



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

FIA ACTION TRANSMITTAL

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

FROM: CHARLES E. HENRY, EXECUTIVE DIRECTOR

**RE: DENYING APPLICATIONS AND DELAYS IN APPLICATION
PROCESSING**

PROGRAM AFFECTED: FOOD STAMP PROGRAM

ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS

SUMMARY

As you know, Family Investment staff throughout the state attended Food Stamp Payment Accuracy Summits, which were completed in January. CARES reporting of overdue applications was one of the issues that was identified a number of times in the summits across the regions.

CARES lists a case on the overdue report on the 29th day after application. According to policy, we cannot deny an application before the 30th day after the household files an application except in specific circumstances.

When the case manager denies an application too early, Quality Control (QC) will determine that the denial was incorrect. This is called an invalid negative decision and constitutes what the Food and Nutrition Service (FNS) calculates as states' food stamp negative error rate. Incorrect case denials reflect poorly on the State's customer service. In addition, now that we have significantly improved our food stamp error rate, we must be more aware of our negative error rate as it is also considered when states are eligible for enhanced funding. Under the current FNS guidelines states whose negative error rate is above the national average are not eligible for enhanced funding.

This action transmittal provides general policy about denying applications, delays in processing and information about how CARES will change to correctly report delays in processing.

REMINDER: CURRENT POLICY

Application Processing after the 30th day

If the 30-day standard has not been met and the local department determines that the household is at fault, on the 30th day the case manager should proceed as follows:

- A. The case manager allows CARES to generate a delay notice. The case manager adds text to the CARES notice to inform the household that its FS case will be denied on the 60th day after application, unless the household takes needed actions.
- B. The household is not entitled to FS benefits for the month of application if it is found eligible in the 2nd month.

Denying an Application

- A. Denying an Application Before the 30th Day.
 - 1. ***Do not deny an application before the 30th day*** after the household files an application ***except in certain circumstances***.
 - 2. The case manager will deny the application before, or no later than, the 30th calendar day after filing under the following conditions:
 - (a) The case manager determines that the household is ineligible. Send a denial notice as soon as possible, but not later than 30 calendar days after the household filed the application.

Example:

Mr. A applied for food stamps on May 18. He is the only person in the household. At the interview on May 20, he states he has savings accounts that total \$4,000 and provides verification of the amounts. The case manager enters the assets and CARES denies the case on May 21 for resources over scale.

- (b) A household refuses to cooperate in the application process. Send a denial notice at the time of refusal.

Example:

Mrs. B applies for food stamps for herself and child on February 21. The case manager interviews her on the same day. The case manager requests verification of child support income paid directly to the household by the

father of the child. Mrs. B said this is not the business of the agency and refuses to provide the verification. She also refuses to let the local department help her obtain the verification. The case manager denies the case on February 22.

Note: In order for the local department to make a determination of refusal, the household must be able to cooperate, but clearly demonstrate that it will not take actions that are required to complete the application process. If there is any question as to whether the household has failed to cooperate, as opposed to refused to cooperate, do not deny the case until the 30th day after the date of application.

3. A household misses the initial interview **and** does not schedule a second interview, **and** does not contact the local department regarding its application within that time period. Send a denial notice on the 30th day following the date of the application.

Example

The household applies for food stamps on February 15. The household misses its interview scheduled on February 23 and does not contact the agency to reschedule. March 17 is the 30th day after the application filing date. This is a Sunday. The case manager can not deny the application prior to March 18.

B. Denying a Case on the 30th Day

1. Do not deny a case **on** the 30th day because of pending verification unless all conditions listed in 2 below are met. When you cannot make a decision on the 30th day, there is a delay in processing. You must determine whether the delay is agency or customer fault.
2. **If all of the following conditions are met** the case manager **may** send a notice of denial to the household on the 30th day:
 - (a) An interview is held on the day of application, **and**
 - (b) All of the necessary verification is requested during this interview, **and**
 - (c) No requests for verification are made after the date of application, **and**
 - (d) The local department provides assistance to the household in obtaining the verification when required, **and**
 - (e) The household fails to provide verification.

- C. In counting the 30th day, day one is the day after the household files the

application in the local department. The day of application is day “zero”.

Example: Application is filed March 4. April 3rd is the 30th day.

NOTE:

Local departments must ensure that the application filing and scheduling of interview dates allow sufficient time (10 calendar days) for households to return verification within the 30-day processing standard. Therefore, all interviews must be scheduled prior to the 21st day following the date of application.

Delays in Processing

If the local department does not determine a household’s eligibility and provide an opportunity to participate within 30 days of the date the application was filed, the case manager must make a determination of agency or customer fault.

➤ **Determining Fault**

A. The case manager will make a determination of fault at 30-day intervals after the date of application when there is a delay in the decision on a case. This determination affects the household’s entitlement to benefits for the months of delay. It does not determine denial.

B. Make the determination of fault according to the following guidelines:

1. Household at Fault:

(a) The case manager will find the household at fault for a delay in processing when the local department takes all the actions required under normal processing procedures, but the household has not completed the requirements.

Examples:

Mrs. A. applies for food stamps on February 22. The case manager interviews her on February 27th and requests all necessary verifications at that time. The agency offers assistance to Mrs. A. in obtaining the verification. The agency chose not to deny the application on the 30th day after the request for verification. Mrs. A does not return all of the verification until March 29th. Mrs. A is eligible for food stamps as of March 29th. She loses eligibility for benefits prior to that date.

Mr. B applies for food stamps on February 22 and misses his scheduled interview appointment on February 27th. He calls and reschedules the

appointment for March 1st. The case manager interviews him on March 1st and requests all necessary verification at that time. He returns all necessary verification on March 20th. The case manager must determine his eligibility no later than March 25nd as the 30th day is on Sunday, March 24th. If eligible, he will receive benefits retroactive to February 22nd. If ineligible, the case manager will deny his application.

Mr. C. applies for food stamps on February 22nd and misses his scheduled interview on February 28th. He calls on March 15th and reschedules his interview for March 19th. On the 19th the worker informs Mr. C that if he provides all necessary verification by March 25th (the 24th is Sunday) he will receive benefits retroactive to February 22nd, because he established eligibility within 30 days of filing. Mr. C did not provide the verification by the 30th day after the date of application. CARES codes this as a customer delay. Mr. C. provides all verification on March 28th. If eligible he receives benefits as of March 28th.

(b) Interviews

- (i) For households that fail to appear for an interview, the local department must advise the household that the responsibility rests with the household to schedule a second interview.
 - (ii) If the household contacts the agency within the 30-day processing time, the agency must schedule a second interview.
 - (iii) If the household fails to schedule a second interview, postpones the interview or cannot schedule it until after the 20th day but before the 30th day, the household must appear for the interview, provide required verifications and complete work registration by the 30th day following application. If the household does not do this, the delay is household fault.
- (c) The household is not entitled to benefits retroactive to the date of application unless it establishes eligibility no later than the 30th day following the date of application. If the 30th day falls on a weekend or holiday, the household has until the next working day to establish eligibility.

2. Agency at Fault:

- (a) The local department is at fault if it does not follow the processing guidelines or fails in some other way to complete the process even though the household has completed everything required of it.

- (b) The case manager will issue benefits from the date of application if the household is eligible.

Examples:

Mrs. D applies on February 22nd. Her interview is scheduled for March 18th. She must be given until March 28th to return verification. She returns the verification on March 27th. If eligible, she is entitled to benefits retroactive to February 22nd. This is an agency caused delay.

Mrs. F. applies on February 22nd and is interviewed on February 28th. She returns all necessary verification by March 15th. The worker does not process the application until March 28th. If eligible, Mrs. F. is eligible retroactive to February 22nd. This is an agency caused delay.

ACTION DUE

This action transmittal does not include new policy.

PAYMENT ACCURACY

Case managers should remember that FS policy allows a FS application to be held for up to 60 days from the date of application to allow the customer to comply with all requirements. Do not deny FS applications **at 30 days because of outstanding information except as detailed above under “Denying an Application” in sections A and B.**

Case managers must be diligent in ensuring FS cases are accurately denied or closed as they are in determining that the correct benefits are issued on an active case. The Quality Control determined “Negative” FS error rate is as important as the “Active” error rate we have worked so hard to reduce.

INQUIRIES

Please direct policy questions to Kay Finegan at 410 767-7939.

cc: DHR Executive Staff FIA Management Staff
Constituent Services DHR Help Desk RESI

CARES ACTION REQUIRED

DO NOT DENY ASSISTANCE UNITS THAT HAVE OUTSTANDING VERIFICATION.

If customer verification is not received by the 60th day, CARES will automatically deny the AU for reason code 230 (NO REQUIRED VERIF/INFO).

When alert 102 (APPL. DUE - ENTER DELAY REASON IF NOT COMPLETE) is received on the 29th day:

- Using option R (with PF 15 from alerts), access the case and fast-path to MISC.

- When the application has not been completed due to customer failure to provide outstanding verification, enter “AS” (FAILURE TO SUBMIT VERIFICATION) in the “DELAY REASON” field on MISC.
- Call DONE and commit the change and return to alerts.
- Disposition alert 102 with a “Y”. (Alert 102 is no longer a one-day informational alert, therefore, it must be dispositioned by the case manager.)
- Notice 22 (Application Delay) will be generated during overnight batch indicating the customer’s failure to submit requested information. When entered on MISC, the delay reason will be displayed on the Application Status Report. Even though this application is still reported as overdue, it is okay to show as overdue until CARES can be reprogrammed. The delay reason of “AS” displaying on the Application Status Report will allow this AU to be counted as overdue because of client error.

OR

- If the application is overdue because of agency error, DO NOT enter a value on MISC. Do not deny the case on the twenty-ninth day and do not disposition alert 102 if the case is to be denied the next day (thirtieth day).
- When no delay reason is entered on MISC, CARES defaults the delay reason to “agency delay” in order to generate Notice 22 (Application Delay). Currently, the “DELAY REASON” field on MISC is not updated by CARES when notice 22 is generated.
- Notice 22 (Application Delay) will be generated during overnight batch indicating that the agency is at fault. The delay reason will not display on the Application Status Report because the field is blank on MISC. When the field is blank on the report, the delay reason will be continue to be counted as an agency error.
- When appropriate, deny the case on the thirtieth using option R (with PF15 from alerts). After confirming the denial, disposition alert 102 with a “Y”. If approving the case, follow established procedures and do not forget to disposition alert 102 when the application is no longer pending.

Note: After June 2002, the value “AD” (Agency Delay) will be displayed on MISC in the “DELAY REASON” field when notice 22 is generated. The Application Status Report will display the delay reason that was entered or populated on MISC.