



Department of Human Services
311 West Saratoga Street
Baltimore MD 21201

FIA ACTION TRANSMITTAL

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Effective Date: Immediately

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**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
 DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
 FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY
 STAFF**

FROM: NETSANET KIBRET, EXECUTIVE DIRECTOR *PK*

RE: UNCLEAR INFORMATION

PROGRAM AFFECTED: FOOD SUPPLEMENT PROGRAM

ORIGINATING OFFICE: OFFICE OF PROGRAMS

SUMMARY

The purpose of this Action Transmittal (AT) is to provide the Local Department of Social Services (LDSS) information and instruction regarding federal regulation changes and clarification to the processing of unclear information received during a household’s Food Supplement Program (FSP) certification period. Changes to 7 CFR §273.12(c)(3) are known as the Big Rule. Included in this AT are:

1. Definition of new terms
2. Acting on information less than 60 days old
3. Acting on information that is more than 60 days old or older
4. FSP households with an associated Temporary Cash Assistance (TCA), Public Assistance to Adults PAA or Temporary Disability Assistance Program (TDAP) case
5. Simplified Reporting reminders

AT Highlights:

- A. Case managers must not automatically close a FSP case for a customer’s failure to respond to a request for information. (Policy Clarification)

- B. Case managers should only act on a Change Form with verification. (Policy Reminder)
- C. Local Departments of Social Services (LDSS) must issue a 1052A Request for Information to Verify Eligibility – Data Match (a new form, which is attached to this AT) to a customer for death and prisoner data matches if the data match cannot be independently verified. (New Policy)

NEW TERMS

Reliable sources: The following sources are considered reliable but require secondary information before the agency takes action:

- 990 state New Hire match
- Deceased persons match
- Public Assistance Reporting Information System (PARIS) match
- Prisoner match
- Customer’s self-report of income change

Significant conflicting information: Any information that impacts a household’s benefit.

Verified Upon Receipt (VUR) - Information related to unearned income, wages, and termination date provided by Maryland Automated Benefit System (MABS), State Online Query (SOLQ), State Verification Exchange System (SVES), Benefit Data Exchange (BENDEX) and State Data Exchange (SDX) are considered "verified upon receipt" and considered clear information that does not require further verification unless it conflicts with information provided by the household or further information or verification is needed to make changes to the benefit. If the VUR information needs no additional information or verification, the case manager must act on the change.

LDSS ACTIONS REQUIRED

1. Acting on Unclear Information that is *Less than 60 Days Old*

a. In General

The Big Rule updated procedures for unclear information received primarily from data matches.

The state agency must now follow up on unclear information if the information is:

1. Less than 60 days old relative to the first day of the month in which the information was received and required to have been reported based on Simplified Reporting requirements,
OR

2. The unclear information appears to present significant conflicting information about household circumstances from that relied upon at the time of certification.

990 New Hire Alert

CARES automatically generates a New Hire Notice for a 990 New Hire Alert. The New Hire Notice meets the federal requirement for following-up on unclear information that is less than 60 days old; an FIA Form 1052 Request for Verification does not need to be issued.

Pursuant to federal **simplified reporting requirements**, case managers cannot close an FSP case simply for a customer's failure to respond to a New Hire Notice. (Refer to the Simplified Reporting Reminders section in this document for more information.)

- If the case manager verifies that the household income exceeds 130% of the FPL for household size regardless of whether the customer fails to report the income change, the case manager must input the new information into CARES. CARES will then determine ongoing eligibility, which may result in a decrease or closure of FSP benefits. The case manager must then take appropriate action.

OR

- If the case manager cannot verify that the household's income has increased by 130% and the customer does not report an income change, the case manager must disposition the alert with code 6 (shown below) and then create a 745 alert and remember to review income during the household's redetermination.

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INQUIRY          VALID VALUES INQUIRY - HLP1          HLP1
                  **ALAU/DEL          **          01 More
H:
  SCREEN: ALAU    VALID VALUE: DISPOSITION CODE
  Y - YES DISPOSITION THIS ALERT AS COMPLETED (DO NOT USE FOR ALERT 990,992 OR
  ALERT 993-995)

  PLEASE BE AWARE NOT ALL ALERTS CAN BE DISPOSITIONED FROM THIS SCREEN;
  SOME MUST BE DISPOSITIONED BY A SUPERVISOR AND OTHERS BY COMPLETING A
  PROCESS, SUCH AS FINALIZING AN APPLICATION.

  FOR ALERT 990, 992 "POTENTIAL NEW HIRE MATCH" - USE THE FOLLOWING
  DISPOSITION CODES:
  1 - NO CHANGE DUE TO NEW HIRE EMPLOYMENT - ALREADY REPORTED
  2 - CASE CLOSED/DENIED AS A RESULT OF NEW HIRE INFORMATION
  3 - CASE CLOSED/DENIED FOR REASON OTHER THAN NEW HIRE
  4 - BENEFITS DECREASED AS A RESULT OF NEW HIRE INFORMATION
  5 - BENEFITS INCREASED AS A RESULT OF NEW HIRE INFORMATION
  6 - NO CHANGE -income excluded (i.e. student or hire date is 60 days or more)

Message
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Reminder #1: When a customer provides information that is to his/her benefit, i.e. increases the household FSP grant amount, the case manager must verify. If the information is verified, the case manager must update CARES regardless of whether this information is provided outside of the certification period.

Reminder #2: CARES requires that a New Hire Alert be dispositioned prior to update/finalization.

Returned Mail

When the New Hire match request for verification for a FSP case without an associated case is returned as undeliverable, we cannot take action as we could before the Big Rule was implemented. Now with the Big Rule, states must wait until the next recertification to take action. If at the point of the next recertification there is no response or if the state receives returned mail, the state may close a case based on failure to recertify.

If the mail is returned with a forwarding address or a note stating that the customer is deceased, follow regular case management procedure by checking other sources to verify the information provided and take appropriate action if necessary.

Other Data Matches:

Current data matches include:

- Veterans Affairs benefits
- Military benefits
- Lottery
- PARIS match

With the increase of electronic records and system, this list will continue to grow.

LDSSs must issue a FIA Form 1052 Request for Verification to the household if the information received significantly conflicts with the information provided at certification. In this case, the household must be informed that it has 10 days from the date the notice is mailed out to respond and to clarify its circumstances.

After the Request for Verification Form is issued:

If the household does not respond to the request or does respond but fails to provide sufficient information to clarify its circumstances, the case manager must issue a notice of adverse action to close or remove the appropriate individual from the assistance unit (AU). The household may submit a new application and provide the required verification if it wishes to continue in the program.

b. Unclear Information Related to Death and Prison Data Matches

When a LDSS receives a prison or death match, the case manager must first try to verify the information through online sources. If verification cannot be obtained, the case manager must then issue a notice of death or prison data match results to the household and provide the household 10 days from the date the notice is mailed out to respond and to clarify its circumstances. This new policy may require LDSSs to create a new internal procedure on how to address this. Attached to this AT is a FIA-created 1052A Request for Information to Verify Eligibility – Data Match template to be used by LDSSs.

Remember to narrate in CARES the receipt of the data match and the follow-up actions.

Examples of proper narration language are:

If the data match is verified through an online source:

Prison (or death) match received on (insert date) for (insert HOH or other household member). Information was verified by (insert source).

Note: CARES death match data comes from local registrars. Case managers, therefore, can use Vital Records and SDX as secondary sources for verifications.

If the data match requires the issuance of the 1052A:

Prison (or death) match received on (insert date) for (insert HOH or other household member). Information could not be independently verified. A Notice of Data Match was issued on (insert date).

After the Notice of Data Match is issued:

- A. If the household does not respond to the Notice or does respond but fails to provide sufficient information to clarify its circumstances, the case manager should either:
 - 1) Forward a notice of adverse action to remove the household member with questionable information and his/her income from the household and adjust the FSP benefits accordingly, or
 - 2) For a one-person household, forward a notice of adverse action to close the case.
- B. If the household responds timely and provides sufficient information, the case manager should act on the new information and determine continued eligibility accordingly.

2. Acting on Unclear Information That is 60 Days Old or Older

If unclear information received during the certification period is 60 days or older from the current month of participation, the case manager should not act on the information or require additional information from the household. The case manager must wait until the next recertification to act.

If the information will result in a potential increase in benefits, the agency may contact the household to request verification of the unclear information. If the agency cannot verify the information using a collateral contact or through computer match systems, the case manager must issue a 1052 Request for Information to obtain the verification. If verification is not timely received, the case manager must issue a Notice of No Change through CARES by accessing FSP AU MISC or ELIG screen to add text to inform the customer the change reported did not

affect their FSP benefit, but may be requested at recertification. The case manager must then create a 745 alert and remember to review income during the household's redetermination.

For New Hire Alerts:

In the case where the New Hire date is 60 days or more in the past, no action can be taken by the agency until recertification. However, the case worker must still disposition the alert. Disposition the alert with code 6, provide narration and create a 745 alert that will remind you or another case worker to review income at redetermination.

Collateral Contacts

The customer provides his/her consent to release through multiple documents: by signing the application, the Consent for Release of Information form (704 form), and the wage forms (247 and 007 forms).

When talking with collateral contacts:

- A. Disclose only the information that is absolutely necessary to get the needed verification.
- B. Avoid disclosing that the household has applied for or receives Food Supplement benefits.
- C. Do not disclose any information supplied by the household.
- D. Do not suggest that the household has done anything wrong.

Responsibility for Providing Verification

The household has the primary responsibility for giving the local department written proof to support statements on the application. They are also responsible for resolving any questionable information.

The case manager must assist the household in getting the verification as long as the household is cooperating with the local department.

The household may supply documentary evidence:

- In person,
- Through the mail,
- By facsimile, email or other electronic means, or
- Through an authorized representative.

The case manager **cannot** require the household to present verification in person at the local department.

The case manager must accept any reasonable documentary evidence provided by the household.

The case manager must be primarily concerned with whether the verification proves the statements on the application.

Reminder: Do not close or deny a food supplement program case because the household does not provide verification of expenses such as dependent care, medical or shelter costs. Certify the household without the deduction.

3. FSP Households with Associated TCA, PAA, and TDAP Case

If a FSP household:

- 1) has an associated TCA, PAA, and TDAP case, AND
- 2) fails to respond to the New Hire Notice

the case manager can close the TCA, PAA or TDAP case **AND** the FSP case pursuant to 7 CFR 273.12(a)(5)(vi)(B);§273.2(j)(2)(i)(A).

The case manager must check for an associated TCA, PAA, and TDAP case, and if one is found, use the language in this template or similar language when entering CARES narration:

A request for verification of a New Hire match was sent to the customer on ___ due ___ with no response. _____ (HH member name) has an associated _____ (TCA, PAA or TDAP) case requiring case action so closing FSP is valid. New Hire match dispositioned with code X.

4. Simplified Reporting Reminders

All FSP households are simplified reporters (SR). Simplified reporters are required to report changes only at 1) recertification or 2) when the household's income exceeds 130% of the federal poverty level (FPL) and 3) if an ABAWD, the household must report when work hours drop below 20 hours per week or 80 hours per month. However, if an SR household also receives benefits from a program with more extensive reporting requirements such as TCA, MA, TDAP or PAA, they must follow the reporting requirements for that program and you must act on the reported changes for FSP as well. Simplified reporting requires that you:

A. Give customers the reporting requirement information sheet at application and recertification (CARES approval and recertification notices provide this information and meet this requirement) and tell them the amount of 130% of FPL for their household size;

B. Consider changes reported by the household on the date that the local department receives the report via mail, telephone, personal visit by the household or electronic means (myDHR, fax or e-mail) and act on the change immediately;

C. Do not create a household-caused over issuance/overpayment for customers not reporting changes they are not required to report under simplified reporting requirements;

D. Only if the customer fails to report when income exceeds 130% or an ABAWD does not report when work hours decrease below 20 per week or 80 hours per month can you create a customer-caused simplified reporting over issuance.

NOTE: The Family Investment Administration is correcting the New Hire Notice to remove the text that states, "If you do not return this information by MM/DD/YY, your case will close", as this is incorrect for Simplified Reporters.

Please review the FSP Manual Section 420.1 on Simplified Reporting for additional information.

ATTACHMENTS

- Updated FSP Manual Section:
 - Section 408
 - Section 420
- Procedures for Responding to Unclear Information Flow Chart
- 990 New Hire Match Flow Chart
- 1052A Request for Information to Verify Eligibility - Data Match

TRAINING

The following will be available on The HUB, prior to October 31, 2018:

- WebEx review on the AT
- Continuing Education Module on SVES and Prison Matches
- Video demo on DHS/FIA 1052A Request for Information to Verify Eligibility - Data Match

INQUIRIES

Please direct FSP policy questions to fia.policy@maryland.gov.

cc: DHS/FIA Management Staff
Constituent Services
DHS Help Desk

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VERIFICATION	Section 408	Page 1

408.1 Purpose

This section provides the general policy on verification. It describes the kinds of information that must be verified at application, recertification, and interim change. It also provides a definition of documentary evidence and collateral contacts, and details the household's and local department's responsibility in the verification process. It does not provide details regarding the verification of specific eligibility factors. This information is in the section on each specific eligibility factor.

408.2 Definition

Verification is the use of documentation or third party information to establish the accuracy of statements on the application. The local department will provide the household with written notice of the required verifications. The household has the primary responsibility for providing written documentation to support statements on the application. The household is also responsible for resolving any questionable information. The local department is responsible for helping the household secure verification and for using online verification resources, such as SDX and SAVE.

408.3 Responsibility for Providing Verification

The household has the primary responsibility for giving the local department written proof to support statements on the application. They are also responsible for resolving any questionable information.

The case manager must assist the household in getting the verification as long as the household is cooperating with the local department.

The household may supply documentary evidence:

- In person,
- Through the mail,
- By facsimile, email, or other electronic means, or
- Through an authorized representative.

The case manager **cannot** require the household to present verification in person at the local department.

The case manager must accept any reasonable documentary evidence provided by the household.

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408.3 Responsibility for Providing Verification (continued)

The case manager must be primarily concerned with whether the verification proves the statements on the application.

Reminder: Do not close or deny a food supplement program case because the household does not provide verification of expenses such as dependent care, medical, or shelter costs. Certify the household without the deduction.

408.4 Verification at Application, Normal Processing

- A. Verify the following information prior to certification for households initially applying. Do not verify the factors listed in section 408.12 for categorically eligible households.
 1. Identity;
 2. Gross, non-excludable income;
 3. Social Security Number (verify once, SS card is not necessary);
 4. Medical expenses, including reimbursed amounts, only if the household claims allowable medical expenses (e.g., prescriptions, medical equipment, service animals) over \$35 per month for an elderly or disabled member. This is considered an optional verification because obtaining the information does not affect the eligibility decision. However, if the household claims medical expenses one must verify the expenses to allow the deduction;
 5. Utility expenses, if:
 - (a) Entitlement to a utility standard is questionable;
 - (b) If not entitled to claim a utility standard but has a single utility expense;
 - (c) The household wishes to claim utility expenses for an unoccupied home. Note: The agency must verify the actual utilities for an unoccupied home and cannot use the utility allowances.
 6. Amount of non-excluded resources (do not request verification of resources for categorically eligible cases);
 7. Residency (except in the case of homelessness, households newly arrived in the project area and some migrant farm workers);

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408.4 Verification at Application, Normal Processing (continued)

NOTE: It is not intended that the verification of residency and identity in the regular application process result in a change in procedure or need for additional verification. Documents used to verify other factors of eligibility normally suffice to confirm residency and identity. Please see 408.3 B and C below for more information on verification of residency.

8. Household composition, if questionable;
 9. Immigration status for non-citizen applicants if questionable (for further clarification see Sec 120.2 of this manual, Immigrants);
 10. Legal obligation to make child support payments to or for an individual living outside the household and the amount of the actual payment;
 11. Disability, if the determination of disability affects the household's eligibility or benefit level (e.g. eligibility for uncapped shelter, medical expenses, student status, or exemption from work registration);
 12. Shelter costs for a homeless households claiming shelter expenses that would result in a shelter deduction in excess of the \$143 allowance;
 13. Hours worked by an ABAWD and countable months in another state, if applicable.
- B. Verification of residency may be impossible to obtain in certain situations. Some households, such as migrant farm workers and the homeless, may find it impossible to provide documentary proof of residency.
- C. If it proves impossible to verify residency, certify the household for Food Supplement Program (FSP) benefits if otherwise eligible. In addition, no specific document is required to verify residency.

408.5 Verification at Application, Expedited Processing

Identity is the only mandatory verification when processing an application for expedited service. In these instances, the local department must:

- A. Verify the identity of the applicant in all cases through a collateral contact or other readily available documentary evidence.

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408.5 Verification at Application, Expedited Processing (continued)

- B. Make reasonable efforts to verify the household's residency, income, liquid resources, and other factors of eligibility within the expedited processing time frames.
- C. Do not delay certification beyond the expedited processing timeframes if eligibility criteria other than identity cannot be verified.

408.6 Verification of Questionable Information

- A. Local departments must verify all other factors of eligibility if they are questionable and affect the household's eligibility or benefit level.
- B. To be considered questionable, the information on the application must be:
 1. Inconsistent with statements made by the applicant; or
 2. Inconsistent with other information on the application or on previous applications; or
 3. Inconsistent with information received by the local department.
- C. Evaluate each household on the basis of its individual circumstances when determining if information is questionable.

EXAMPLES:

A household's report of expenses that exceed its income may be grounds for the local department's request for further verification. This circumstance, in itself, is not grounds for a denial of benefits. In this instance, explore with the household how it meets its expenses. Request further verification based on the household's response to these questions.

A roomer or boarder has the same last name as someone in the household.

Suddenly there is an absence of medical bills for a household member that has had continuous medical expenses for several years. This could apply to other bills.

Contradictory statements appear on the application.

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408.7 Verification of an Expense or a Questionable Expense

- A. If obtaining required verification of an expense, including medical expenses, will delay the household's certification, advise the household that its eligibility and FSP benefit level may be determined without providing a deduction for the unverified expense.
- B. Compute shelter costs without including the unverified elements. Use the Standard or Limited Utility Allowance if the household is entitled to claim it.
- C. Determine the household's eligibility and FSP benefit level without providing a deduction for an unverified expense if the expense cannot be verified.
- D. If the household subsequently provides the missing verification, redetermine the household's benefits in accordance with the timeliness standards in Section 420, Reporting Changes of this manual.
- E. The household is entitled to the restoration of FSP benefits (retroactive to the month of application) only if the expense could not be verified within the 30-day processing standard because the local department failed to allow the household sufficient time (see Section 406, Normal Processing) to verify the expense.
- F. Process the household's application as provided in Section 406 if the household is ineligible because the expense is disallowed.

408.8 Verification at Recertification

Re-verify the following information at recertification:

- A. Gross non-exempt income if the source has changed or the amount has changed by more than \$50;
- B. Previously unreported and total recurring medical expenses which have changed by more than \$50;
- C. Actual utility expenses which have changed by more than \$50;
- D. Newly obtained Social Security Number (changes in Social Security Numbers previously verified must be re-verified);

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408.8 Verification at Recertification (continued)

- E. Changes in legal obligation to pay child support, the obligated amount and the actual amount paid to a non-household member;
- F. Changes in immigrant status;
- G. Work hours for ABAWDS;
- H. Changes in residency; and
- I. Changes in household composition, if questionable.

NOTE: Re-verify other information, including resources for non-categorically eligible households, if it is incomplete, inaccurate, inconsistent, or outdated.

408.9 Verification at Interim Change

The same verification requirements that apply at initial application apply to changes reported during the certification period with the following exceptions:

- A. Do not verify changes in earned income if the source has not changed and the amount has changed by \$50 or less, unless the information is incomplete, inaccurate, inconsistent, or outdated.
- B. Do not verify changes in utility expenses (households with one utility) if the source has not changed or the amount has changed by \$50 or less, unless the information is incomplete, inaccurate, inconsistent, or outdated.
- C. Do not verify changes in medical expenses if the source has not changed or the amount has changed by \$50 or less, unless the information is incomplete, inaccurate, inconsistent, or outdated.
- D. Verification is not required until the next recertification if a change results in a decrease in FSP benefits.

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408.10 Types of Verifications

408.101 Documentary Evidence

- A. Documentary evidence consists of a written confirmation of a household's circumstances. Some examples of documentary evidence include the following:
1. Wage stubs
 2. Copies of checks
 3. Award letters
 4. Utility bills
 5. Bank statements
 6. Letters from employers, landlords, etc.
 7. Immigration and Naturalization documents and SAVE
 8. Obituaries
 9. Searches on Maryland Judiciary Case Search
(<http://casesearch.courts.state.md.us/casesearch/>)
 10. Searches on Maryland Inmate Locator (<http://www.dpscs.state.md.us/inmate/>)
 11. Searches on The Work Number (www.theworknumber.com)
 12. Searches on Maryland Worker's Compensation:
http://www.wcc.state.md.us/WFMS/public_inquiry.html
 13. Searches on Maryland Tax and Assessment - verify local homeowners' tax:
<https://sdat.dat.maryland.gov/RealProperty/Pages/default.aspx>
- B. Scan all documents into ECMS and return originals to the customer or destroy copies that the customer does not want.
- C. The **household is responsible** for providing documentary evidence to support its statements. Households may supply documentary evidence in person, through the mail, by facsimile (fax), email, myDHR, or other electronic means or through an authorized representative. The local department **cannot require** the household to present the documentation in person.
- D. The case manager must accept any reasonable documentary evidence as long as it provides adequate verification of the statements provided by the household. Local departments must attempt to assist the household with obtaining documentary evidence if it is difficult or impossible for the household to obtain them on its own.
- E. The case manager must be primarily concerned with whether the verification proves the statements on the application. Simply because a household is in an

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error-prone situation does not mean there is insufficient verification to prove household member statements.

Reminder: Do not close or deny a FSP benefit case because the household does not provide required verification of expenses such as dependent care, medical or shelter costs. Certify the household without the deduction.

408.102 Collateral Contact

- A. A collateral contact is a verbal confirmation of a household's circumstances. The collateral contact may be made in person or by telephone. Some examples of acceptable collateral contacts include talking with the following:
1. Employers
 2. Landlords
 3. Social service agencies
 4. Neighbors of the household
- B. Substitute a collateral contact or home visit when unable to obtain documentary evidence of required verification.
1. Home visits **must be scheduled in advance;** and
 2. **May be used only** when there is not enough documentary evidence to make a firm determination of eligibility or benefit level.
- C. The household is responsible for providing the name of the collateral contact. It may request the local department's assistance in designating the collateral contact.
- D. The customer provides his/her consent to release information through multiple DHS documents: by signing the application, the Consent for Release of Information form (704 form), and the wage forms (247 and 007 forms).
- E. The local department is not required to use the collateral contact named by the household if it cannot be expected to provide accurate third party verification. When this occurs, the local department must request the household to name another collateral contact. The local department is responsible for obtaining verification from acceptable collateral contacts.
- **Note: Disclose only the information (regarding the customer) that is necessary to obtain the required verification.**

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- **Do not disclose information the household has supplied.**
- **Do not disclose that the household has applied for FSP benefits.**
- **Do not suggest the household has done anything wrong.**

408.11 Discrepancies

When information from another source contradicts statements made by the household, local departments must give households a reasonable opportunity to resolve discrepancies before determining eligibility.

408.12 Narration

Case records must be narrated to support eligibility, ineligibility, and FSP benefit level determination. Narration must be in sufficient detail to allow a supervisor or reviewer to determine the reasonableness and accuracy of the determination. The narration must also include any additional information regarding the applicant/recipient that is pertinent to the eligibility process.

Some examples of narration include the following:

- A. The reason for the withdrawal of an application, if any was stated by the household, and the withdrawal was confirmed;
- B. Details regarding refusal to cooperate;
- C. The reason information is considered questionable and the verification that was used to resolve the questionable situation;
- D. The reason an alternative source of verification (a collateral contact or home visit) was necessary;
- E. The reason a collateral contact was rejected and an alternate requested;
- F. A statement that the decision to average fluctuating income was made by the household;
- G. A statement that the decision to use a utility allowance or actual costs was made by the household;

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- H. A statement that income and/or resources were not verified because the household stated that it did not have any, and there was no reason to question its statement.
- I. A statement that a prison or death match was received and that a Notice of Data Match was issued to the household.

408.13 Public Assistance (PA) and Supplemental Security Income (SSI) Households

- A. Local departments will accept, without further verification, eligibility factors for the following when a household is categorically eligible as defined in Section 115, Categorical Eligibility, of this manual:
 - 1. Resources;
 - 2. Gross and net income limits;
 - 3. Social security number information;
 - 4. Sponsored alien information; and
 - 5. Residency.
- B. If any of the following factors are questionable, verify that the household:
 - 1. Contains only members that are PA or SSI recipients;
 - 2. Meets the household definition defined in Section 100 of this manual, household composition;
 - 3. Includes all persons who purchase and prepare food together, regardless of whether they are separate units for PA or SSI purposes; and
 - 4. Includes no persons who are disqualified as described in Section 115 of this manual.
- C. Verify factors of eligibility that are not verified for PA or SSI purposes if required in this section.

NOTE: Always check ECMS for documentation of factors of eligibility.

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420.1 Purpose

The purpose of this section is to describe the policy and procedures on household requirements to report changes. It covers what changes must be reported and when they are required to be reported.

420.2 Household Responsibility to Report Changes

420.21 Simplified Reporting Requirements

Effective October 1, 2008, all households are subject to simplified reporting requirements.

- A. Under simplified reporting (SR) requirements households must report changes only at recertification or when their gross income exceeds 130 percent of the federal poverty level. The 130 percent is determined based on the household size at the time of certification.
- B. Households must report this change no later than 10 days from the end of the calendar month in which the change occurred, provided the household has at least 10 days within which to report the change;
- C. If the household also receives benefits from another program that has more extensive reporting requirements, such as, but not limited to TCA, MA, TDAP, or PAA, it must follow the reporting requirements for that program.

NOTE: Even if the household receives assistance from a program with more extensive reporting requirements, there is no FSP QC error or overpayment if the household does not report the change for the other program.

Example: Ms. A receives FSP and TCA for herself and one child. She began a new job that pays \$1,000 monthly. She did not report this change as required for TCA and is overpaid for TCA. Since her income is below the 130 percent simplified reporting income level for her household size, there is no FSP overpayment.

- D. Able-bodied adults without dependents (ABAWDs) are required to report when their hours fall below 20 hours per week or 80 hours per month.
- E. Households with income that exceeds 130 percent of the federal poverty level (FSP gross income test):
 - Categorically eligible and elderly/disabled households that have income exceeding the FSP gross income limit (but not the net income limit) have no further reporting requirement until recertification or there is a reported change.

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420.21 Simplified Reporting Requirements (continued)

Example: Mr. and Mrs. B receive Social Security retirement benefits in the amount of \$1,600. Both are over 60 years old. Their income is over the gross income limit for a two person household, but with their high medical expenses, they meet the net income test and are eligible for a FSP benefit (and a state supplement if their allotment is less than \$30). Mr. and Mrs. B do not have a reporting requirement until their next recertification. This household is given a 24 month certification period, and they must report any changes at the 12-month contact.

- F. It is important to provide customers with the reporting requirement information sheet at application and recertification. CARES notices will reflect the simplified reporting requirements.
- G. Case managers must review and take action on any reported change in a household situation that the local department becomes aware of, regardless of how the local department was made aware of the change, to determine if the reported change requires adjustment to household benefits.

Example 1: Mary Smith was employed part-time (\$10.10 per hour for 15 hours per week). When she was recertified for FSP in April for the certification period May through October, her household size was 3 people. In June, Ms. Smith's hours increased to 25 hours per week and she received a pay increase to \$10.75 per hour.

At the time of the recertification 130% of the poverty level for a household size of three was \$2,213 per month. Ms. Smith's gross monthly earnings are now:

$$\begin{array}{r}
 \$10.75 \text{ per hour} \\
 \times \underline{25 \text{ hours per week}} \\
 \$ 268.75 \\
 \\
 \$269 \text{ (drop the cents)} \\
 \times \underline{4 \text{ weeks per month}} \\
 \$1,076 \text{ gross monthly earned income}
 \end{array}$$

Since Ms. Smith's income is less than the 130% of the federal poverty level identified at recertification, she is not required to report the change.

Example 2: Ms. Smith's daughter moved out of the house in July, but Ms. Smith was not required to report the change until recertification.

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420.21 Simplified Reporting Requirements (continued)

In August, Ms. Smith's hours increase to 40 hours per week and she receives another pay increase to \$11.00 per hour. Ms. Smith called the case manager and reported the change in income. She then sent in her pay stub.

$$\begin{array}{r} \$11.00 \text{ per hour} \\ \times \text{ 40 hours per week} \\ \hline \$440 \text{ per week} \end{array}$$

$$\begin{array}{r} \$440 \text{ per week} \\ \times \text{ 4 weeks per month} \\ \hline \$1,760 \text{ per month} \end{array}$$

Because Ms. Smith reported and verified the change, the case manager takes appropriate action in CARES to make the change in income effective at the end of the adverse action period.

Example 3 Same scenario as above except, Ms. Smith has an argument with her daughter, who calls the case manager and reports she has moved out and is no longer part of the FSP household. The case manager is required to take appropriate action on the change even though Ms. Smith was not required to report it.

- H. Changes are considered reported by the household on the date that the local department receives the report via mail, via telephone conversation, personal visit by the household, or electronic device (myDHR, fax, or e-mail).
- I. No household-caused over issuance/overpayment is created for customers not reporting changes when they are not required to report under simplified reporting requirements. **The only customer caused simplified reporting over issuance that can occur is if the customer fails to report when income exceeds 130%.**

Note: Local department failure to act on reported information could result in an agency error. To avoid being charged with an agency error, it is important to narrate thoroughly when you correctly postpone action until recertification on a reported but unclear/unverified change in earned income.

- J. Do not impose any additional reporting requirements on households.

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420.22 Customer Notification of Simplified Reporting (SR) Requirements

At the application or redetermination interview, the case manager determines whether the customer is eligible for FSP and, if eligible, explains the SR requirements to the household.

420.23 Certification periods for Simplified Reporting Households

- A. Assign at least a 12 month certification period to all households in which all adults are elderly or disabled and that have no earned income. The local department should assign a certification period of 24 months for these households, but must ensure that there is a contact every 12 months. No interview is necessary at the 12 month contact. See section 107 of this manual on ESAP and MSNAP certification periods.
- B. Migrant and seasonal farm worker households must be assigned a certification period of at least 4 months.
- C. Assign a 6 month certification period for all other households except ABAWDS unless you know the household will be ineligible in the near future.

420.3 Change Report Form

The local department:

- A. Provides households a *DHS/FIA 491, Change Reporting Form* to report the required changes, and pays postage for the household to mail the report.
- B. Acts on changes reported by the household over the telephone, through myDHR, by fax or email, in person, or by other electronic means, in the same manner as those reported on the change report form.
- C. Provides a change report form to newly certified households at the time of certification and at recertification if the household needs a new form.
- D. Sends the household a new change report form, whenever a change is reported.

420.4 Local Department Action on Changes

The local department will:

- A. Take prompt action on all changes to determine if the change affects the household's eligibility or allotment.

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420.4 Local Department Action on Changes (continued)

Exception: Do not act on changes in medical expenses that you learn of from a source other than the household and which, in order to take action, require the case manager to contact the household for verification.

- B. Document the reported changes in the case file, provide another change report form to the household and notify the household of the receipt of the change report form, even if there is no change in the allotment.
- C. Notify the household of the adjustment, if a reported change affects the household's eligibility or allotment.
- D. Advise the household of any additional verification requirements.
- E. Document the date of a reported change. The date of the change is the date the change report form is received or the date the local department is advised of the change over the telephone, by a personal visit, or electronic means.
- F. If the change takes place in the future, such as a participant reporting that he or she got a new job and will get the first paycheck on a date two weeks in the future, make the change effective the date of the first pay and set an alert to check for the paystub.
- G. Restore lost benefits to a household if the local department fails to increase benefits within the time limits described in section 420.7 of this manual.

420.5 Increase in Benefits

420.51 Normal Changes

- A. For changes that result in an increase in a household's benefits, other than changes described in section 420.52 below, the local department will make the change effective no later than the first allotment issued 10 days after the date the change was reported to the local department.

Example: A \$30 decrease in income reported on May 15th would increase a household's June allotment. The same decrease reported on May 28th would increase the household's allotment no later than July 1.

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420.51 Normal Changes (continued)

- B. The local department may make a normal processing change effective earlier than the first allotment issued 10 days following the date the change is reported/verified.

NOTE: In the second part of the example in A. above, the case manager could increase benefits for June. Local departments that choose this option must apply it to all households and not on case-by-case basis.

420.52 Expedited Changes

- A. The local department will make a change that results in an increase in benefits effective no later than the first allotment issued ten days after the date the change was reported under the following conditions:
 1. The addition of a new household member; or
 2. A decrease of \$50 or more in the household's gross monthly income.
- B. Make an expedited change effective no later than the month following the month in which the change is reported.
- C. Issue a supplementary benefit to households when they report an expedited change too late to adjust the following month's allotment.

Example: A household reporting a \$100 decrease in income at any time during May is entitled to an increase in June's allotment. If the household reported the change after May 20th and it is too late to increase the allotment by June 1, the local department must issue a supplementary benefit for June.

The local department may issue a supplemental benefit for the month a change is reported. In the above example, the case manager would issue a supplement for the month of May. Local departments that choose this option must apply it to all households and not on a case-by-case basis.

420.6 Verification - Increase in Benefits

- A. Obtain required verification (as described in section 408.8, Verification at Interim Change) prior to taking action on a change that results in an increase in benefits.
- B. Allow the household 10 days from the date the change is reported to provide verification.
 1. If the household provides verification within the 10-day period, the time frame for taking action runs from the date the change is reported.

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420.6 Verification - Increase in Benefits (continued)

Example: The household reports a decrease in income of \$25 on April 20 and provides verification on April 28. This household is entitled to increased benefits effective in May.

2. If the household fails to provide verification within 10 days from the date the change is reported the time frame for taking action runs from the date the household provides the verification.

Example: A household moves and reports an increase in rent. On April 20, the local department requested verification of rent because it was questionable. Verification was not provided until May 10. The local department will make the change no later than the June issuance.

- C. If the household does not provide verification, do not increase the household's allotment. Upon receipt of the required verification, increase the household's allotment in accordance with section 420.5.
- D. In cases where the local department determines that a household refuses to cooperate in providing the required verification, terminate the household's eligibility following the notice of adverse action. Do not confuse refusal to cooperate with failure to cooperate.

420.7 Decrease in Benefits

- A. Issue a notice of adverse action to a household within 10 days of the date a change is reported when the household's benefit level decreases or it becomes ineligible as a result of a change that is not based on a change in earned income. See Chapter 408 of this FSP Manual for processing changes to earned income.
- B. Make the decrease in the benefit level effective no later than the allotment for the month following the month in which the notice of adverse action period expires, provided the household does not request a fair hearing and a continuation of benefits.
- C. Obtain required verification prior to recertification.
- D. When the notice of adverse action is not used because of one of the exemptions listed in Section 430.4, the local department must make the change no later than the month of following the change.

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420.8 Unclear Information

- A. During the certification period, the case manager may get information about changes in a household's circumstances but cannot readily determine the effect of the change on the household's FSP benefits. This could be information from a third party, from an automated match, or from the household itself.
- B. Acting on unclear information:
1. Generally, unclear information must **only** be followed up on:
 - a. If the information was something the household would be required to report under simplified reporting requirements if true, AND the information is less than 60 days old; OR
 - b. The information received significantly conflicts with information used to certify a household must also be acted on. Significantly conflicting information is any information that impacts a household's benefit.
 2. Exceptions: Deceased and prisoner data matches (Refer to 420.8D).
- C. Use the following procedure to get clarification of the household's situation if the unclear information falls under section 420.8(B) above:
1. Issue a written request for clarification (RFC), which:
 - a. Clearly tells the household of the verification it must provide or the actions it needs to take to clarify its circumstances;
 - b. Gives the recipient at least 10 days to respond and to provide the requested information; and
 - c. Clearly states the consequences if the household fails to respond to the RFC.
 2. The RFCs for information other than prison and death matches are the 1052 Request for Information or the CARES letter for requesting information.
 3. If the household does not respond to the RFC, or does respond but refuses to provide sufficient information to clarify its circumstances, the case manager will issue a notice of adverse action and close the case for failure to provide information.

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420.8 Unclear Information (continued)

4. If the RFC is returned by the post office as undeliverable, narrate thoroughly and wait until the next recertification to take action. (If a recertification notice is returned by the post office, close the case based on failure to recertify.)
5. When the household responds to the RFC and provides sufficient information, the case manager must act on the new information.
6. The RFC must not be used to require customers to meet with or supply information to a fraud investigator.

D. Deceased and prisoner data match: Use the following procedure to get clarification of the household's situation:

Step 1: The case manager must first attempt to verify the data match independently through online sources,

- a. Should the case manager successfully verify the information, no other follow-up action is required.
- OR
- b. If the data match cannot be independently verified by the case manager, the case manager must then proceed with Steps 2 and 3 below.

Step 2: Issue the DHS/FIA 1052-A Notice of Data Match to the household, which:

- a. Clearly tells the household of the verification it must provide or the actions it needs to take to clarify its circumstances;
- b. Gives the recipient at least 10 days to respond and to provide the requested information; and
- c. Clearly states the consequences if the household fails to respond.

Step 3: If the household fails to respond, or does respond but refuses to provide sufficient information to clarify its circumstances, the case manager must move forward with starting the procedure to remove the individual in question from the household and adjusting the case.

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420.9 Failure to Report a Change

If the local department discovers that a household failed to report a change *that it was required to report* and received benefits to which it was not entitled the local department will:

- A. Establish a claim against the household as described in section 490, Claims Against Households.
- B. Send a notice of adverse action to a participating household upon discovery that the household failed to report a change and received benefits to which it was not entitled.
- C. Not disqualify individuals for failing to report a change unless the individual is disqualified as described in section 480 of this manual, Intentional Program Violations.

NOTE: A household is not held liable for a claim because of a change in its circumstances that it is not required to report in accordance with section 420.2.

420.10 Mass Changes

- A. The State and Federal governments initiate certain changes, which may affect the entire caseload or significant portions of it.
- B. These changes include the following:
 1. Adjustments to the:
 - (a) Net income eligibility standards;
 - (b) Shelter deduction;
 - (c) Dependent care deduction; or
 - (d) Standard deductions.
 2. Changes to the periodic cost of living adjustments.
 3. Adjustments to the State's utility standard.
 4. Cost of living adjustments to Social Security, SSI and other federal benefits.
 5. Adjustments to TCA, RCA, TDAP or PAA payments.
 6. Any other changes in the eligibility criteria based on legislative or regulatory actions.

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420.101 Federal Adjustments to Eligibility Standards, Allotments and Deductions; State Adjustments to Utility Standards

- A. These types of adjustments go into effect for all households at a specific point in time.
- B. Although a notice of adverse action is not required, the local department may send an individual notice to those households affected by the change. CARES sends out notices of mass changes.

420.101 Federal Adjustments to Eligibility Standards, Allotments and Deductions; State Adjustments to Utility Standards (continued)

- C. The Food and Nutrition Service or the Department's Office of Communications may distribute press releases to the media or complete mass mailings to inform the public of such changes.

420.102 Mass Changes in Public Assistance

- A. When the Department makes an overall adjustment to cash assistance payments, handle corresponding adjustments to the household's FSP benefits as a mass change.
- B. The CARES system generates and sends notices to households at the time of the mass change.
- C. A notice of adverse action is not required when a mass change in cash assistance payments reduces or terminates a household's FSP benefits.

420.103 Mass Changes in Federal Benefits

- A. Whenever a cost-of-living or other mass change in federal benefits occurs, CARES adjusts the FSP allotment for most households accordingly.
- B. For those cases that are not included in the mass change, the local department is responsible for adjusting the household's allotment no later than the second allotment issued after the month in which the change is effective.
- C. The household is not responsible for reporting these changes.

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420.104 Administrative Hearings and Continuation of Benefits

- A. The household is entitled to request a hearing when it does not agree with the mass change.
- B. A household that requests a hearing due to a mass change is entitled to continued benefits at its previous level only if the household meets the following criteria:
 - 1. The household does not specifically waive its right to a continuation of benefits;
 - 2. The household requests a fair hearing within 10 days from the date the notice is mailed; and

420.104 Administrative Hearings and Continuation of Benefits (continued)

- 3. The household's hearing is based on improper calculation of the FSP eligibility or benefit level, or the misinterpretation of federal law or regulation.

420.11 Cash Assistance Households (TCA, RCA, TDAP, PAA)

- A. Cash assistance households with associated FSP cases have the same reporting requirements as any other FSP household.
- B. Consider a reported change for cash assistance as a reported change for FSP purposes.
- C. The local department cannot terminate a household's FSP case solely because it has terminated the household's public assistance (PA) benefit. The case manager must make a separate determination that the household does not satisfy the FSP requirements. **The following procedures apply when public assistance is terminated and the household is not entitled to transitional benefits. If the household is eligible for transitional benefits please read the section on transitional FSP benefits in section 420.12.**
 - 1. If a change in household circumstances requires a reduction or termination in the public assistance payment and the case manager has enough information to determine how the change affects the household's FSP benefits, the case manager must take the following actions:
 - (a) If the change requires a reduction or termination of FSP benefits, issue a single notice of adverse action for PA and FSP actions.

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420.11 Cash Assistance Households (TCA, RCA, TDAP, and PAA) (continued)

- (b) If the household requests a fair hearing within 10 days, continue benefits in the amount authorized immediately prior to sending the notice unless
 - (c) The household has indicated it does not wish to receive benefits pending appeal.
2. If the household's FSP benefits will increase because of the reduction or termination of public assistance benefits:
 - (a) The case manager must issue the public assistance notice of adverse action, but must not take any action to increase the FSP benefits until the household decides whether to appeal the PA adverse action.
 - (b) If the household appeals the PA adverse action and the PA is continued, the household's FSP benefits must continue at the previous level.
 - (c) If the household does not appeal, the case manager must make the change according to regular change reporting procedures.
 3. When a change results in a termination of a household's PA benefit within the certification period, and the case manager does not have enough information to determine how the change affects the FSP benefits:
 - (a) The case manager must issue a request for clarification at the same time that it sends the PA notice of adverse action (See section 420.8).
 - (b) Before taking further action, the case manager will wait until after the PA notice of adverse action period expires or until the household requests an administrative hearing, whichever occurs first.
 - (c) If the household requests a hearing and elects to have PA continued pending appeal, the case manager must continue the household's FSP benefits at the same level.
 - (d) If the household does not request a hearing and continuation of its FSP benefits, the case manager must follow the procedures for unclear information and send notice of adverse action.
 4. If the situation does not require PA notice of adverse action, the case manager will issue a request for clarification and follow the procedures for unclear information.

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Reminder: When a household's TCA benefits are reduced, suspended or terminated due to a failure of the household to comply with TCA program requirement, do not increase the FSP allotment. Count the reduced or terminated TCA benefit amount as "phantom" income.

420.12 Transitional Food Supplement Program (FSP) Benefits

- A. Transitional benefits are FSP benefits that are issued to a TCA/FSP household when the TCA case closes.
- B. The amount of the benefit is frozen at the same level for five months unless the household requests recertification or there is a need to prevent duplicate participation.
- C. Households Eligible for Transitional Benefits.
 1. With a few exceptions, TCA households that have received a regular TCA issuance in the month prior to the month the TCA benefit ended will receive transitional FSP benefits for five months after the TCA case closes.
 2. Mixed Households, which include both TCA members and non-TCA members, can also receive transitional benefits when the TCA case closes.

Example: Ms. B lives with her 20-year old daughter (Ms. C) and her two grandchildren. Ms. C receives TCA for herself and the two children. Ms. B receives SSI. They are all included in the same FSP case. When Ms. C's TCA case closes, the household will get transitional benefits.

Example: Ms. K's FS household includes her 20-year old daughter and child and her 19-year old daughter and child. Each of the daughters receives TCA. The 20-year old daughter reports new employment and requests to have her TCA case closed. This household will not get transitional benefits since there is still an open TCA case associated with the FSP household.

Example: Ms. G receives TCA and FSP benefits for herself and one child. Her only income is TCA. In September she reported to her case manager that she had gotten married and her husband was employed. She wants her TCA case closed. Her case is closed effective October 1. She will get transitional benefits from October through February. The benefit is based on a 2-person household with no income.

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420.12 Transitional Food Supplement Benefits (continued)

D. A household **will not** get transitional benefits if:

1. The household did not receive a TCA benefit for at least one regular issuance in the month prior to the month the TCA benefit ended.
2. The household moves out of State.
3. The household loses TCA eligibility because of:
 - (a) Failure to comply with work registration requirements,
 - (b) Failure to comply with child support requirements, or
 - (c) Intentional program violations (IPV).

Example: Mr. G receives TCA for himself, his wife and two children. Mr. G did not comply with TCA work requirements, so his TCA case was closed. This household cannot get transitional benefits. **Reminder:** If this household is still eligible for FSP the case manager will include phantom TCA income in the calculation of the FSP benefit.

4. The entire household is ineligible for FS because of:
 - (a) IPV,
 - (b) Failure to comply with work registration requirements,
 - (c) Failure to cooperate with Quality Control,
 - (d) Ineligible immigrant status
 - (e) Status as a fleeing felon, or
 - (f) Transfer of assets, if not categorically eligible.

Reminder: An FSP disqualification is usually an individual sanction. Most TCA sanctions result in full family ineligibility. When there are remaining eligible members of the FSP or TCA case, the household is potentially eligible for transitional benefits.

Example: Ms. J and her two children receive TCA and FSP benefits. The local department determined that last year she had committed a FSP IPV, before she applied for TCA. She signed a waiver of the disqualification hearing. Ms. J was disqualified from the FSP for one year beginning in October. In January she reported a new job. Her TCA case is closed effective February. She will get 5 months of transitional FSP benefits for the two eligible household members.

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420.12 Transitional Food Supplement Benefits (continued)

E. The Amount of the Transitional Benefit.

1. The transitional benefit amount is based on the amount of FSP benefit the household received in the month before the TCA case closes, adjusted for the loss of the TCA benefit.
2. The amount stays the same for five months, regardless of changes in the family's circumstances, unless the household returns to TCA or requests recertification.
3. CARES will count the income, deductions and household size in the month before the TCA case closes and subtract out the TCA grant received in that month.

Example: Mr. A and his two children receive a TCA grant in the amount of \$172. He also receives \$300 in social security benefits for the two children. On January 27, Mr. A reported that he got a job and requested closure of his TCA case. The TCA benefits will end effective March 1. Transitional FSP benefits are calculated using only the social security income of \$300. His new earnings will not count for the five-month transitional benefit period.

Example: Ms. B lives with her 20-year old daughter (Ms. C) and her two grandchildren. Ms. C receives TCA for herself and the two children in the amount of \$472. Ms. B receives SSI in the amount of \$545. They are all included in the same FSP case. Ms. C got a job in August and reported the information to her case manager on September 5, after receiving her first pay. Her earnings are over the income level for TCA and her TCA case closes effective October 1st. The FSP household is entitled to five months of transitional benefits. The FSP benefit is based on the September FSP benefits adjusted for the loss of the TCA benefit. Ms. B's SSI is the only countable income.

F. Adjusting the Length of the Certification Period.

1. CARES will extend the household's certification period beyond the current period to meet the 5-month transitional period.

Example: Ms. E receives FSP benefits and TCA based on no income. She was certified for FSP from January 1 through June 30. On May 10, she reported a job that makes her TCA over scale. She is entitled to transitional benefits beginning June 1 through October 31.

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420.12 Transitional Food Supplement Benefits (continued)

2. CARES will shorten the certification period to correspond to the end of the transitional benefit period.
3. The transitional benefit period will never extend past five months.

Example: Mr. M receives FSP benefits for himself and his daughter, Ms. M, and her two sons. The household was certified from November through October. Ms. M receives TCA. In December she requests that the agency close her case because of receipt of social security survivor's benefits. The case manager closes Ms. M's TCA effective January. The transitional benefit period is January through May. The household will have to complete a redetermination to get benefits after May.

G. Reporting Requirements during the Transitional Benefit Period.

1. During the transitional benefit period the household is not required to report any changes for the FSP.
2. The household's benefit remains frozen during the transitional benefit period unless the household returns to TCA or requests recertification.
3. If the household is recertified transitional benefits stop and all regular FSP rules apply.

Example 1: Ms. P receives FSP and TCA for herself and child. She has no income other than TCA. She was certified for FSP from January 1 through June 30. On May 10, she reported a job that makes her TCA over scale. Her TCA case closes effective June 1. She is entitled to transitional benefits beginning June 1 through October 31. In August she reports that she moved to a household with higher shelter costs and that her 10-year old nephew had moved into her home. She requests recertification. The case manager will recertify the household and will use the updated information.

Example 2: Ms. R receives FSP and TCA for her two children and herself. She has no income other than TCA and her certification period is from May through April. In November she gets a job at Nordstrom's for the seasonal rush which makes her income overscale for TCA. She is entitled to transitional FSP benefits from November through March. On February 1 she is laid off due to the end of the seasonal rush and comes in to request a return to TCA. The case manager opens the TCA case effective February 1, breaks the transitional benefit freeze, recertifies FSP and adjusts the FSP certification period to match the TCA certification from February through January.

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420.12 Transitional Food Supplement Benefits (continued)

H. Duplicate participation.

1. FSP policy does not allow duplicate participation. If a member of a TFS case leaves a TFS household and either applies as a new household or is reported as a new member of another household, the case manager removes the individual from the household receiving TFS and add the individual to the other household. To do this the case manager will have to break the TFS freeze.
2. Do not change the FSP household composition during the transitional benefit period unless the household member reapplies as a new household, is reported as member of another FSP household or requests recertification.

I. Breaking the TFS Freeze.

1. When a TCA AU is approved and the household has an active TFS AU:
 - Case managers must end the TFS period and determine continued eligibility for FSP within 30 days
 - Error message **2674 – “TCA Reopened – FSP Redet must be initiated”**, will display when the case manager tries to access option “R” with an AU or IRN number of an active TFS recipient who is also an active TCA recipient and the redet has not been initiated.
2. An interim change will not be allowed on a TFS AU when there is an active TCA AU without initiating a redetermination.
 - Error message, **2675 – Press Enter to Commit; TCA Reopened – Recert. must be completed on FSP**, will display on the DONE screen to remind the case manager that a recertification must be completed on the TFS when the case manager tries to access option “R” with the active TCA AU number on the same day the TCA is activated for an active TFS recipient and the FSP recert has not been completed.
3. When the case manager fails to re-certify the TFS AU on the same day the TCA AU is approved:
 - A warning/informational message will be displayed to the case manager to recertify the TFS AU.
 - Error message, **2676 – “TCA Reopened - Recert must be completed on FSP”** displays on the AMEN screen after the case manager finalizes a TCA AU for a household that has a related active TFS AU.

420.12 Transitional Food Supplement Benefits (continued)

- The TFS freeze is broken in nightly batch, and the Food Supplement benefits (FSP) are recertified for twelve months from the ongoing month,
 - Alert **309 – “TFS BROKEN AND RECERTIFIED BY SYSTEM. PLEASE REVIEW.”** is sent to the case manager.
4. When the case manager initiates the redetermination on a TFS AU and enters a “Y” in the Redet complete field on the MISC screen, the TFS freeze is broken and the household is recertified for six months from the ongoing month.

Note: When the freeze is broken, reason code **299**, “TFS Freeze Broken” displays in both instances.
 5. Error message, **2677 – “FS Redet not completed – If complete, enter Y on MISC screen** displays when the case manager fails to complete the FSP recertification on the same day the TCA approval was completed, the FS redetermination was initiated by accessing Option “R”, and ELIG is called without the case manager entering a “Y” in the REDT COMPLETE field on the MISC screen.
 6. When the TFS freeze is broken by the nightly batch process, a monthly report is generated to show these cases. The report format is below:

SGXYM2PR MARYLAND DEPARTMENT OF HUMAN RESOURCES AS OF DATE: MM/DD/CCYY
 CLIENTS' AUTOMATED RESOURCE AND ELIGIBILITY SYSTEM RUN DATE: MM/DD/CCYY
 TFS ASSISTANCE CASES RECERTIFIED BY SYSTEM PAGE: 9999

DO: 999 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

CASE MANAGER NAME	CASE MANAGER ID	FS AU ID	HOH LAST NAME	DATE TFS HOH FIRST NAME	NEW BROKEN	RECERT DATE
XXXXXXXXXXXXXXXXXX	XXXXXXXXXX	999999999	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	MM/DD/CCYY	MM/DD/CCYY
XXXXXXXXXXXXXXXXXX	XXXXXXXXXX	999999999	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	MM/DD/CCYY	MM/DD/CCYY
XXXXXXXXXXXXXXXXXX	XXXXXXXXXX	999999999	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	MM/DD/CCYY	MM/DD/CCYY
XXXXXXXXXXXXXXXXXX	XXXXXXXXXX	999999999	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	MM/DD/CCYY	MM/DD/CCYY

J. Recalculation of TFS Benefits

1. When an active TFS member leaves the TFS household, the income, resources and deductible expenses for that individual must be removed and the TFS benefit recalculated.
2. When the TFS head of household is removed, a message appears on the FS AU STAT screen, informing the case manager that the head of household needs to be reassigned and shelter costs adjusted.
 - Error message **2678 – “HOH Changed, Review relationship code for all clients & SHEL for new HOH”**, will display on the STAT screen to remind

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the case manager that the head of household must be reassigned and to adjust the shelter costs when the original head of household is removed.

420.12 Transitional Food Supplement Benefits (continued)

- Reason code **298**, “Transitional benefits changed because a household member moved out of the household” displays in both instances.
3. CARES will recalculate the TFS benefit when:
- Reason code **554** is entered on the STAT screen for the FS AU for the member no longer in the TFS household, or
 - **“NO”** is entered in the Living Arrangement field on the DEMI screen of the member no longer in the TFS household.
4. When a person is removed from the TFS household, the eligibility will not budget that person’s income, resources, and expenses for the ongoing month. Any other changes to the members present in the TFS household will be ignored.

K. Notices

When a customer becomes eligible for TFS, Notice 11, Change in Benefits, will provide the following information to the customer:

“You will get this fixed amount for five months after your TCA case closes unless you start receiving TCA again or someone in your household applies in another Food Supplement Program case. We based this benefit amount on the Food Supplement Program benefits you got the month before your TCA closed. We did not count the closed TCA grant when we calculated your Food Supplement Program benefits. You do not have to report any changes until the end of this 5-month period. We will not act on any reported changes. If you start to receive TCA again during this period, we will redetermine your Food Supplement Program case. If you want to get Food Supplement Program benefits after this 5-month period, you will have to complete a redetermination. You can ask for a redetermination at any time during the 5-month period. If your income goes down or you have an increase in expenses or household size you should apply for a redetermination.”

L. Household has an outstanding claim.

Should a household have an outstanding claim, benefits are to be recouped in accordance with FSP Policy Manual Section 490.

FOOD SUPPLEMENT PROGRAM REPORTING GUIDE

When you receive FSP benefits:

- You are required to report only when your family’s entire gross monthly income is more than the amount listed in the chart for your household size.
- You are not required to report any other changes for your Food Supplement case. (But, if you think a change will increase benefits for your family, you should report it.)
- You should also report an address change so you receive your notices.

If you receive Temporary Cash Assistance (TCA), Refugee Cash Assistance (RCA), Medical Assistance (MA), Temporary Disability Assistance Program (TDAP) or Public Assistance to Adults (PAA) you must report all changes within 10 days.

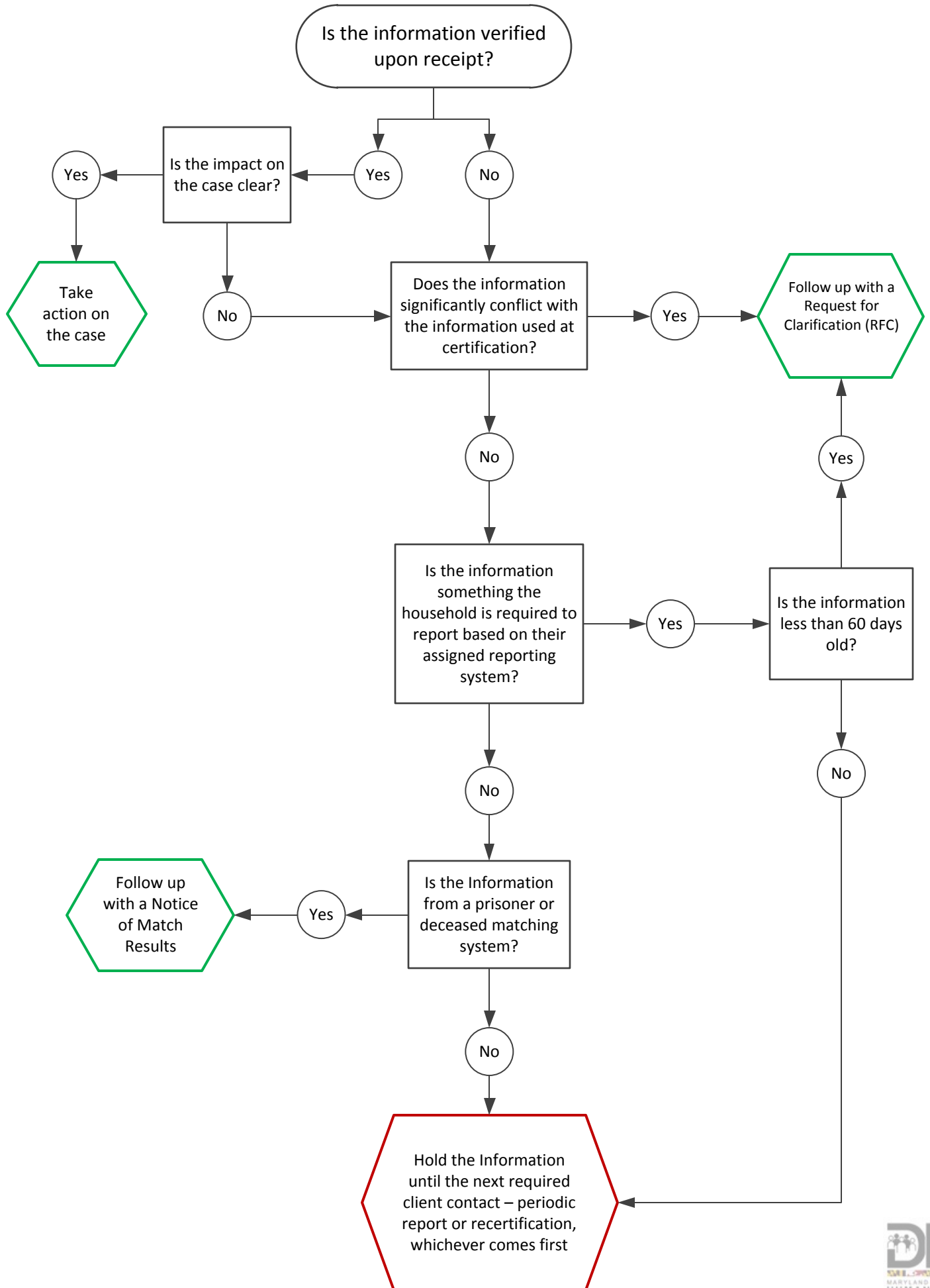
When you report a change for any program, your case manager will make the change for all programs.

- ✓ If your household income goes up, you must see if the total gross monthly income is more than the amount allowed for your household size.
- ✓ Gross income means the amount of earned or unearned income before any deductions, such as taxes or insurance premiums, are taken out.
- ✓ You must report this change no later than 10 days from the end of the month in which your income goes up. Add up the gross income that your household got for the month. Be sure to include both earned and unearned income.
- ✓ Call your case manager if your total income is more than the amounts listed below for your household size.

Household Size	Monthly Income Limit	Biweekly Income Limit	Weekly Income Limit
1	\$1307	638	326
2	1760	880	440
3	2213	1106	553
4	2665	1332	666
5	3118	1559	779
6	3571	1785	892
7	4024	2012	1006
8	4477	2238	1119
For more people add \$453			

Reminder: You must report all changes to your case manager at your scheduled redetermination.

Procedures for Responding to Unclear Information During the Certification Period





990 NEW HIRE MATCH

SIMPLIFIED REPORTING (SR) HOUSEHOLDS: → SR households (SRHH) are required to report changes only at **recertification or** when their gross household income exceeds 130 percent of the federal poverty level **unless** the household also receives assistance from another program with more extensive reporting requirements; which requires action.

SR HH does <u>not</u> respond and/or agency cannot obtain <u>OR</u> wages are 60 days or older from the current month of participation.↓↓	SR HH responds and/or agency obtains – earnings that are less than SR amount↓↓	SR HH responds and/or agency obtains – earnings that are more than SR amount↓↓
1 Run clearances: MABS & Work Number (include any known employers for the HH members listed on ERN1 for potential LDW or UIB)		1 Run clearances: MABS & Work Number (include any known employers for the HH members listed on ERN1 for potential LDW or UIB).
2 Disposition 990 Alert with code 6 (“No Change, Income Excluded”).		2 Disposition 990 Alert with appropriate code.
3 Create/send 745 to self, ongoing CSM, or designated CSM by local office to review at Recertification; include listed employee name on 990 Alert.		3 Enter new wages and when appropriate; remove previous wages and allow CARES to determine ongoing eligibility.
4 Add text behind the MISC screen – note that customer wages and/or verification of LDW & LDP may be required at next recon from “X” employer.		4 Add text behind the MISC screen – note the change in FSP benefits are a result of wages from and/or removal employer (include employer name) and the effective date.
5 NARRATE in CARES all actions taken and include employer name listed on 990.		5 NARRATE in CARES all actions taken and the following: employer names (additions or removals), new wages/frequency of pay/hourly rate/number of hours, etc.

REQUIRED NARRATION for SIMPLIFIED REPORTING cases with active associated CASH (TCA, PAA, GA) AU.

A request for verification of New Hire match was sent to the customer on __ due __ with no response. _____(HH member name) has an associated ____ (TCA, PAA or TDAP) case requiring case action so closing FSP is valid. New Hire match dispositioned with code **(X-The code entered for the 990)**

SUGGESTIONS:

- Upload 990 to ECMS for better record keeping/tracking of employer information to assist at reconsideration.
- Local Offices may want to consider transferring 990 New Hire Alerts to the appropriate CSM/Unit to prevent typos.

VERIFICATION SOURCES:

MABS: MD STATE DATABASE operates two quarters behind					
TIP 1	If claim filed, the customer’s last known email address can be found on Z01 Claim screen	F04	Employer inquiry-Verf. of LDW is UIB Claim was filed.	Z01	Claimant Profile
TIP 2	Always press F8 for more pages on F04 for LDW for all employers DLLR has verified.	G01	Wage history inquiry	Z03	UIB Weeks Claimed/Received
TIP 3	From Z03 Week Claimed, insert cursor at title heading and press F9 for help. Code list/explanation will display.	G03	Pseudo monetary determination	Z11	Deductions from UIB (if any)
TIP 4	Child support deductions paid/found on Z11, can be entered on CARES (as monthly) if payments are going outside the AU home. MABS verifies court order and payments.	H07	Nonmonetary determination inquiry – MABS NARRATION	Y05	Overpayment Information
	The Work Number: www.theworknumber.com	→	Be sure to match the employer to the Employer ID Number (EIN) to prevent duplicate wage entries in CARES.		
	MD Worker's Compensation: http://www.wcc.state.md.us/WFMS/public_inquiry.html	→	Public information. Award amounts; to include begin and anticipated end date. When WC Award is anticipated to end within or 45 days prior to the end of certification period, send self, ongoing or CSM designee a 745 to review WC.		
	MD Business (Self Employment/Business Ownership): https://egov.maryland.gov/BusinessExpress/EntitySearch	→	Public information. Provides business lic. number, name of owner, status, etc.		