



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: SIMPLIFIED REPORTING REQUIREMENT

**PROGRAMS AFFECTED: FOOD STAMP PROGRAM AND TEMPORARY CASH
ASSISTANCE**

ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS

SUMMARY

Beginning October 1, 2001 Maryland implements new Simplified Reporting (SR) for Food Stamps (FS) and Temporary Cash Assistance (TCA). This means that all FS and TCA cases with **countable earnings** are included in this Simplified Reporting group.

Movement of FS and TCA cases into Simplified Reporting does not require local departments to transfer any cases. **The only requirements for local department staff are to enter:**

- **Countable earnings correctly and change certification end dates, as appropriate, on CARES at application, interim change or recertification and**
- **Customers' activity on WOMIS and maintain attendance records.**

This action transmittal provides local departments with the new simplified reporting policy and procedures for FS and TCA cases with earnings. Reporting requirements for all other FS and TCA households without earnings are also restated in this AT.

Reporting requirements for MA, TEMHA and PAA remain the same. These programs **are not** subject to the simplified reporting policy and procedures.

❖ **FOOD STAMP AND TCA SIMPLIFIED REPORTING (SR)**

➤ OVERVIEW

Beginning October 1, 2001, FS and TCA households with countable earnings are in the Simplified Reporting group.

- ❑ Simplified reporting FS and TCA households are required to report when:
 - Their gross monthly income is more than 130 percent of the federal poverty rate. The 130 percent will be determined based on the household size at the time of certification.
 - They receive benefits from another program that has more extensive reporting requirements.
- ❑ TCA assistance units and many food stamp households also receive MA. Some food stamp households also receive TEMHA and PAA. All MA, TEMHA and PAA recipients must follow MA, TEMHA and PAA change reporting requirements. **This means that when the MA, TEMHA or PAA customer reports a change, the case manager is also required to make any appropriate changes to any associated simplified reporting TCA and FS case.**
- ❑ **When** FS and TCA customers in the SR group report changes other than increased income, local departments must process all reported changes, both positive and negative, regardless of the reason for the report.
- ❑ This new policy simplifies receipt of FS and TCA for customers with earnings

Exception: Migrant and ABAWD FS households are not included in the simplified reporting group.

➤ CUSTOMER REPORTING

- ❑ Households with **no countable earnings** will continue to report changes using the standard FS and TCA reporting criteria.
- ❑ All FS and TCA cases with **countable earnings** are in the Simplified Reporting (SR) group.
 - The SR households are required to report only when their gross monthly income exceeds 130 percent of the federal poverty rate. The 130 percent will be determined based on the household size at the time of certification.
 - The SR households have no other change reporting requirements, i.e., household composition.

- When SR households report changes (both positive and negative), other than increased income, process the change regardless of the reason for the change.

Example: Positive – Customer reports that she had a baby that needs to be added to her case. Process to add the baby, which results in increased benefits.

Example: Negative – Customer reports that her husband moved back into the home and he gets unemployment benefits. Once needed verifications are received and an eligibility determination made, the UI unearned income causes the benefit to decrease.

- Income considered unpredictable, i.e., on call hours, remains budgeted until the customer determines a change should be reported.
- Contractual income that ends prior to the certification end date is considered verified upon initial report. Because the income is averaged over the period it is intended to cover, the end date has already been verified. The case manager generates an alert to remove the income for the subsequent month.

➤ LOCAL DEPARTMENT DISCOVERY/NOTIFICATION OF EARNINGS

All non-customer reported changes are verified, as appropriate, and changes processed using standard FS and TCA verification requirements.

Example: An SDX report is received, etc.

Example: Father calls the case manager to report he has custody of the children. The children are active on their mother's case. The case manager verifies the father's statement and takes necessary case actions.

➤ COUNTABLE EARNED INCOME CASES

- Cases with countable earned income for FS and TCA are:
 - Food Stamp cases are households with countable earnings as currently defined in the Food Stamp Manual 210.31.
 - TCA cases are assistance units with at least one member who is employed, has countable earned income and receives the 35 percent income disregard.
- Applications and Recertifications: When the FS or TCA household has countable earnings in the first or second month, determine eligibility for the household. If eligible, the household becomes part of the SR group. Notify the household of the new SR requirements.

- Ongoing Cases: If an FS or TCA household reports starting countable earnings, determine if the household remains eligible for FS or TCA. If eligible, notify the household of the new SR requirements.
- SR Notification:
 - At the **application** or **recertification** interview, the case manager explains the SR requirements and gives an SR guideline instruction sheet to FS and TCA households required to be in the SR group.
 - When ongoing FS or TCA cases are in the SR group as a result of reported countable earnings **between** application and recertification, case managers explain the SR requirements and provide the customers with an SR instruction guide.
 - The SR instruction guide (copy attached) includes:
 1. The general Simplified Reporting requirements,
 2. A chart outlining the 130% federal poverty level for the household sizes,
 3. An explanation that household size means everyone that was in the household at the last certification action,
 4. A section showing how to calculate household income, and
 5. An explanation of how to identify a reportable change.

➤ OVERISSUANCES AND OVERPAYMENTS

- **Food Stamps - "Failure to Report" Overissuance Determinations**
 - Local departments use the current 10-day reporting time frame in determining overissuances.
 - When determining an overissuance caused by income changes, treat the date the customer received a payment with the new amount, as the date a household became aware of the change. For starting earned income, the customer must report within ten days of the job start.
 - SR households are required to report only when the household's gross monthly income exceeds 130 percent of poverty level for the household size at the time of certification or recertification. **Therefore, the only customer caused overissuance that can occur is if the household fails to report when income exceeds 130 percent.**
- **TCA Overpayments:**
 - Local departments use the current 10-day reporting time frame to determine overpayments.

- When determining an overpayment caused by income changes, treat the date the customer received a payment with the new amount, as the date a household became aware of the change. For starting earned income, the customer must report within ten days of receipt of the first pay.
- SR households are required to report only when the household's gross monthly income exceeds 130 percent of poverty level for the household size at the time of certification or recertification. **Therefore, the only customer caused overpayment that can occur is if the household fails to report when income exceeds 130 percent.**

➤ CERTIFICATION PERIODS

□ **Application/Recertification:**

CARES will assign a 6-month certification period to FS and TCA households with countable earnings in SR group at application and recertification. Once in the SR group, households retain their 6-month certification regardless of household changes.

Example: Household reports it no longer receives earned income. The case manager makes all appropriate changes to reflect the income change and leaves the certification period unchanged. The household remains in SR category until the end of the certification period.

□ **Changes:**

- The case manager can shorten an FS certification period but cannot lengthen it when the household becomes part of the SR group.

Note: This is an exception to the policy about shortening the certification period. Except for the SR group, the case manager **cannot** end a household's certification period earlier than its assigned termination date unless:

- The local department receives information that the household has become ineligible, or
- The household has not complied with a request for clarification of unclear information.
- The TCA SR cases will follow the FS rules and not lengthen the certification period between application and recertification.
- When a household reports the start of employment or the addition of a member with earnings, that FS or TCA household is included in the SR group.

- **If the household's remaining FS or TCA certification period extends 6 months or more beyond the processing month, the case manager:**
 - Shortens the certification period,
 - Notifies the household of the new period with a notice that contains a right to a hearing, and
 - Sets the certification end date to 6 full months from the processing date. (If a hearing is held and the household is upheld, the old certification period will be restored.)

Example: On 1/12/01, customer reports her husband has returned to the household. The husband has earned income. The case manager processes the change on 1/19/01. The current certification end date is 10/31/01. The case manager shortens the certification end date to 7/31/01 (Six months from processing date) and notifies the household of its assignment to the SR category and of the new certification period end date.

- For FS and TCA households with a certification period less than 6 months or have less than 6 months remaining in the certification period when earnings are first reported, the case manager:
 - Allows the current certification period to continue until the end date even though the end date is less than 6 months.
 - At recertification, assigns a 6-month certification period, if appropriate.
- If a household no longer has countable earnings, the household remains in the SR group through the end of the current certification period.

❖ **REPORTING REQUIREMENTS FOR NON-SR CASES**

➤ FOOD STAMP POLICY

- **All FS households with no countable earnings** must report the following changes in their circumstances within 10 days of when the change was known:
 1. Changes in the amount of unearned income of more than \$25 except changes in the public assistance (PA) grant. Households must report changes of more than \$100 in unearned income from a private source.
 2. Changes in the source of income. When there is a new source of earned income the household must report the change within 10 days of the employment start date.
 3. Changes in piece rate earnings of more than \$100.
 4. All changes in household composition, such as the addition or loss of a household member.

5. Changes in residence and the resulting changes in shelter costs.
6. When cash-on-hand, stocks, bonds, and money in a bank account or savings institution reach or exceed a total of \$2000 or \$3000 for an elderly household.
7. Changes in the legal obligation to pay child support.
8. Changes in the hours an ABAWD works when the hours go below 20 hours/week (80 hours/month).

➤ **TCA POLICY**

- ❑ Customers receiving TCA must notify the case manager within **5 days** of knowing that a child will be absent from the home for more than 180 days.
- ❑ All TCA assistance units with no countable earnings must report the following changes within 10 days of the change:
 1. Increase or decrease in household size
 2. Children ages 16 and older who drop out of school
 3. Minor parents not in school
 4. Address
 5. Assets
 6. Unearned income: Benefits started or stopped; benefits increased or decreased and gambling winnings or other lump sums. Report within 10 days of receipt of the benefit check.
 7. Earned income: New employment; report within 10 of receipt of the check for earnings.

***** **IMPORTANT REMINDER** *****

➤ **WO MIS CODING FOR TCA EARNING CASES**

For TCA cases where at least one adult assistance unit member is working, the case manager is to:

- Enter the correct work activity codes on WO MIS, **and**
- Maintain documentation of monthly attendance.

NARRATE ALL CASE ACTIVITY CAREFULLY

Local departments must ensure that narration of case activity is clear, concise, and complete according to the action taken by the case manager. Good narration also supports the local department decision in the event of an administrative hearing or selection of the case for Quality Control review.

RIGHT TO APPEAL

As a reminder, local departments shall advise households of their right to appeal a local department decision and the procedures for requesting a fair hearing. Local departments must also advise households of any legal services that might be available to represent them during a fair hearing. To find out the number of their local Legal Aid office, customers may call Legal Aid's toll-free number, 1.800.999.8904.

ACTION DUE

Beginning October 1, 2001 with applications, interim changes and recertifications completed on or after that date.

INQUIRIES

Please direct Food Stamp policy questions to Kay Finegan at 410-767-7939, Temporary Cash Assistance policy questions to Edna McAbier at 410-767-8805 and Systems questions to Kelly Brown at 410-238-1294.

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

❖ CARES ACTIONS REQUIRED FOR SR FS AND TCA CASES

➤ Applications/Recertifications:

- Process case as usual,
- On **ELIG** screen, enter **Y** in the **Confirm** field,
- Press **ENTER**,
- On **FSFI** screen enter **Y** in the **Bnft Confirm** field,
- Make sure the certification period is 6 months.
- Press **PF13** and add the following freeform text on the **NOTE** screen:

When household income goes up, you must see if all monthly income is more than what is allowed for your household size. Add earned and unearned income your household expects to get. If it is more than \$ _____ , call your case manager and report it now.

- Press **ENTER** to return to the **FSFI** screen,
- Press **ENTER** to go to the **DONE** screen,
- Press **ENTER** to commit the data to **CARES**.

➤ For cases with **reported changes** that make the household SR eligible and the certification period extends 6 months beyond the processing month, follow the procedures below:

- Select Option **R** from the **AMEN** screen,
- Make the necessary changes to the case,
- Fast path to the **MISC** screen,
- Enter **Y** in the **Calc Elig** field,
- Fast path to the **ELIG** screen,
- On **ELIG** screen enter **Y** in the Confirm field,
- Press **ENTER** to display **FSFI** screen,
- On **FSFI** screen enter **Y** in the **Bnft Confirm** field,
- Shorten **Redet End Date** to reflect 6 full months from the processing date.
- Press **PF13** and add the following freeform text on the **NOTE** screen:

When household income goes up, you must see if all monthly income is more than what is allowed for your household size. Add earned and unearned income your household expects to get. If it is more than \$ _____ , call your case manager and report it now.

- Press **ENTER** to return to the **FSFI** screen,
- Press **ENTER** to go to the **DONE** screen,
- Press **ENTER** to commit the data to **CARES**