



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance
600 Washington Street • Boston MA 02111

William F. Weld
Governor
Argeo Paul Cellucci
Lieutenant Governor

Gerald Whitburn
Secretary
Joseph Gallant
Commissioner

Field Operations Memo 95-35
November 1, 1995

To: Local Office Staff
From: Joyce Sampson, Assistant Commissioner for Field Operations
Re: Food Stamp Program - 10/1/95 Cost-of Living Increases

Overview State Letter 1077 issues policy revisions implementing the following cost-of-living changes in the Food Stamp Program, effective 10/1/95.

Note: In past years, the Department implemented the October COLA in the October cycle ATPs.

This year due to delayed federal legislation, the 10/1/95 COLA will be implemented in the *November '95* cycle ATPs.

- **Standard Utility Allowances** - The heating standard utility allowance has increased from \$311 to **\$313**. The nonheating standard utility allowance has increased from \$188 to **\$189**. The telephone standard utility allowance has not changed; it remains at **\$22**.
 - **Standard Deduction** - The Standard Deduction has increased from \$134 to **\$138**.
 - **Homeless Household Shelter Standard Estimate** - The Homeless Household Shelter Standard Estimate has increased from \$139 to **\$143**.
 - **Maximum Coupon Allotments** - The maximum coupon allotment levels for all household sizes have increased.
-

-
- **Shelter Deduction** - The maximum Shelter Deduction (for households not containing an elderly or disabled member) has increased from \$231 to **\$247**.
 - **Gross, Net, and 165% Income Eligibility Standards** - The Gross, Net and 165% Income Eligibility Standards have increased.
 - **Vehicle Fair Market Value Limit** - The Vehicle Fair Market Value Limit has increased from \$4,550 to **\$4,600**.
-

Automatic Update of Active Food Stamp Cases

Date of Automatic Update

All active food stamp cases on the Recipient Masterfile as of the close of business on **10/25/95** will be automatically reviewed and, if possible, updated for November issuances.

Report of Updated Cases

A report, "**FSP-10/95 COLA Updated Cases**," will:

- Be sent to local offices during the week of **10/30/95**;
- List all cases that were automatically updated;
- List the household's old and new food stamp benefit amounts (as adjusted by the system);
- List the amount added to the 11/95 ATP (benefits owed from 10/1/95 to 11/95 cyclical start date); and
- Be used for case reference.

No action by local office staff is necessary.

Note: Utility code 5 cases with a pre-COLA utility amount of \$155 (½ of heating SUA) will be automatically updated to \$156. This will significantly decrease the number of cases on the manual review printout.

Recipient Notice

All households listed on the "**FSP-10/95 COLA Updated Cases**" report will be sent the following notices:

- An English/Spanish notice (see Attachment A);
- A multi-lingual notice that states, "Important! Please have this notice translated immediately."; and
- A name and address card that gives their old and new food stamp benefit amounts and the additional amount owed them (from 10/1/95 to their 11/95 cyclical start date).

Closed FS Cases

Food Stamp cases that are owed additional benefits for the COLA and are closed in October or November 1995 will be issued ATPs in November 1995. These closed cases will:

- have ATPs dated and mailed in mid-November 1995;
- appear on the FSP-026 Issuance Register with a "V-18" code;
- be listed on a printout entitled, "**FSP-10/95 COLA Closed Cases.**" (This printout will be sent to local offices in mid-November); and
- be sent the same notification cards as active cases.

When to Use Old Standards

Cases that are key-entered by the close of business on **10/25/95** will have benefits calculated using the issuance standards (e.g., eligibility standards and issuance tables) and calculation method (e.g., shelter and standard deductions) in place *before* the October 1, 1995 policy change.

When to Use New Standards

Cases key-entered on **10/26/95** and after will have benefits calculated using the 10/1/95 revised issuance standards.

Instructions for Cases Requiring Manual Review/Update

**Manual
Review
Printout**

Cases that require manual review and/or update will appear on a printout report, "**FSP-10/95 COLA Cases Requiring Review**," that will:

- Be produced and sent to local offices during the week of 10/30/95;
- List cases:
 - * not updated by PACES due to either missing or inaccurate information; and
 - * updated by PACES but whose utility code in block 56 is 5; and
- Identify by error code why a case could not be automatically reviewed and/or updated.

**Error
Codes**

The following error codes may appear on the "**FSP-10/95 COLA Cases Requiring Review**" report. In these situations, check for accuracy of information on file and, if necessary, complete a PACES TD and/or PACES Worksheet. Determine and issue retroactive benefits (i.e., prorated benefits and/or full month differential(s)), if eligible.

Code Explanation:

- 3 Household exceeds maximum allowable gross or net income standards or household size is greater than 17.
 - 5 Household's SUA is prorated or household is sharing actual utility expenses.
 - 6 PACES-calculated benefit amount does not equal the benefit amount on the Recipient Masterfile.
 - 9 Household is an active case but at zero benefits.
-

**Manual
Review of
Cases**

To restore benefits to food stamp cases which were not included in the automatic update, workers must:

- Review each case to correct any errors (PACES will recalculate the food stamp benefits and increase the household's ATP on the *next* available start cycle using the 10/95 COLA standards) or resolve any SUA proration or shared actual utility issues; and
- Manually determine and issue benefits owed to the household back to October 1, 1995, if appropriate, using the method provided below.

**Prorating
for a
Partial
Month**

When food stamp benefits are owed to a household for a partial month back to October 1, 1995 as a result of COLA, the prorated amount is calculated as follows:

- Take the difference between the old ATP amount and the new 11/95 monthly ATP amount and multiply by 12;
- Divide the product by 365;
- Multiply by the number of days from October 1 through the day *before* the October cyclical start date; and
- Drop all cents from the sum of the calculation above. (This amount represents the prorated portion owed from 10/1/95 to the 10/95 cyclical start date.)

Note: Use this same calculation to determine the prorated portion owed from the 10/95 cycle to the 11/95 cyclical start date for a new case.

**Full
Month
Difference**

When benefits for a full month are owed to a household, compare the new and old monthly ATP amounts. Take the difference between the old and new monthly amounts to determine the full month differential for each full month owed before the date the increase is effected.

**Issuing
Lost
Benefits**

To manually determine the total amount owed to the household, add any prorated amount and full month differential amounts.

Issue benefits owed to the household using blocks 60 and 61 on the PACES TD.

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline at (617) 348-8478.



Notice of Food Stamp Cost of Living Adjustment
Massachusetts Department of Transitional Assistance

Food stamp benefits are changing as of October 1, 1995 due to an adjustment in the cost of living. For most households, benefits will be increased.

The enclosed card shows both your old and new monthly benefit amounts as well as any additional benefits owed to you for the period between 10/1/95 and the date of your November 1995 ATP. You do not need to do anything to receive these benefits.

If you are presently receiving food stamps, your new monthly benefit plus any additional benefits owed will be included in your November 1995 ATP. If you are not receiving food stamps, an ATP will be issued to you in November 1995 for the amount owed.

FSP 10/95 COLA 74

Food Stamp Manual Citation: 106 CMR 366.130.

If you have any questions about your new food stamp amount, call your local office at the number listed on the enclosed name and address card.

It is your right to request a fair hearing at any time if you disagree with the amount of food stamps you receive. To request a fair hearing, you must sign and date the enclosed card which has your name and address on it and mail it to: Department of Transitional Assistance, Division of Fair Hearings, P.O. Box 167, Boston, MA 02112.