



Department of Human Resources  
311 West Saratoga Street  
Baltimore MD 21201

## FIA ACTION TRANSMITTAL

Control Number: 02-03

Effective Date: August 1, 2001

Issuance Date: August 8, 2001

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

**FROM: CHARLES E. HENRY, EXECUTIVE DIRECTOR, DHR/FIA  
JOSEPH E. DAVIS, EXECUTIVE DIRECTOR, DHMH/OOA**

**RE: SOCIAL SECURITY (RSDI) AND SSI COST-OF-LIVING CORRECTION**

**PROGRAMS AFFECTED: ALL**

**ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS**

**Summary:**

Due to an error in calculating the Consumer Price Index, several Federal agencies underpaid benefits beginning January 2000, including the Social Security Administration (SSA). SSA will send recipients a lump sum check dated July 2, 2001 to cover underpayments in Retirement, Survivors and Disability Benefits and Supplemental Security Income for the period covering January 2000 through June 2001.

Beginning August 1, 2001, SSA will issue correct payments for that month and for future months. The CARES system will do an automatic adjustment to reflect the change in SSA income October 1, 2001.

**Action Required:**

**CASH ASSISTANCE AND MEDICAL ASSISTANCE:**

Since this is a Federal error and most lump sum checks will be under \$50, exclude the SSA underpayment from income calculations and asset limits.

**FOOD STAMPS:**

Consider the payment as a nonrecurring lump sum payments for Food Stamp purposes. Exclude the payment from income, but count it as a resource in the month received.

There is a potential problem on applications, redeterminations and interim changes completed in August and September. Check the date on all SSA benefit verifications provided by the customer. Verifications dated on or after June 22, 2001 may have the corrected SSA benefit amount listed. If the case manager enters this amount on the systems, when CARES does the mass change, it will automatically adjust the entered figure, by the COLA correction increase, giving the customer a double increase. **Do not enter a corrected SSA benefit amount on CARES until October 1, 2001.** Verify the SSA benefit the customer would have received prior to the correction and enter that amount.

**Inquiries:**

Direct policy questions concerning this Action Transmittal to Rick McClendon 410-767-8513 and systems questions to the HELP DESK at 1-800-347-1350 OR 410-767-7002.

cc: FIA Management Staff  
Constituent Services  
DHR Help Desk  
RESI