



Children, Youth & Families Department

STATE OF NEW MEXICO

FEDERAL BENEFITS FOR CHILDREN IN STATE CUSTODY ACT

Annual Report to the Legislative Health and Human Services Committee

September 1, 2026

Background

Passed during the 2025 Regular Legislative Session, Senate Bill 283 amended the New Mexico Children's code with the addition of the "Federal Benefits for Children in State Custody Act" at 32A-29-7, NMSA 1978. The Act directed the Children Youth and Families Department to determine whether a child in the custody is currently receiving or is eligible to review federal benefits, apply to be representative payee when appropriate, apply for benefits on behalf of a child when necessary, establish appropriate accounts for the conservation of benefits received, provide an annual accounting for each child, and submit a report to the Legislative Health and Human Services Committee annually every September 1st.

There are two types of federal benefits that children in state custody typically receive:

- **Supplement Security Income (SSI):** SSI provides monthly payments to children and adults with qualifying disabilities or blindness who have little or no income or resources. SSI is for individuals who don't earn more than \$2,073 per month from work. The income limit increases for couples and when parents apply for children. We also consider other income sources besides your job, like disability benefits, unemployment, and pensions. For 2026, the basic federal Supplemental Security Income (SSI) resource and asset limits are \$2,000 for an individual child applicant and \$3,000 for a couple.
- **Retirement, Survivors, and Disability Insurance (RSDI):** RSDI is the administrative term for the entire federal Social Security system. Survivors and Family benefits are subcategories of auxiliary payments made to eligible spouses, children, or dependents derived from a primary worker's wage records and who paid FICA taxes. It provides benefits when a person retires, becomes disabled, or passes away leaving dependents.
 - *Survivors Benefits:* Provides a monthly payment to eligible family members of people who worked and paid Social Security taxes before they died.
 - *Family Benefits:* Provides monthly payments to eligible spouses and children on behalf of spouse or parent.

Conservation of Benefits and Work with State Treasurers Office

Another important action as a result of the Act was the discontinuation of using federal benefits to supplement foster care payments. Instead, when CYFD is the child's representative payee, the agency establishes accounts in which the monetary benefits can be conserved. CYFD has been working with the New Mexico State Treasurers Office to establish ABLE accounts for children in state custody who are receiving Supplemental Security Insurance (SSI) and individual accounts for children who are eligible to receive benefits behalf of a deceased, retired, or disabled parent (RSDI).

- **ABLE Accounts:** ABLE accounts are savings accounts for children and adults with a qualifying disability. These accounts allow a person whose disability began before age 46 to save money in an ABLE account without affecting the federally established income limits based on need. SSI recipients may use funds to pay for qualifying expenses as determined by the Social Security Administration. Any ABLE investment growth is not taxed and does not count as income if the funds are used for qualifying expenses. Individuals are eligible to open an ABLE account if their disability began before age 46 and they either receive SSI or their diagnosis meets the severity of disability requirement in which a physician has indicated "marked and severe" functional limitations that began before age 46. If an individual is under age 18 or cannot open and manage the ABLE account

themselves, an account may be opened by the eligible individual or the eligible individual's agent under a power of attorney, or legal guardian or conservator, the spouse, a parent, a sibling, a grandparent, or a representative payee (whether an individual or organization) appointed by the SSA, in that order. The representative payee is subject to all applicable SSA rules.

- **Individual Accounts:** CYFD is working with the State Treasurers Office to move these funds into the Local Government Investment Pool (LGIP) where they will earn interest. The interest will be credited to each child and will be included in the funds returned to each child when they leave custody.

Federal Benefits/Social Security Unit

The federal benefits unit was expanded under the CYFD Office of Performance and Accountability to include a supervisor, three Senior Social Services Coordinators, and three Case Aides. Each case aide is paired with a Senior Social Services Coordinator; each pairing will cover the North, Metro, and Southern regions of the state. This unit works closely with the Title IV-E/Medicaid Eligibility unit, which notifies the Federal Benefits Unit when a child enters custody and informs the unit of any benefits the child is currently or previously receiving by checking their status in SOLQ or Aspen. (SOLQ (State On-Line Query) is a real time application designed for HCA to access Social Security Administration (SSA) data. ASPEN system is the Automated System Program and Eligibility Network, an eligibility and case management platform used by HCA to determine eligibility and issue benefits. ASPEN enables authorized users (Title IV-E Team and Federal Benefits Team) to validate Social Security Numbers and retrieve Title II (RSDI) and Title XVI (SSI) information, including Medicaid, TANF, Unemployment, Food Stamps, financials for parents and State Supplementation programs.)

The IV-E/Medicaid Specialists collaborate with the Benefits Specialists to gather and provide information to the child's assigned caseworker about federal benefits, Medicaid, and IVE status. This includes communicating with the HCA Medicaid Assistance Division to approve Medicaid Category of Eligibility 004 for children receiving SSI. Every six months after the child enters custody, the Title IVE/Medicaid Specialist will check SOLQ and Aspen and ask the child's worker about any deceased or disabled parents; the Title IVE/Medicaid Specialist will inform the Federal Benefits unit when there is a need to apply for RSDI as part of the eligibility redetermination process.

The Benefits Supervisor is responsible for:

- Reporting annually to the Health and Human Services Legislative Committee;
- Working with the State Treasurer's Office and CYFD Administrative Services to create a new NM STABLE account/send info to Vestwell and change the SSA direct deposit info;
- Working with New Mexico Legal Aid on any SSI appeals;
- Maintaining policy and procedure and working with the CYFD Workforce Development Bureau to update training; and
- Organizing meetings to discuss change of representative payee from CYFD to another representative payee when appropriate.

Benefits Specialists are responsible for:

- Maintaining a list of children receiving SSI and RSDI benefits and amounts received, including any additional disability benefits;

- Conducting a screening for children who enter state custody within 60 days of entry who are not receiving benefits to assess the need for applying for SSI or SSA;
- Sending notices to the child's team of the intent to apply for SSI or RSDI when assessed as necessary;
- Requesting and reviewing children's records against the benefit criteria and reviewing FACTS (Foster care Level of Care and CANS);
- Sending notices to the child, the current representative payee, the child's team, and, if applicable, the Tribe or Pueblo, when the child is already receiving benefits and has come into CYFD custody.

If the decision is made to apply for SSI, the Benefits Specialists and Case Aide will start gathering documentation on behalf of the child to begin the SSI application process. They will be responsible for the entire application process receiving any decision letters and sending notices to the child's team. They will also be responsible for notifying the child's Guardian Ad Litem (GAL) or Youth Attorney of any denial and discuss the appeal process and refer to New Mexico Legal Aid if necessary.

Reporting

Beginning September 1, 2026, and annually thereafter, the department shall submit a report to the legislative health and human services committee that includes:

- the number of children in its custody who receive federal benefits;
- the type of federal benefits;
- the manner in which those benefits are conserved; and
- the amounts of federal benefits used and conserved.

The Office of Performance and Accountability works collaboratively with CYFD's Administrative Services Division and federal Social Security Offices across the state to track the number of children in custody that receive Social Security benefits and amounts received. The chart and table below provide the reporting requirement set forth in 32A-29-1NMSA 1978.

Number of Children and Type of Federal Benefits Received

The chart below provides the number of children in state custody that are receiving federal benefits and the type. There was a total of 96 children that received benefits. Of those 96 children, 8 children receive both SSI and RSDI benefits.

Manner of Conservation and Amounts Conserved

All monies received from the Social Security Administration are transferred to CYFD by Automated Clearing House (ACH); monies are deposited into dedicated bank account specified by each fund ending in 7732 and 8620. The monies are deposited into the SHARE General Ledger and also listed in the child FACTS account showing the payments received and their account fund balance is. When a paper check is received, the check is deposited with Wells Fargo, and those funds are applied in SHARE General Ledger and in FACTS.

Person ID	RSDI Total Conserved
3060255	\$11,417.00
3558836	\$890.00
3426505	\$84.00
3115959	\$9,226.00
3264625	\$12,260.00
2492978	\$10,968.00
3278938	\$26,268.00
3353552	\$18,692.00
3353553	\$18,692.00
2819695	\$9,325.00
3642351	\$1,702.00
2672154	\$19,948.00
3054607	\$5,755.00
3566670	\$7,677.00
3387820	\$7,677.00
3485821	\$12,053.05
3085073	\$7,896.00
3029505	\$16,704.00
3558892	\$3,540.00
2255165	\$8,226.00
3314056	\$738.00
2810490	\$3,931.00
2484722	\$3,931.00
3358172	\$1,680.00
3358171	\$4,760.00
2977792	\$3,949.00
3613438	\$57,434.00
3718363	\$20,072.00
2356646	\$2,703.00
2681607	\$3,931.00
2798686	\$5,525.00
2681606	\$3,931.00
2455793	\$5,128.00
3217850	\$15,412.00
2531573	\$7,419.00
2531574	\$616.68
2422879	\$13,735.00
3150904	\$10,333.00
2592149	\$11,034.00
2433891	\$62,024.00
2352931	\$8,919.00
3003132	\$8,748.00

Person ID	SSI Total Conserved
2307485	\$10,772.00
3033616	\$7,234.38
3060255	\$7,234.38
3101291	\$2,371.88
3602406	\$6,346.13
2477623	\$967.00
3512592	\$4,970.00
3485821	\$4,017.37
3773453	\$10,200.39
3773452	\$8,750.06
2596834	\$10,772.00
3344628	\$2,982.00
3536350	\$90.00
3343494	\$994.00
2701319	\$10,772.00
2729958	\$6,958.00
2601970	\$10,745.00
3784478	\$2,683.80
3493160	\$2,982.00
3574371	\$2,982.00
2761034	\$7,821.62
3450315	\$2,982.00
2552322	\$10,772.00
3733369	\$1,988.00
2694370	\$10,772.00
3194022	\$10,772.00
2587221	\$1,934.00
2427967	\$894.00
3511398	\$330.00
3687509	\$8,838.00
2209293	\$9,835.00
3600759	\$17,844.00
3511634	\$894.60
2531573	\$735.69
3481638	\$5,964.00
2352017	\$11,947.00
2470985	\$10,772.00
3828236	\$2,982.00
3437127	\$10,772.00
2352931	\$5,250.00
3145473	\$10,772.00
3119866	\$3,976.00

3027301	\$15,920.00		3447285	\$10,772.00
3427505	\$15,924.00		2490401	\$10,772.00
3800091	\$4,304.00		TOTAL:	\$285,216.30
2877498	\$6,572.00		N=96 Children	
2877497	\$8,215.00			
3159293	\$1,195.00			
3109174	\$5,767.00			
3631653	\$2,598.00			
3510536	\$23,771.00			
2701155	\$4,450.00			
TOTAL:	\$553,669.73			