

ISSUED DATE: August 15, 2025

TO: ☒ Children's Division ☒ Contracted Staff

FROM: Sara Smith, Children's Division Director

SUBJECT: **Changes to the Usage of Federal Benefits and Meeting Children's Needs**

OVERVIEW:

On July 9, 2025, Governor Mike Kehoe signed HB 737 into law with Section 210.560 RSMo effective on August 28, 2025.

The following are changes to the current process of managing federal benefits for children in Children's Division's (CD) custody:

- CD shall no longer use federal benefits for the cost of the child's routine care.
- CD shall only use a child's federal benefits for specifically defined unmet needs for the child.
- CD should recommend the appointment of a representative payee to manage the child's federal benefits.
- CD shall only apply to become the representative payee when there is no other suitable representative payee available.
- When CD is the representative payee, CD will establish financial accounts which do not interfere with asset limitations.

CD is in the process of establishing new financial accounts (e.g. ABLE accounts) which will allow the federal benefits to be saved. Until such accounts are established, it is imperative that proactive measures are taken to ensure the KIDS account balance does not exceed federal asset limits.

Children receiving SSI benefits cannot have a KIDS account balance in excess of \$2,000.

NECESSARY ACTIONS:

For children who receive SSI, CD Workers should ensure the KIDS account balance does not exceed \$2,000 by utilizing the child's benefits to purchase items for unmet needs.

Unmet needs include, for example: educational materials, equipment and fees; transportation to work and school; expenses related to transition to adulthood such as rent, furniture and household supplies; technology including computers, internet and cell phone service; clothing needed for work, sports, or hobbies; rehabilitation equipment or services.

CD workers should consult with children/youth and team members to identify items to purchase and utilize the [CS-KIDS-2](#) form to make purchase requests.

DFAS will also be sending notices to CD workers directing them to purchase items in order to maintain an account balance which will not interfere with federal benefits.

To view the KIDS account and Dedicated KIDS account balances: FACES Homepage -> Financial Management -> KIDS/Dedicated KIDS Account -> Enter Child's DCN -> Hit "Go"

For answers to common questions, please review the [Resource Hub of Representative Payees for Foster Children | Representative Payee Program | SSA](#).

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CHILD WELFARE MANUAL POLICY AND COLLATERAL DOCUMENTATION: Section 4.12.6 Supplemental Security Income Section 4.12.8.4 Children's Income Reimbursement System (KIDS) Resource Hub of Representative Payees for Foster Children Representative Payee Program SSA	