



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

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Governor

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Secretary

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Commissioner

**Field Operations Memo 99-29**  
**October 1, 1999**

**TO:** Transitional Assistance Office Staff  
**FROM:** Joyce Sampson, Assistant Commissioner for Field Operations  
**RE:** Food Stamp Program - 10/1/99 Cost-of-Living Increases

**Overview**

State Letter 1181 issues policy revisions implementing the following cost-of-living changes in the Food Stamp Program, effective 10/1/99:

- **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.

NOTE: The heating standard utility allowance (SUA) remains at **\$330**. The nonheating SUA remains at **\$199**. The telephone SUA remains at **\$24**.

The Shelter Deduction remains at **\$275**.

The Standard Deduction remains at **\$134**.

The Vehicle Fair Market Value Limit remains at **\$4,650**.

**Automatic Update  
of Active Food  
Stamp Cases**

All active food stamp cases on the Recipient Masterfile as of the close of business on **09/27/99** will be automatically reviewed and, if possible, updated for October issuance.

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**Report of Updated Cases**

A report "**FSP-10/99 COLA Updated Cases**" will

- be sent to Transitional Assistance Offices during the week of **09/27/99**;
- 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 10/1/99 issuance (benefits owed from 10/1/99 to 10/99 cyclical date); and
- be used for case reference.

**No action by Transitional Assistance Office Staff is necessary.**

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**Recipient Notice**

All assistance units listed on the "**FSP-10/99, 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 the old and new food stamp benefit amounts and the additional amount owed, if any (from 10/1/99 to their 10/99 cyclical date).
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**Closed FS Cases**

Food stamp cases owed additional benefits for the 10/99 COLA and closed in October 1999 will be issued benefits in October 1999. These closed cases will:

- have benefits dated and issued in mid-October 1999;
  - appear on the FSP-026 Issuance Register with a "V-18" code;
  - be listed on the "**FSP-10/99 COLA Closed Cases**" printout (this printout will be sent to Transitional Assistance Offices in mid-October); and
  - be sent the same notification cards as active cases.
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**When to Use Old Standards**

Cases data-entered by the close of business on **09/27/99** will have benefits calculated using the issuance standards and calculation method in place before the October 1, 1999 policy change.

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**When to Use New Standards**

Cases data-entered on or after **09/28/99** will have benefits calculated using the 10/1/99 issuance standards.

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**Instructions for Cases Requiring Manual Review/Update**

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**Manual Review  
Printout**

Cases that require manual review and/or update will appear on the **“FSP-10/99 COLA Cases Requiring Review”** report that will:

- be produced and sent to Transitional Assistance Offices during the week of **09/27/99**;
  - list cases:
    - ♦ not updated by PACES due to either missing or inaccurate information; and
    - ♦ updated by PACES but whose utility code in Block 56 of the PID 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-10/99 COLA Cases Requiring Review”** report. In these situations, check for accuracy of information on file and, if necessary, complete a PID and/or a 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.
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**COLA Decrease  
Report**

Recipients appearing on this report (produced and sent to Transitional Assistance Offices during the week of **09/27/99**) have not been updated. The recalculation would result in a decrease of food stamp benefits. The decrease in benefits would not be due to the COLA. It may be the result of inaccurate income data currently on file. Therefore, a manual review is needed for cases on this report to make sure the income on PACES is correct.

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**Manual Review of Cases**

To restore benefits to food stamp cases which were not included in the 10/99 automatic update:

- review each case to correct any errors or resolve any SUA proration or shared actual utility issues (PACES will recalculate the food stamp benefits and increase the assistance unit's food stamp benefits on the next available start cycle using the 10/99 COLA standards); and
  - manually determine and issue benefits owed to the assistance unit back to 10/1/99 using the method provided below.
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**Prorating**

When food stamp benefits are owed to an assistance unit back to October 1, 1999, as a result of COLA, the prorated amount is calculated as follows:

- Take the difference between the 9/99 (old) and 10/99 (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 10/1/99 to the 10/99 cyclical start date.)
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**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 PID.

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**Questions**

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

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