
WORK FIRST
ASSESSMENT FOR WORK FIRST CASH ASSISTANCE
Family Cap

Change 03-2026

May 1, 2026

106 - FAMILY CAP

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I. WHAT IS A FAMILY CAP?

- A.** Whenever a parent, whether included in the assistance unit or not, has a newborn child ten or more months after a month in which the family receives cash assistance, the family cap provision applies. The Family Cap is a North Carolina policy that does not apply to parents who received assistance from another state in the tenth month prior to the child's birth. To determine whether family cap is applicable, evaluate all children born June 1, 1997, or later.

NOTE: The family cap provision does not apply to a child who has been adopted.

This means that the Work First Cash Assistance (WFCA) payment will not be increased for that child with **certain exceptions**. These exceptions are discussed in II. below.

A child subject to the family cap is a member of the Work First Cash Assistance family unit and is included on the case in **NC FAST**. Therefore, the child is also subject to the provisions of the Mutual Responsibility Agreement (DSS - 6963A) and is qualified for

- Child Support Services
 - Other supportive services
- B.** A child subject to the family cap is assessed like all other children in the family in relation to income, resources, child support, etc.
- C.** Once a child is subject to the family cap provision, the family cap applies even if the child moves to the home of another caretaker. The family cap is lifted in this instance if one of the exceptions in II. D. or E. apply. Review the family cap provision with every family at application and **recertification**. **This must be documented on the DSS-8228 and in case documentation within NC FAST.**

II. WHICH CHILDREN ARE NOT AFFECTED BY THE FAMILY CAP

- A. A child conceived in a month the family unit was not receiving Work First **Cash** Assistance. (This is determined by counting backwards ten months starting with the month the child was born).

- B. A child who is the firstborn (including all children of a multiple birth) of a minor **parent** who is a dependent child.

- C. A child conceived as a result of verifiable rape, sexual assault, or incest. One or more of these verifications are acceptable. Documentation within the case record must be clear.
 - 1. Verification by the individual/agency who conducted an assessment;
 - 2. Corroboration by Child Support;
 - 3. Any legal documents which supports claim;
 - 4. Written statements by other individuals who are knowledgeable of the participant's circumstance; or
 - 5. Signed statement by the participant.

- D. A child when parental custody has been legally transferred to a caretaker other than a parent.
 - 1. Ordered by a North Carolina court or any court of competent jurisdiction (out-of-state court).
 - 2. Voluntary private placement of a child by its parent that results in the transfer of custody, guardianship, or adoption.
 - 3. Placement with a relative made by the department of social services or an agency under contract with the department of social services when the department of social services retains legal custody.

- E. A child living with a caretaker other than a parent who is no longer able to live with the parent(s) (as determined by the department of social services) due to:
 - 1. Death of the child's parent.
 - 2. Incapacity or disability of the child's parent such that the parent cannot care for the child. Incapacity/disability must be verified by a physician.
 - 3. Incarceration of a parent if expected to last at least three consecutive months.

4. Institutionalization of a parent if expected to last three months or longer.

NOTE: If further verification is needed to support case manager’s decision, obtain it from any knowledgeable source and document case notes thoroughly.

III. Applying the Family Cap Policy

To determine whether a child is subject to the family cap, the case manager must determine whether either of the child’s parents received WFCA in the tenth month prior to the child’s birth. This determination applies only to children born June 1, 1997, or later. The case manager can also refer to the Family Cap Determination chart below to determine the 10th month. It is recommended that the case manager use the Family Cap Evaluation tool and upload it in NC FAST.

To determine the tenth month, the case manager counts backward beginning with the month the child was born. The month of birth is month number one. For example, if the child was born in May 2024, the month that needs to be researched is August 2023. The case manager must review NC FAST to determine whether either parent received WFCA in August 2023. If so, then the child is subject to the family cap. Refer to Job Aid: Adding Family Cap Exemption and Viewing Family Cap Status.

Month of Birth	Month to review for receipt of benefits	Month of Birth	Month to review for receipt of benefits
January	April	July	October
February	May	August	November
March	June	September	December
April	July	October	January
May	August	November	February
June	September	December	March

IV. Family Cap tracking

At application, recertification and inclusions, the case manager must evaluate all children in the household to determine if any child(ren) is subject to the family cap exclusion. The case manager must evaluate if a child who is subject to the

family cap meets one of the exceptions discussed in II. above. Remember, **NC FAST** does not make the decision as to whether the family cap applies.

V. Adding Family Cap Exemption Evidence

A case manager can review if a child has been identified as subject to the Family Cap in NC FAST previously. Refer to the Job Aid titled Viewing Family Cap Status for functionality instructions. If applicable, case managers must review and calculate to determine accuracy of previous assessment.

Once Family Cap is determined, case managers must refer to the job aid within FAST Help, **Adding Family Cap Exemption Evidence** for guidance on how to enter evidence.

See examples below of when to apply the Family Cap.

EXAMPLE 1: A person who receives SSI assistance for two children and reports on June 28, 2024, that she had a baby on June 26, 2024. To determine if this child is subject to the family cap, count back ten months. The tenth month is September 2023. If the mother or father received Work First Cash Assistance in September 2023, the family cap provision applies to this child.

EXAMPLE 2: Mother receives WFCA for herself and two children and has another child. The third child is not added to the mother's case but resides with another relative. The relative caretaker comes in to apply for Work First for this child. The case manager must determine if this child would have been subject to the family cap under the parent's case. Determine if the mother or father was receiving WFCA ten months before this child was born. If so, the child is subject to the family cap on the relative's case. The case manager must evaluate if the child meets an exception outlined in II. above.

EXAMPLE 3: An individual who fails to meet citizenship rules, and is not included in the assistance unit, receives benefits for their child, reports she had a baby June 15, 2025. To determine if this child is subject to the family cap, count back ten months. The tenth month is September 2024. If the mother or the father received Work First Cash Assistance in September 2024, the family cap provision applies to this child.

VI. SPECIAL CASE SITUATIONS

A. Minor Parents

Once a minor parent turns eighteen or becomes emancipated, the children subject to the family cap while the parent was a minor receiving as a dependent child are no longer subject to the family cap. As an adult recipient, the time the parent received as a minor parent does not count when determining whether a child born is subject to the family cap.

For example, a minor has their first child at age 16. The child, since it is the first child, is not subject to the family cap. At age 17, the minor parent has another child. This child is subject to the family cap. When the minor parent turns 18, the minor parent applies for assistance for herself and her two children. The second child is no longer subject to the family cap. The minor parent then gives birth to a third child.

The third child may or may not be subject to the family cap depending on the month of the child's birth and when the mother began to receive as an adult. If the child was born prior to the tenth month the parent received as an adult, the child is not subject to the family cap. If the child is born ten months from the month the parent begins receiving as an adult, the child is subject to the family cap.

The third child is not subject to the family cap if the tenth month of receipt before the child's birth was while the parent was receiving assistance as a dependent child.

B. Only Child Is Subject To Family Cap

If a child is subject to the family cap and the child is the only child in the family unit, the parent or stepparent may still receive cash assistance.

C. Family Cap Child Moves From One Parent To Another

Once a child is subject to the family cap, **the child** cannot move in with another parent and be exempt from the family cap. The child remains subject to family cap regardless of which parent **the child resides**. However, the child may become exempt if the child moves in with a caretaker relative other than a parent if the child meets an exemption as outlined in **II.** above.

For example, a child lives with **a parent and is subject to the family cap**. **Two years later, the parent is unable** to continue caring for the child because the parent is sick. The child moves in with the other parent who is receiving WF for other children. This child remains subject to the family

cap, regardless of why the child moved from one parent's home to another.