107; and PL 97-35. **Administrative History:** Original rule filed August 15, 1980; effective September 29, 1980. Repeal and new rule filed December 10, 1981; effective January 25, 1982.

1240-01-18-.03 REPEALED.

Authority: T.C.A. §§ 4-3-1204, 14-8-106, and 71-1-105 and 45 CFR 235.70. **Administrative History:** Original rule filed August 15, 1980; effective September 29, 1980. Repeal filed February 20, 2024; effective May 20, 2024.

1240-01-18-.04 REPEALED.

Authority: T.C.A. §§ 4-3-1204, 14-8-106, and 71-1-105 and 45 CFR 235.70. **Administrative History:** Original rule filed August 15, 1980; effective September 29, 1980. Repeal filed February 20, 2024; effective May 20, 2024.

1240-01-18-.05 DESIGNATION OF ALTERNATE PAYEE, PROTECTIVE PAYEE OR AUTHORIZED REPRESENTATIVE. In AFDC aid groups, the person to whom a check is issued is usually the caretaker relative of the dependent children in the aid group. For Food Stamp households, it is usually the designated head of household. In some situations it will be necessary to name another person to receive and expend the benefits on behalf of the HH/AG.

- (1) Legally Appointed Guardian as The Payee - AFDC Only.
 - (a) Adults.
 - 1. Eligibility.
 - (i) If a person has a duly appointed guardian, the guardian must be named payee for the grant. The guardian will be expected to give information regarding his/her ward's circumstances as they relate to eligibility for AFDC and to assume responsibility for reporting changes in his/her ward's circumstances and to serve as payee for the grant.
 - 2. Reserved for Future Use.
 - (b) Children. In AFDC, the guardian of a child may receive AFDC for the child only if the guardian is within the specified degree of relationship and when the child is in his/her home. When a relative, with whom a child lives, has a legally appointed guardian, the guardian must file the application for his/her ward and be named payee for the grant. In such instances, the child must live with the relative, but it is not necessary that he/she be in the home of the relative's guardian.
- (2) Designation Of Alternate Payee In AFDC. An alternate payee can be designated only in emergency situations and may be continued only for the length of time necessary to explore available resources and make arrangements for the continuing care of the AFDC child.
 - (a) Ordinarily this period should not exceed three months.

(Rule 1240-01-18-.05, continued)

- (b) The alternate payee is expected to act for the grantee relative in relation to the child. He/She is expected to see to it that the child has shelter, food, clothing, and adequate supervision during the emergency period.
 - (c) The alternate payee may be related or unrelated to the child. He/She may be living in the same home with the child or apart from the child if he/she is carrying out his/her responsibilities of acting for the grantee-payee/relative.
 - (d) The alternate payee must be someone who can fulfill this requirement, such as a relative, concerned neighbor, or friend. No employee of the Department and no institution may be designated alternate payee.
 - (e) Reserved for Future Use.
 - (f) Authorization and Changes in Payment.
 - 1. Authorization for payments to alternate payees can be made only on active cases.
 - 2. The use of an alternate payee in AFDC in emergency situations is intended to continue in effect a payment which was being made at the time the emergency arose. Any necessary changes in grant amount are to be made as quickly as possible. It is not permissible to divide a grant into two or more payments to several alternate payees.
 - 3. No adjustment or change will be authorized in respect to the grant for the month in which the emergency arose except to authorize that it be paid to the alternate payee in the event the emergency arose before the grantee relative had received and/or endorsed the check.
- (3) Designation Of Protective Payee - AFDC Only.
- (a) There are two instances when a Protective Payee may be named for the AFDC grant. These instances are:
 - 1. When the worker is notified that a caretaker relative has refused to participate in WIN without good cause.
 - 2. When a caretaker relative has not assigned support rights to the State or has failed to cooperate in establishing paternity/securing support without good cause.
 - 3. Reserved.
 - 4. Reserved.
 - 5. Reserved.
 - (b) through (d) Reserved.
- (4) Criteria For Selection of Protective Payee. The selection of protective payees is made by the recipient or with his/her participation and consent to the extent possible. The person selected as protective payee may be a relative (other than the applicant's/recipient's spouse), a friend, a neighbor, an employee of the Department of Human Services (other than the County Director, special investigative staff, or staff having responsibility for the determination of eligibility for AFDC) or an employee of another agency providing service to the family. The

(Rule 1240-01-18-.05, continued)

person must be one who has or can develop an interest in the client, is of good character, who has the time, energy, and ability to provide this service.

- (5) Reserved.
- (6) Time Limits In The Use Of Protective Payments - AFDC Only. In WIN cases and cases in which the relative has not assigned support rights or has failed to cooperate without good cause and it is necessary to name a protective payee, the arrangements may continue indefinitely. The grant will continue to be paid to a protective payee until the caretaker relative complies with WIN program requirements or assigns support rights/cooperates and there is at least one eligible AFDC child or until the caretaker relative becomes exempt from the registration requirement.
- (7) Reserved.
- (8) Authorized Representative - Food Stamps Only.
 - (a) An authorized representative must be:
 - 1. Designated in writing by the head of the household or the spouse or another responsible member of the household; and
 - 2. An adult who is sufficiently aware of relevant household circumstances. In the event the only adult member of a household is classified as a non-household member, that person may be designated as the authorized representative for the minor household members;
 - 3. The head of the household, spouse or any other responsible member of the household may designate an authorized representative to act on behalf of the household in one or all of the following capacities:
 - (b) Making Application for the Program. When the head of the household or the spouse cannot make application, another household member may apply or an adult non-household member may be designated as the authorized representative for that purpose. Form HS-0169 (Application for Assistance) should be signed by the head of the household designating this authorized representative. The head of the household or the spouse should prepare or review the application whenever possible, even though another household member or the authorized representative will actually be interviewed. The worker shall inform the household that the household will be held liable for any overissuance which results from erroneous information given by the authorized representative, except when the authorized representative is in a drug and alcoholic center.
 - (c) Obtaining the Coupons. An authorized representative may be designated to obtain coupons. These designations shall be made at the time the application is completed and an authorized representative shall be named on the ID card. The authorized representative for coupon issuance may be the same individual designated to make application and obtain coupons. The household should be encouraged to name an authorized representative for obtaining coupons in case of illness or other circumstances which might result in an inability to obtain coupons. The household may also designate an emergency authorized representative at a later date. An emergency authorized representative is someone who obtains coupons when neither a household member nor the authorized representative is able to obtain them because of unforeseen circumstances. An emergency authorized representative shall be designated in writing on the ATP card each time an emergency authorized representative is used.

(Rule 1240-01-18-.05, continued)

- (d) Using the Coupons. The authorized representative may use coupons to purchase food for the household's consumption, with the full knowledge and consent of the household, provided the authorized representative has the household's ID card.
- (e) Drug Addict/Alcoholic Treatment Centers as Authorized Representatives. Narcotics addicts or alcoholics who regularly participate in a drug or alcoholic treatment program on a resident basis may voluntarily elect to participate in the Food Stamp Program if the treatment center in which they reside has been authorized by the appropriate state agency as a bona fide treatment center. The residents shall apply and be certified for program participation through the use of an authorized representative, who shall be an employee of and designated by the private nonprofit organization or institution. Since the organization or institution is applying on behalf of each addict or alcoholic, they shall receive and spend the coupon allotment for food prepared by or for the addict or alcoholic. The organization or institution shall also be responsible for complying with the requirements set forth in Section 1240-1-31.
- (f) Reserved for Future Use.
- (g) Restrictions on Authorized Representatives.
 - 1. County Office employees who are involved in the certification and/or issuance processes and retailers that are authorized to accept food coupons may not act as authorized representatives without the specific written approval of the Regional Supervisor or his/her designee, and only if that official determines that no one else is available to serve as an authorized representative.
 - 2. Individuals disqualified for fraud shall not act as authorized representatives during the period of disqualification, unless the individual disqualified is the only adult member of the household able to act on its behalf and the worker has determined that no one else is available to serve as an authorized representative. The worker shall separately determine whether these individuals are needed to apply on behalf of the household to obtain coupons and to use the coupons for food for the household.

Authority: T.C.A. §§ 14-27-104, 14-8-106, and 14-8-111; 7 CFR 273.1; and 45 CFR 233.90, 234.60, and 235.70. **Administrative History:** Original rule filed August 15, 1980; effective September 29, 1980. Amendment filed April 30, 1985; effective July 14, 1985.

1240-01-18-.06 AUTHORIZATION OF RETROACTIVE ASSISTANCE - AFDC ONLY.

- (1) Retroactive Initial Payments to Approved Applicants.
 - (a) Currently Eligible Applicants. When it is established that an applicant is eligible for assistance in the month the decision is being made, then the worker considers whether the applicant would have been eligible for the month during which he/she applied and for any months between application and approval. If the applicant is currently eligible and would have been eligible during the month he/she applied and subsequent month(s) prior to approval, a single retroactive payment can be made to begin with the date of application and to cover each month from application to the month of approval. If the applicant is currently eligible but would not have been eligible during the month he/she applied, then the retroactive payment can be authorized to begin with the first day of the month in which eligibility was attained.
 - (b) Currently Ineligible Applicants. If an applicant is not currently eligible because of a change in his/her circumstances which occurred after application and prior to the

(Rule 1240-01-18-.06, continued)

current month, a retroactive payment may be made for the period from the application date to the month the decision of ineligibility is made. However, if the application and the change in circumstances which caused ineligibility occurred during the same month, payment for that month cannot be made, unless the change was the death of the applicant and he/she would have been eligible for the month had he/she lived.

(2) Retroactive Assistance Payments to Recipients Are To Be Authorized:

- (a) To correct an agency error which caused a recipient to be deprived of at least \$1.00 per month in assistance.
- (b) To compensate for the time lag between the date of application and the month of initial payment. A single retroactive payment is to be authorized to cover the amount of assistance the applicant should have received from the date of application to the effective month of approval.
- (c) To compensate for the agency's erroneous exclusion from an aid group of an eligible individual for whom assistance was requested.

(3) Reserved.

Authority: T.C.A. §§ 14-27-104, 14-8-106, and 14-8-111; 7 CFR 273.1; and 45 CFR 233.90, 234.60, and 235.70. **Administrative History:** Original rule filed August 15, 1980; effective September 29, 1980. Amendment filed December 2, 1983; effective January 1, 1984.