

cc US, DIT, etc



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William D. O'Leary
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Field Operations Memo 98-38
September 28, 1998

To: Transitional Assistance Office Staff
From: Joyce Sampson, Assistant Commissioner for Field Operations
Re: Food Stamp Program - 10/1/98 Cost-of-Living Increases

Overview

State Letter 1163 issues policy revisions implementing the following cost-of-living changes in the Food Stamp Program, effective 10/1/98:

- **Maximum Benefit Allotments** - The maximum benefit levels for all assistance unit sizes have increased.
- **Gross, Net, and 165 percent Income Eligibility Standards** - The Gross, Net, and 165 percent Income Eligibility Standards have increased.
- **Shelter Deduction** - The Shelter Deduction (for assistance units not containing an elderly or disabled member) has increased from \$250 to \$275.

Note: The heating standard utility allowance remains at **\$330**. The nonheating standard utility allowance remains at **\$199**. The telephone standard utility allowance remains at **\$24**.

The Standard Deduction (**\$134**) remains at the current level.

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 9/24/98 will be automatically reviewed and, if possible, updated for October benefit issuances.

Report of Updated Cases

A report "**FSP-10/98 COLA Updated Cases**" will:

- Be sent to Transitional Assistance Offices during the week of 9/28/98;
- List all cases that were automatically updated;
- List the assistance unit's old and new food stamp benefit amounts (as adjusted by the system);
- List the amount added to the 10/1/98 issuance (benefits owed from 10/1/98 to 10/98 cyclical date); and
- Be used for case reference.

No action by Transitional Assistance Office Staff is necessary.

Recipient Notice

All assistance units listed on the "**FSP-10/98, COLA Updated Cases**" report will be sent the following notices:

- An English/Spanish notice;
 - A multilingual 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, if any (from 10/1/98 to their 10/98 cyclical date).
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**Closed FS
Cases**

Food stamp cases owed additional benefits for the 10/98 COLA and closed in October 1998 will be issued benefits in October 1998. These closed cases will:

- Have benefits dated and issued in mid-October 1998;
- Appear on the FSP-026 Issuance Register with a "V-18" code;
- Be listed on a printout entitled, "FSP-10/98 COLA Closed Cases." (This printout will be sent to Transitional Assistance Offices in mid-October); and
- Be sent the same notification cards as active cases.

**When to
Use Old
Standards**

Cases data-entered by the close of business on 9/24/98 will have benefits calculated using the issuance standards and calculation method in place *before* the October 1, 1998 policy change.

**When to
Use New
Standards**

Cases key-entered on 9/25/98 and after will have benefits calculated using the 10/1/98 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 report "FSP-10/98 COLA Cases Requiring Review" that will:

- Be produced and sent to Transitional Assistance Offices during the week of 9/28/98;
 - 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.
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Error Codes

The following error codes *may* appear on the "FSP-10/98 COLA Cases Requiring Review" report. In these situations, check for accuracy of information on file and, if necessary, complete a PACES Input Document (PID) and/or PACES worksheet. Determine and issue retroactive benefits (i.e., prorated benefits), if eligible.

Code Explanation:

- 3 Assistance unit exceeds maximum allowable gross or net income standards OR assistance unit size is greater than 17.
- 5 Assistance unit's SUA is prorated or assistance unit is sharing actual utility expenses.
- 6 PACES-calculated benefit does not equal the benefit amount on the Recipient Masterfile.
- 9 Assistance unit 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 10/98 automatic update:

- Review each case to correct any errors (PACES will recalculate the food stamp benefits and increase the assistance unit's food stamp benefits on the *next* available start cycle using the 10/98 COLA standards) or resolve any SUA proration or shared actual utility issues; and
 - Manually determine and issue benefits owed to the assistance unit back to October 1, 1998 using the method provided below.
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Prorating

When food stamp benefits are owed to an assistance unit back to October 1, 1998, as a result of COLA, the prorated amount is calculated as follows:

- Take the difference between the 9/98 (old) and 10/98 (new) monthly food stamp benefit 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 10/1/98 to the 10/98 cyclical start date.)

Issuing Lost Benefits

To manually determine the total amount owed to the assistance unit, add to the prorated amount the difference between the old and new monthly amount for each full month owed before the date the increase is effected.

Issue benefits owed to the assistance unit using blocks 60 and 61 on the PACES Input Document (PID).

Questions

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