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**IMA ACTION TRANSMITTAL**

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**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES  
DEPUTY/ASSISTANT DIRECTORS FOR INCOME MAINTENANCE  
INCOME MAINTENANCE SUPERVISORS**

**FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, IMA** 

**RE: VERIFICATION OF REPORTED CHANGES**

**PROGRAM AFFECTED: FOOD STAMP PROGRAM**

**ORIGINATING OFFICE: OPA/ DIVISION OF PROGRAM POLICY AND  
REGULATION**

**BACKGROUND**

When the Food Stamp Act of 1977 was first implemented, Maryland chose the options for verification requirements and change reporting procedures. Because of recent workload reduction efforts, change reporting procedures have been modified.

**CURRENT POLICY**

Verification of a Reported Change Which Increases Benefits

When a household's benefits increase because of a reported change, required verification must be obtained prior to the issuance of the second normal monthly allotment after the change is reported. If the household does not provide verification, the household's benefits revert back to the original benefit level without a notice of adverse action.

Time frames for Acting on a Reported Change Which Increases Benefits

When a household reports a change which increases benefits, other than expedited changes described in the next paragraph, the change must be made effective no later than the first allotment issued 10 days after the change was reported. Therefore, if the change was reported on April 15, the change would be made effective May. A change reported on April 25 must be increased by June.

A change which results in an increase in the household's benefits because of a new household member or a decrease of \$50 or more in gross monthly income must be made effective no later than the first allotment issued 10 days after the date the change was reported. However, the change must be made no later than the month following the month the change was reported.

The current verification option requires a change to be made prior to receipt of verification in order to meet the time frames for acting on reported changes.

### **NEW POLICY FOR REQUIRED VERIFICATION OF A CHANGE**

- When a household reports a change which results in an increase in benefits, verification is required prior to taking action on the change.
- The household must be given 10 days to provide the verification if it is required according to 420.1 of the Food Stamp Manual and the Online Manual.
- If the household provides the required verification within the 10-day period, action must be taken according to current policy. The time frames run from the date the change was reported, not from the date the verification is received.
- If the household does not provide the verification within 10 days after the change is reported, but does provide it at a later date, then the time frame for taking action on the change runs from the date verification is provided rather than the date the change is reported.

#### **Example #1:**

Ms. Jones reported a decrease in income in the amount of \$40 on April 2. Verification was provided on April 10. The change must be made effective no later than May.

#### **Example #2**

Same situation as #1 except verification was received on April 25. The change must be made effective no later than the June allotment.

#### **Example #3**

On April 25, Mr. Smith reported that he had moved and his shelter cost had increased which would result in an increase in food stamps. Verification was received on the same day. The change must be made effective no later than the June allotment.

#### **Example #4**

Same situation as example #3 except verification was not received until May 25. The change must be made effective no later than the July allotment.

Example #5

On April 27, Ms. Johnson reported the birth of her child and provided proof on April 30. The change must be made effective no later than May, the month following the month the change was reported.

Example #6

Same situation as #5 except verification is not provided until May 15. The change must be made effective no later than the June allotment, the month following the month the change was verified.

**REMINDERS:**

When a household's benefit level decreases or the household becomes ineligible because of a change, a notice of adverse action must be issued within 10 days of the date a change was reported unless one of the exemptions to adverse action applies as noted in section 430.4 of the Food Stamp Manual and in the Online manual. The decrease in the benefit level must be made effective no later than the month following the month in which the notice of adverse action has expired unless a fair hearing and continuation of benefits has been requested. **Verification which is required must be obtained prior to recertification.**

Information reported by telephone or in person is treated the same as if a change report form is received.

Example

Mr. Smith reported an increase in his Social Security benefits by telephone on April 5. Adverse action was sent on April 7. Since the adverse action period expires in April, the change must be effective with the May allotment. Verification is not required prior to making the change.

**PAYMENT ACCURACY**

**To prevent Quality Control errors for failure to act on reported information, case record documentation is extremely important.**

- If a change is reported and verification is pending, update the case narrative, noting the date of the reported change and that verification is pending.
- When the proof is received, the date of receipt must be clearly marked on the verification and action on the change must be taken within the required time frames.

Updated manual pages are attached to place in the Food Stamp Manual. Online manual changes have been made.

**ACTION DUE**

This policy is effective June 1, 1996.

**INQUIRIES**

Please Direct questions to Kay Finegan at (410) 767-7939.

cc:

DHR Executive Staff

IMA Management Staff

Arnold Dixon



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420.5 SUPPLEMENTAL ALLOTMENT (EXPEDITED CHANGES)

For changes which result in an increase in a household's benefits due to the addition of a new household member who is not a member of another certified household, or due to a decrease of \$50 or more in the household's gross monthly income, the local department shall make the change effective not later than the first allotment issued 10 days after the date the change was reported. However, in no event shall these changes take effect any later than the month following the month in which the change is reported. Therefore, if the change is reported after the 20th of a month and it is too late for the local department to adjust the following month's allotment, the local department shall issue a supplementary ATP or otherwise provide an opportunity for the household to obtain the increase in benefits by the 10th day of the following month or the household's normal issuance cycle in that month, whichever is later. For example, a household reporting a \$100 decrease in income at any time during May would have its June allotment increased. If the household reported the change after the 20th of May and it is too late for the local department to adjust the ATP normally issued on June 1, the local department would issue a supplementary ATP for the amount of the increase by June 10.

420.6 Verification

Verification which is required must be obtained prior to taking action on a change which increases benefits. The household must be allowed 10 days from the date the change is reported to provide verification. If the household provides verification within this period, the time frame for taking action runs from the date of the change. If the household fails to provide verification within 10 days from the date the change is reported, but does provide verification at a later date, the time frames for taking action runs from the date the verification is provided. In cases where the local department has determined that a household has refused to cooperate the local department shall terminate the household's eligibility following the notice of adverse action.

420.7 DECREASE IN BENEFITS

If the household's benefit level decreases or the household becomes ineligible as a result of the change, the eligibility worker shall issue a notice of adverse action within 10 days of the date the change was reported. The decrease in the benefit level shall be made effective not later than the allotment for the month following the month in which the notice of adverse action period has expired, provided a fair hearing and continuation of benefits have not been requested. Verification which is required must be obtained prior to recertification.

420.8 FAILURE TO REPORT

If the local department discovers that the household failed to report a change and, as a result, received benefits to which it was not entitled, the local

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department shall file a claim against the household. If the discovery is made within the certification period, the household is entitled to a notice of adverse action if the household's benefits are reduced. A household shall not be held liable for a claim because of a change in household circumstances which it is not required to report in accordance with 420.1. Individuals shall not be disqualified for failing to report a change, unless the individual is disqualified in accordance with the intentional program violation disqualification procedures.

420.9

**MASS CHANGES**

Certain changes are initiated by the State or Federal government which may affect the entire caseload or significant portions of the caseload. These changes include adjustments to the net income eligibility standards and the shelter/dependent care deductions; adjustments to the periodic cost of living adjustments and standard deduction; adjustments to the state's utility standard; to social security, SSI and other Federal benefits; adjustments to AFDC or GA payments; and other changes in the eligibility criteria based on legislative or regulatory actions.

420.10

**FEDERAL ADJUSTMENTS TO ELIGIBILITY STANDARDS, ALLOTMENTS, AND DEDUCTIONS;  
STATE ADJUSTMENTS TO UTILITY STANDARDS**

These adjustments shall go into effect for all households at a specific point in time. Although a notice of adverse action is not required, a local department may send an individual notice to households of these changes. DHR Public Information Office may distribute press releases to the media or check stuffers may be included in the mailing of ATP's or coupons.

420.11

**MASS CHANGES IN PUBLIC ASSISTANCE**

When the Department of Human Resources makes an overall adjustment to public assistance payments, corresponding adjustments to the household's food stamp benefits will be handled as a mass change. For cases that are not handled by AIMS, the local department must handle the change as follows: If the local department has at least 30 days advance knowledge of the PA adjustment, it must change the food stamp benefits effective the same month as the PA change. If the local department does not have sufficient notice, the food stamp change must be effective no later than the month following the month the PA change was made. This procedure applies to changes in GPA as well as AFDC.