Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

Family Investment Administration
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: **KEVIN M. MCGUIRE, EXECUTIVE DIRECTOR**

RE: **APPLICATION PROCESSING – DELAYS IN PROCESSING**

PROGRAM AFFECTED: FOOD STAMP PROGRAM

ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS

SUMMARY:

Recently we have received inquiries about application processing and the application compliance report. Compliance with application processing requirements is a top priority and is essential for good public service. This is one of three action transmittals about application processing and provides policy and CARES procedures in a question and answer format. This policy was included in Action Transmittal 02-67 Denying Applications and Delays in Processing. It can also be found in Section 406 of the Food Stamp Manual and in Section 15 of the Food Stamp Desk Guide.

ACTION REQUIRED:

I.   General Application Processing Policy

• All food stamp applications, with the exception of those determined eligible for expedited food stamps, must be processed so that benefits are available no later than 30 days after the application was filed. The day after the date of application is day one in determining the 30-day processing.

•   All applications must be screened for expedited food stamp eligibility on the same day the local department receives the application.

• Households not eligible for expedited service must be given the opportunity to participate by the 30th day if they are eligible.

• An interview is not required before a household files the application. If an applicant can not be interviewed at the time he or she comes into the local department to apply, the local department must give the applicant a scheduled appointment for an interview.

- Households may file an incomplete application as long as it contains the applicant's name and address, and is signed by a responsible adult member of the household or an authorized representative.

- Households may file food stamp applications by submitting the appropriate form to the food stamp office in person, through an authorized representative, by mail or electronically by fax or other electronic device.

- The local department must accept applications during all business hours.

II. Denying Applications and Delays in Application Processing

Question 1. How long does an applicant have to establish eligibility?

Answer 1. Applicants have **60 days** in which to establish eligibility for food stamps. They must be given a minimum of **10 days** in which to return verification to establish eligibility.

Question 2. What if the household does not establish eligibility by the 30th day?

Answer 2. The household loses eligibility for benefits retroactive to the day of application if they do not establish eligibility by the **30th day.**

Question 3. My customer applied on June 25. He was interviewed and all required verification was requested on the day of application. As of Friday July 23, when the 102 delay reason alert was generated, verification was still outstanding. Can I deny the case on the day I get the alert?

Answer 3. If you have pending verification, you cannot deny the case prior to the 30th day after the date the application is filed **and in most cases you will allow the case to pend for a second 30 days**. When you get the 102 alert and still do not have the verification you need to approve the case, you will determine the **cause of delay** (either agency or applicant). If the agency caused the delay, applicants retain eligibility for benefits retroactive to the day of application. In this case, the 102 alert was generated on the 28th day. You cannot deny the case until the following Monday, June 26. (See also Question and Answer #5)

Question 4. When can I deny an application before the 30th day after the application is filed?

Answer 4. There are only a few situations when you can deny an application before the 30th day.

- You can deny the application when you determine 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.

- You can also deny the application when the 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.

Question 5. When can I deny an application on the 30th day after the customer applies?

Answer 5. You may deny an application on the 30th Day**:**

- **When <u>all</u> of the following conditions are met:**

  ➢ An interview is held on the day of application, **<u>and</u>**

  ➢ All of the necessary verification is requested during this interview, **<u>and</u>**

  ➢ No requests for verification are made after the date of application, **<u>and</u>**

  ➢ The local department provides assistance to the household in obtaining the verification when required, **<u>and</u>**

  ➢ The household fails to provide verification by the 30th day.
  <div align="center">-or-</div>
- When 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. You would 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.

Question 6. What should I do if I can't finalize an application within the 30-day processing standard?

Answer 6. If you do not determine a household's eligibility and provide an opportunity to participate within 30 days of the date the application was filed, you must determine whether the delay is the agency's or the customer's fault. This determination affects the household's entitlement to benefits for the months of delay. It does not determine denial. Make the determination of fault according to the following guidelines:

- Household at Fault:
  - ➤ You will find a household delay when you have taken 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. 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. You would deny the case and re-screen for March 29 because the verification came in after the 30th day.

    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 25th 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 by March 25th.

    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. The worker codes CARES as a customer delay. Mr. C. provides all verification on March 28th. If eligible he receives benefits as of March 28th.

  - ➤   Interviews
    (1) When a household fails to appear for an interview, the local department must advise the household that it is responsible for scheduling a second interview.
    (2) If the household contacts the agency within the 30-day processing time, the agency must schedule a second interview.
    (3) 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, it is a household delay and it loses eligibility for benefits retroactive to the day of filing.

> ➤ 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.

- Agency at Fault:
  - ➤ 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.

  - ➤ 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.

PAYMENT ACCURACY REMINDERS:

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

When you deny an application too early, Quality Control (QC) will find the denial was incorrect. This is called an invalid negative decision and goes into the calculation of the State's food stamp negative error rate. Incorrect case denials reflect poorly on our customer service.

Remember that food stamp policy allows an application to be held for up to 60 days from the date of application to allow the customer time to comply with all requirements. Do not deny FS applications **at 30 days because of outstanding information except as described in Answer 5.**

It is as important to ensure that food stamp cases are accurately denied or closed as it is to issue the correct benefits to 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.

CARES PROCEDURES

CARES displays Alert #102 **(APPL. DUE – ENTER DELAY REASON IF NOT COMPLETE)** to assist case managers in tracking application compliance. This alert is generated on the 29th day and will display until it is dispositioned by the case manager. Once this alert appears, case managers should ask the following questions concerning the Food Stamp AU:

1. Are all requirements in place to deny the FS application on the 30th day?
2. If all of the requirements <u>are not</u> in place to deny the application on the 30th day, should the AU be coded Agency or Customer Delay?

If there is no outstanding verification, process and finalize the AU.

If all of the requirements to deny the application have been met, **deny the FS AU on the 30th day.** If the 30th day falls on a weekend or holiday, deny the FS AU on the next workday following the 30th day.

If all of the requirements to deny the application on the 30th day <u>have not</u> been met, and the delay is:

➢ Customer Caused :
  • Enter **"AS" (FAILURE TO SUBMIT VERIFICATION)** in the **Delay Reason Field** on the **MISC** screen. This must be done **on the 29th day or when Alert #102 appears**. If the 29th day falls on a weekend or holiday enter a delay reason code on the last working day prior to the 29th day.
  • Fast path to the **Done** Screen to finalize the process.
  • **DO NOT DENY THE ASSISTANCE UNIT.** CARES will generate an application delay notice (Notice 22) during overnight batch notifying the customer of his or her failure to return requested verification.
  • Allow the AU to remain pending. CARES will automatically deny the AU for reason code 230 **(NO REQUIRED VERIF/INFO) on the 60th day** if the customer does not return required information.
  • Disposition Alert # 102 with a "Y".

  If required verifications are returned after the 30th day, but prior to the 60th day:
  • Deny the pending AU. The customer will not be eligible for benefits for the original application period.

  • Reopen the same AU, using the date that the verifications were returned as the new application date on the **INCH screen.**

➢ Agency Caused:
  • **DO NOT** enter a value on the **MISC** screen. CARES will default the delay reason to "agency delay" **on the 30th day**. Delay Reason code **"AD"** will automatically appear on the **MISC** screen.
  • CARES will automatically generate a notice (Notice 22) to the customer notifying them that an agency delay has occurred in processing their application.

- Every attempt must be taken by the case manager to complete the application as soon as possible.
- Disposition Alert #102 with a "Y".

ACTION DUE:

This action transmittal does not include new policy. It is clarification of current policy.

INQUIRIES:

Please direct policy questions to Kay Finegan at 410-767-7939. Direct CARES related questions Fern Parson at 410-767-7064.

cc: FIA Management Staff
        Constituent Services
        DHR Help Desk