

FAMILY INVESTMENT ADMINISTRATION

Policy Number:	27-01
Policy Title:	When to use noncooperation with the eligibility process (code 566) versus the conciliation process
Release Date:	July 17, 2026
Effective Date:	July 1, 2026
Approved By:	Augustin Ntabaganyimana, Executive Director Family Investment Administration
Revision Date(s):	N/A
Supersedes:	12-35-AT-CARES-Codes-for-Closing-and-Sanctioning Cases
Originating Office:	Office of Programs fia.policy@maryland.gov
Required Actions:	Close TCA cases with code 566 when the TCA customer is not cooperating with the eligibility process. This also includes when the TCA customer has not been assessed for the work program and has not signed the Family Independence Plan (FIP).
Key Words:	566, noncooperation with the eligibility process, failure to cooperate with the TCA assessment, and failure to sign the FIP.
Related Federal Law	None
Related State Laws	Md. Ann. Code, Human Servs. §§ 5-308 , 5-309 , 5-312(e)
COMAR	COMAR 07.03.03.04 , 07.03.03.05 , 07.03.03.19
State Plan Implications?	No

Supersedes: 12-35-AT-CARES-Codes-for-Closing-and-Sanctioning Cases. Refer to 21-19 AT - Amended TCA Sanction (HB1313) regarding the TCA conciliation and sanction policy.

 Maryland Department of Human Services Department of Human Services 25 S Charles Street Baltimore MD 21201	FAMILY INVESTMENT ADMINISTRATION (FIA) ACTION TRANSMITTAL
Control Number: # 27-01	Effective Date: July 1, 2026
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**TO: LOCAL DEPARTMENTS OF SOCIAL SERVICES (LDSS)
DIRECTORS, LDSS DEPUTY/ASSISTANT DIRECTORS FOR
FAMILY INVESTMENT, FAMILY INVESTMENT SUPERVISORS
AND ELIGIBILITY STAFF**

FROM: AUGUSTIN NTABAGANYIMANA, EXECUTIVE DIRECTOR



**RE: WHEN TO USE NONCOOPERATION WITH THE
ELIGIBILITY PROCESS (CODE 566) VERSUS THE
CONCILIATION PROCESS**

PROGRAM AFFECTED: TEMPORARY CASH ASSISTANCE (TCA)

ORIGINATING OFFICE: OFFICE OF PROGRAMS

Summary

The objective of this action transmittal is to provide clarification on when a Temporary Cash Assistance (TCA) case must be manually closed for noncooperation with the eligibility process (using code 566) and when to proceed with conciliation and, if applicable, sanction. This action transmittal supersedes AT#12-35 "CARES Codes for Closing and Sanctioning Cases."

	Old AT (12-35)	New AT (566)
What is it?	A cheat sheet of all closing and sanction codes.	A how-to guide for one specific decision.

Supersedes: 12-35-AT-CARES-Codes-for-Closing-and-Sanctioning Cases. Refer to 21-19 AT - Amended TCA Sanction (HB1313) regarding the TCA conciliation and sanction policy.

	Old AT (12-35)	New AT (566)
What does it cover?	Every closing code — work, child support, substance abuse, 566, all of it.	Just one question: do I use code 566 or conciliation?
How does it help staff?	Tells you which code to use in a chart.	Tells you what to DO, step by step.
The big answer it gives	Here are all the codes	If the customer has not cooperated in the completion of their assessment or signed their Family Independence Plan yet, use 566. If they have, use conciliation.
Redeterminations	Staff had to manually close the case with a code.	Allow the case to close for noncooperation.
System it is written for	CARES	E&E

This AT is a critical component of DHS's [Voluntary Resolution Agreement](#) (VRA) with the U.S. Department of Health and Human Services, Office of Civil Rights (OCR) (VRA Section IV C(2)(iii)). The VRA was established to address disability-based discrimination complaints and to ensure people with disabilities have an equal opportunity to participate in programs like TCA.

The OCR investigation found that MDHS often applied code 566 to people who may have had disabilities, such as mental health conditions or cognitive impairments, that kept them from meeting program requirements, and who qualified for an exemption under Md. Ann. Code, Human Services Article, § 5-308(b) or had “good cause” for noncompliance with work activity requirements under Human Servs. § 5-308(c). By closing these cases under code 566 without first checking whether the noncompliance was due to a disability, Maryland was found to be in potential violation of Section 504 of the Rehabilitation Act and Title II of the ADA.

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To ensure all staff are fully prepared to implement the updated guidelines, FIA is releasing this AT with an effective date exactly 30 days following the issuance date. This 30-day window is intentionally structured to provide the necessary time for LDSS staff to undergo training on this AT. Training will be provided by the FIA Office of Training.

Legal Requirements

Noncooperation with the eligibility process (code 566) is used both to deny applications and to close active cases when the customer fails to meet eligibility requirements without documented good cause. Whether or not to deny/close a case or to use the conciliation process for a case is based on **when the noncompliance occurs** (at application vs. once the case is active) and **what statute or regulation was violated**.

Under the TCA program, the assessment under Human Servs. § 5-309(a)(1) and the Family Independence Plan are considered part of the "eligibility process." When a case is denied or closed with code 566, a customer has failed to complete the necessary steps to demonstrate eligibility for the TCA program. This results in denial of the application or case closure for an active case.

The conciliation process is used for noncompliance with work requirements, child support requirements, or substance abuse and treatment services (SATS) rules. **Conciliation** is a 30-day period of time during which a customer and the Local Department of Social Services (LDSS) work to resolve the relevant noncompliance issue. During the 30-day conciliation period, the LDSS must advise the customer of the noncompliance and help the customer to comply by:

1. Investigating the reasons for noncompliance, including by personally contacting the family of the customer;
2. Evaluating and preparing a written determination of whether the customer qualifies for an exemption or good cause under Human Servs. § 5-308(b) or 5-308(c);
3. Sending the customer a letter offering a conciliation conference; and
4. Assisting the customer in identifying and resolving any barriers to compliance.

See Human Servs. § [5-312\(e\)\(3\)](#) and [COMAR 07.03.03.19](#).

A **sanction** is a financial penalty (a reduction in TCA benefits) that allows a customer to maintain their TCA benefits rather than having their case closed. If the customer resolves the noncompliance issue within the conciliation

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period, there is no sanction. For more information on conciliation and sanction, see the [Conciliation and Sanction Workbook](#).

The conciliation process is not used for noncooperation with the eligibility determination process (application or redetermination).

Required Action

When to Use Noncooperation with the Eligibility Process (code 566)

Under the following situations, case managers must deny the case for noncooperation with the eligibility process (code 566).

Incomplete Application

A TCA application requires several components to be complete and considered for approval. The customer must:

1. Submit a signed application;
2. Complete an interview;
3. Submit all required verifications;
4. Submit a complete and signed child support application, including an assignment of rights;
5. Complete a SATS screening (if screening is positive, the customer must comply with any requests);
6. Complete an assessment; and
7. Sign the Family Independence Plan.

When the TCA applicant has **not** completed the assessment and/or signed the Family Independence Plan within the application window, the case manager must deny the case for noncooperation with the eligibility process (code 566).

Interim Changes

Interim changes, such as changes in family circumstances or work activities, require TCA customers to complete a new assessment and sign a new Family Independence Plan. Failure to complete the new assessment and Family Independence Plan can lead to case closure due to noncooperation with the eligibility process (code 566)

When a TCA customer has an interim change, misses an appointment with the employment/jobs counselor for referral to work activity, and has not completed their new assessment or Family Independence Plan, the case

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manager must follow the following process:

1. The case manager must send the customer a Notice of Missed Appointment and a 1052 form to inform the customer that they must comply with the eligibility process (ie: work registration, assessment, and Family Independence Plan) to maintain eligibility for TCA.
 - a. The case manager must review the interim changes to see if the customer qualifies for an exemption under Human Servs. § 5-308(b)(2), including an exemption for a severe disability, or qualifies for a reasonable accommodation to comply with work requirements; and
 - b. The case manager must review the interim changes to see if the customer has good cause for not complying with work activity or child support requirements, including good cause due to the failure of the LDSS to offer or provide a reasonable accommodation to an individual with a disability.
2. The case manager must contact the customer by phone to discuss the reason for the missed appointment to determine whether an exemption exists, whether reasonable accommodations are needed, and whether good cause exists. See [TCA Manual Section 1001, Good Cause](#), for more information.
3. The case manager must close the case for noncooperation with the eligibility process (code 566) if the customer does not respond to the case manager's requests for information, to complete a new assessment, or to sign a new Family Independence Plan.
 - a. If the case manager determines there is noncompliance with work requirements, child support requirements, or SATS rules, then the case manager must proceed with the conciliation process..
4. Throughout this process, the case manager must narrate all actions taken in E&E.

When to Use the Conciliation Process

In general, when an active TCA customer is noncompliant with child support, SATS, or work requirements, the conciliation process is the appropriate course of action. For policies related to non-compliance with child support, refer to TCA Manual Sections [500 \(Child Support\)](#) and [1004 \(Child Support](#)

[Sanctions](#)). For policies related to non-compliance with SATS, see TCA Manual Sections [700 \(Substance Abuse\)](#) and [1005 \(Substance Abuse Sanctions\)](#).

A case manager must allow one 30-day conciliation period for each failure to comply with requirements by a customer.

For example, when a TCA customer completes their assessment and signs their Family Independence Plan but misses their scheduled appointment to begin their work program, the case manager must take the following steps:

1. The case manager places the TCA customer in the conciliation process for a period of 30 days. This will generate the Notice of Non-Compliance (NONC) letter in the Eligibility and Enrollment (E&E) system.
2. A conciliation conference appointment notice is sent to the customer. During the conciliation period, the case manager must advise the customer of the noncompliance and help the customer to comply by taking the actions set forth in the “Legal Requirements” section above. See Human Servs. § 5-308(e)(3) and COMAR 07.03.03.19. See also TCA Manual Section 1001, Good Cause, for more information.
3. If the case manager determines that the noncompliance is not remedied within the 30-day conciliation period, including the completion of a written determination that the customer does not qualify for an exemption or for good cause for noncompliance, E&E will automatically process the sanction at the end of the 30-day conciliation period, reducing the customer’s TCA benefits.
4. If the case manager determines that the noncompliance was remedied with the conciliation period or that an exemption or good cause **does** exist, the case manager must update E&E so that the customer is not sanctioned.
5. Throughout this process, the case manager must narrate all actions taken in E&E.

When the conciliation process is used, code 566 is **not** used.

When to Allow System Case Closure

At redetermination, if a customer fails to complete the process, the redetermination cannot be completed and the customer’s case will close at the end of the current certification period.

Customers must do the following for redetermination:

1. Complete and sign the application for the new one-year certification

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period;

2. Attend an interview;
3. Complete new assessment;
4. Sign a revised Family Independence Plan; and
5. Submit any required verifications.

When a customer does not complete a new assessment and revised Family Independence Plan at redetermination, the case manager must take the following steps:

1. Attempt to contact the customer via phone, email, or regular mail;
2. Narrate all actions taken; and
3. If all attempts to contact the customer fail, allow the case to close at the end of the certification period for noncooperation with the eligibility process

Summary Table

Take This Action...	Under These Circumstances	What is the Policy Rule?
Denial/Closure for Noncooperation with Eligibility Process (Code 566)	The applicant/customer has not completed an assessment and/or signed the Family Independence Plan AND There is no failure to remedy noncompliance through the conciliation process.	The assessment and Family Independence Plan are eligibility requirements ; therefore, the conciliation process is not available.
Conciliation Process	The customer completed an assessment and signed their Family Independence Plan. They are not complying with work requirements, child support, or SATS.	Work requirements, child support, and SATS are program requirements . A 30-day conciliation period is required. If noncompliance persists past the conciliation period, including a determination that good cause does not exist, the customer will have their TCA benefits reduced as a sanction. If noncompliance is remedied within the 30-day conciliation period, there is no sanction and the customer's TCA benefits will not be reduced.

Resources

Training will be forthcoming.

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[AT 21-19 Amended TCA Sanction \(HB1313\)](#)

TCA Manual:

- A. [Section 204, Assessment](#)
- B. [Section 205, Family Independence Plan](#)
- C. [Section 500, Child Support](#)
- D. [Section 700, Substance Abuse](#)
- E. [Section 1001, Good Cause](#)
- F. [Section 1004, Child Support Sanctions](#)
- G. [Section 1005, Substance Abuse Sanctions](#)

[TCA Workbook Section 102.2 Universal Engagement](#)

[Conciliation and Sanction Workbook](#)

Inquiries

Please direct policy questions to FIA Policy by completing the [FIA Policy Information Request Form](#). Montgomery County staff may submit their policy questions via email at fia.policy@maryland.gov. For questions related to E&E, please email fia.bsdm@maryland.gov.

cc: DHS Executive Staff
Office of Constituent Experience
DHS Help Desk
FIA Management Staff
Office of Administrative Hearings