



Department of Human Resources  
311 West Saratoga Street  
Baltimore MD 21201

Family Investment Administration  
**ACTION TRANSMITTAL**

Control Number: #04-11

Effective Date: October 1, 2003

Issuance Date: September 29, 2003

**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: WAIVERS TO THE FOOD STAMP PROGRAM DUE TO HURRICANE  
ISABEL**

**PROGRAM AFFECTED: FOOD STAMP PROGRAM**

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

**SUMMARY:**

President George W. Bush issued a disaster declaration on September 19, 2003, for all 24 jurisdictions in the State. We recently received approval from the Food and Nutrition Service to operate a modified Food Stamp Program, to issue an automatic replacement allotment to ongoing households in jurisdictions with significant losses of electricity and to issue supplemental allotments to ongoing households with non-reimbursable disaster-related expenses.

We requested these waivers in order to meet the requirements of individuals and families in the State that were affected by Hurricane Isabel. The modified Food Stamp Program will provide temporary assistance to families who have suffered losses due to household damage or loss of income. The modified FSP will operate from October 1 through October 9. We can request an extension if it appears to be needed.

We also received approval to extend the period for replacing the loss of food purchased with food stamps until October 9. Remember: Households can only get a replacement allotment for up to the amount for loss of food or the allotment they received in September, whichever is less.

***SECTION I: REPLACEMENT BENEFIT FOR LOSS OF FOOD PURCHASED WITH  
FOOD STAMPS***

- Anne Arundel, Baltimore, Calvert, Caroline, Carroll, Cecil, Dorchester, Harford, Howard, Kent, Montgomery, Prince George's, St. Mary's and Wicomico counties

were approved for an automatic replacement of food stamps.

- The amount of the replacement is 1/2 of the September allotment. Households that received a manual replacement did not get an additional amount.
- Households that got the automatic replacement of 1/2 the September benefit can also receive an additional manual replacement for up to the remaining 1/2 of the September benefit, if they claim additional costs for lost food.
- Current households in all jurisdictions in the State can request a replacement benefit for loss of food until October 9, 2003.

## ***SECTION II: MODIFIED FOOD STAMP PROGRAM***

Reminders: The following waiver to regular food stamp rules applies to households in all jurisdictions in the State with disaster-related expenses. Local departments will certify households under the modified FSP beginning October 1 through October 9. The special rules for the modified FSP apply only during this period, unless you are notified of an extension. After October 9, all regular food stamp rules apply.

**The application period for this modified FSP ends after October 9, unless we notify you of an extension.**

### ***Household Composition***

Use the household composition that existed at the time of disaster to determine the allotment. Although this will usually be the same as the household composition at application, it may be different because of temporary accommodations.

Example: Mr. F's home was badly damaged. His wife and 4 children are temporarily living with different family members. Benefits would be issued for the family as it was before Hurricane Isabel.

### ***Expedited Processing***

Include disaster expenses as shelter costs in determining eligibility for expedited processing. This will allow many if not most households to get food stamps under expedited processing, if otherwise eligible.

CARES will make the determination in screening if the disaster expenses are entered as shelter costs.

Reminder: Expedited processing shortens the processing time and limits verification requirements. Some households may be eligible for expedited processing, but ineligible for benefits. For example, under this modified program, resources are used to determine expedited eligibility, but the resource limit still applies to liquid resources. If a

household has \$5,000 in a savings account (and is not categorically eligible), CARES would deny the case for assets over scale.

Note: Household members still have to have an immigrant status that makes them eligible for food stamps; although verification is postponed if not readily available.

Example 1: On October 3, 2003, Mr. and Mrs. A applied for food stamps for themselves and their three children. Their home was damaged because of loss of power and flooding and a tree fell on the porch. Mr. A has a job. He received \$1000/week gross income in September and anticipates getting this in October. Their mortgage is \$450 and they pay utilities, homeowners insurance and taxes. Although they have homeowners insurance, the deductible is \$500 and does not cover flooding. A tree fell on their porch and their carpet and furnace will have to be replaced. They estimate the furnace replacement will cost \$3,500. Homeowners insurance will cover all but \$500 of porch replacement. They do not know how much it will cost to replace the carpet, and that can wait.

1. Household gross income received or expected to be received in the month of application	\$4,000
2. Liquid resources (cash on hand, checking, savings accounts)  Note: Some households may be eligible for expedited service, but have liquid resources in excess of the limits. They are not eligible for the modified FSP.	\$500
3. Total income and resources (1 plus 2)	\$4,500
4. Shelter costs (Use appropriate SUA or LUA) \$450 mortgage, \$224 SUA, \$100 total for homeowners insurance and taxes.	\$774
5. Non-reimbursable disaster-related expenses (actual or expected) during the benefit period. \$3,500 for furnace replacement and \$500 deductible for porch replacement)	\$4,000
6. Total expenses (4 plus 5 )	\$4,774
7. Adjusted income (3 minus 6; If 6 is equal to or greater than 3, the household is entitled to expedited processing, if otherwise eligible)  Expedited? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$-274

**No Proration of the Initial Benefit**

Households are not subject to proration requirements. Enter applications for the modified program taken after October 1<sup>st</sup> on CARES as though the date of application was October 1.

**Benefits Beyond the Initial Month**

Extend the certification period for an additional 5 months for households that are eligible

for ongoing benefits upon receipt of any outstanding verification. **Regular food stamp rules apply after the October modified FSP issuance. Be sure to remove all of the disaster-related expenses for ongoing benefits.**

Example 2: (Continued from example 1) Mr. A called on October 5th and reported that he does not anticipate working in November because his place of employment was badly damaged. He provided all postponed verification. The case manager will remove the earned income and disaster expenses for November. Since the house will remain eligible, the case manager can extend the certification period for an additional 5 months. The household would be a simplified reporter.

### ***No Gross Income Limit***

Households in the modified program are not subject to the gross income limit for the **initial month** of application. They will also receive an uncapped shelter deduction.

Example 3: (Continued from Example 1) Mr. A's earnings would make the household ineligible under the regular Food Stamp Program. Under the modified program, it would not. If Mr. A had not lost work, the household would be ineligible for food stamps after October.

### ***Non-liquid Resources***

Non-liquid resources are not counted for the October issuance under the modified FSP.

Count only available liquid resources (cash on hand, checking, or savings accounts) for the modified program.

Example 4: Mr. C reported a checking account with a \$500 balance. He also has vacation property valued at \$30,000 and an IRA in the amount of \$5,000. The checking account is the only countable resource.

Example 5: Ms. D reported she had \$5,000 in her savings and checking accounts. Even if her disaster expenses entitle her to expedited processing, her resources exceed the limit.

### ***Deduction for Disaster Related Expenses***

Households certified under the modified FSP will receive a one-time only deduction for non-reimbursable disaster-related expenses the household pays or expects to pay before October 31, 2003. If the household does not expect reimbursement for a disaster-related expense before October 31, the case manager can use the full amount

of the expense. Food loss **alone** does not qualify a household for this extra deduction. If the household has other disaster-related expenses, the food can be added into the total. Disaster-related expenses would include but not be limited to:

- Cost of temporary shelter,

- Costs of clean-up,
- Cost of food destroyed (this alone does not entitle the household to the deduction),
- Dependent care due to disaster,
- Moving and storage costs,
- Costs to protect property during the disaster,
- Cost to repair or replace items for home or self-employment property.

Example 5: Mr. B had to take his family to a hotel for three days because of damage to his house. This is an allowable disaster expense. He also lost all of his food. Since Mr. B had disaster-related expenses in addition to loss of food, the case manager will allow the total cost as a deduction.

### ***Verification Requirements***

The household must provide proof of identity and residence for the modified FSP. Use readily available sources of verification.

The case manager will accept declaration of income, resources, and expenses unless questionable.

To receive benefits beyond the month of October, the household will have to provide all verification required for the regular FSP.

### ***Reimbursement for Past or Future Expenses***

Exclude grants or reimbursements for normal living expenses received by the household from nonprofit organizations, such as the Red Cross or the Salvation Army.

### ***Non Recurring Lump Sum Payments***

Exclude from the resource limit and income payments from insurance settlements for disaster-related expenses for six months after date of receipt for households certified for benefits beyond the initial month.

Example 5: (See also Example 1) Mr. A received an insurance settlement to fix his porch on October 30. He can't schedule a contractor until December so he put the money in his checking account. The amount from the settlement is excluded until April 30, 2004.

## ***Work, Student and Striker Requirements***

Eligibility rules related to work requirements (including the work requirements for able-bodied adults without dependents), voluntary quit, voluntary reduction of work effort, students and strikers do not apply.

## ***Recertification***

Local departments can extend the certification periods of participating households that were due for recertification in September and October by no more than three months if their certification period was not completed prior to Hurricane Isabel. Local departments can spread the recertifications over November 2003, December 2003 and January 2004.

This is a local department option so those households in counties that suffered minimal damage would not have their certification periods extended.

No certification period would extend beyond 15 months, except households entitled to a 24-month certification period could be extended to 27 months. Simplified reporting households could have their certification period extended beyond 6 months and still be subject to simplified reporting.

## ***SECTION III: SUPPLEMENTAL ALLOTMENT FOR OCTOBER 2003 DUE TO DISASTER EXPENSES***

- Current food stamp households that report non-reimbursable disaster-related expenses the household pays or expects to pay before October 31, 2003, including loss of food or additional loss of income related to the disaster, are eligible for a supplemental allotment. The case manager can also consider disaster-related expenses when the household does not expect reimbursement for the expense before October 31, 2003.
- The household has to sign an affidavit attesting to their disaster-related expenses. (See attached)
- The amount of the supplemental allotment is the difference between the household's regular October allotment and the maximum for that household size.
- A household can receive both a replacement allotment and a supplemental allotment.
- This gives recipient households additional benefits to help compensate for non-reimbursable disaster-related expenses.

Example 6: Mrs. D received a \$10 allotment in September. Her electricity was off from September 18<sup>th</sup> through the 21<sup>st</sup>. She lost all the food in her refrigerator and freezer.

She lives in a county that received an automatic replacement of benefits for September and was given a \$5 replacement. She has asked the agency for additional help with her food needs. After she signs an affidavit attesting to her expense, she is entitled to a supplement equal to the difference between the maximum allotment for her household size and her October allotment. The case manager issues her an additional benefit in the amount of \$131.

**PAYMENT ACCURACY:**

Households that receive a benefit from the modified FSP are not subject Quality Control review. To enhance program integrity we are required to review a certain percentage of the cases.

**Before extending the certification period beyond the initial month, make sure that all outstanding verification has been received and entered on CARES and that all disaster related expenses are removed from the CARE screen**

**ACTION DUE:**

This transmittal is effective October 1, 2003 for the period October 1, 2003 through October 9, 2003.

**INQUIRIES:**

Please direct questions to Kay Finegan at 410-767-7939. You may also call Marilyn Lorenzo at 410-767-7333. Direct CARES questions to Sue Woolford at 410-238-1300 or Joyce Westbrook at 410-238-1299.

cc: FIA Management Staff  
Constituent Services  
DHR Help Desk

**CARES ACTION REQUIRED:**

**Section I: Procedures for Issuing Replacement Benefits and Supplemental Benefits for**

**Currently Active FS Households**

If the customer is currently receiving food stamp benefits, use the following procedure to issue the Food Stamp Disaster Relief benefit:

On the **AMEN** screen:

- Enter Option **R** (Interim/Historical Change)
- Enter the FS AU#
- Enter **AREP** in the **Screen ID** field
- Enter **10 03** in the **Benefit Month (MM YY)** field

On the FS **AREP** screen, enter:

- **F1** (representative receives no notices or benefits) in the **Rep Type** field
- **OU** (other unrelated adult) in the **Relationship** field
- **Isabel** in the **L Name** field
- **DR** (disaster relief) in the **Address Line 1** field
- **Balt** in the **City** field
- **MD** in the **State** field
- **21201** in the **Zip** field

Fastpath to **DONE** and commit changes to AU

On the **AMEN** screen, press **PF3** to return to the Welcome screen

On the Welcome screen, enter Option **R** (Benefit Error)

On the **RMEN**, enter Option **E** (Add Another BEG) and press Enter

On the **BEMG** screen, enter:

- **10 03** in the **ISSN Month** field
- **U** in the **OP/UP** field
- Disaster Benefit Amount in the **Benefit Error Amount** field
- **SN** in the **Benefit Error Reas** field
- Press **Enter** to commit the BEG

**A supervisor must approve the BEG in order for the benefits to be issued in overnight batch. REMEMBER TO NARRATE**

## Section II: Modified Food Stamp Program

### Not Active in Any Program and no prior FS AU

If the customer is not currently receiving benefits and has never received food stamps, use the following procedure to issue the Food Stamp Disaster Relief benefit:

On the **AMEN** screen:

- Enter Option **J** (Screening)
- Press **Enter**
- Complete the screening process
  - On the **CIRC** screen, enter all income and shelter costs and enter the non-reimbursable disaster expenses as **OT** (other) in the **Shelter Types/Amounts** field
  - On the **INCH** screen enter **10/1/03** as the application date

Enter Option **O** (Interview)

Update all required information

On the **ADDR** screen, enter **Y** in the **Authorized Rep** field

On the FS **AREP** screen, enter:

- **F1** (representative receives no notices or benefits) in the **Rep Type** field
- **OU** (other unrelated adult) in the **Relationship** field
- **Isabel** in the **L Name** field
- **DR** (disaster relief) in the **Address Line 1** field
- **Balt** in the **City** field
- **MD** in the **State** field
- **21201** in the **Zip** field

To eliminate the CARES gross income test, the following process must be completed for the head of household:

On the **DEM2** screen enter:

- **O** in the **Disab/Incap** field
- **VA** in the **Approval Source** field
- **10 03** in the **Approval Source (MMYY)** field
- **10 03** in the **Begin Date** field
- **10 03** in the **End Date** field

Enter the customer's income information.

Enter any disaster related expenses on the head of household's **CARE** screen in the **Monthly CHILD SUPPORT Payment** field. Enter **OT** in the **V** (verification) field.

Fastpath to **DONE** and commit information to CARES.

Complete Option **P** (Process Appl Months) – Remove disaster related expenses from on-going month of 11/03

Complete Option **Q** (Finalize Application)

## **REMEMBER TO NARRATE**

### **Closed FS AUs – Not Active in Any Other Program**

If the customer received food stamp benefits prior to September 2003 and is not currently receiving benefits, use the following procedure to issue the Food Stamp Disaster Relief benefit:

On the **AMEN** screen:

- Enter Option **J** (Screening)
- Enter the prior FS AU#
- Complete the screening process
- On the **CIRC** screen, enter all income and shelter costs and enter the non-reimbursable disaster expenses as **OT** (other) in the **Shelter Types/Amounts** field
- On the **INCH** screen enter **10/1/03** as the application date

Enter Option **O** (Interview)

Update all required information.

On the **ADDR** screen, enter **Y** in the **Authorized Rep** field

On the FS **AREP** screen, enter:

- **F1** (representative receives no notices or benefits) in the **Rep Type** field
- **OU** (other unrelated adult) in the **Relationship** field
- **Isabel** in the **L Name** field
- **DR** (disaster relief) in the **Address Line 1** field
- **Balt** in the **City** field
- **MD** in the **State** field
- **21201** in the **Zip** field

To eliminate the CARES gross income test, the following process must be completed for the head of household:

- On the **DEM2** screen enter:
  - **O** in the **Disab/Incap** field
  - **VA** in the **Approval Source** field
  - **10 03** in the **Approval Source (MMYY)** field
- **10 03** in the **Begin Date** field

- **10 03** in the **End Date** field

Enter the customer's income information.

Enter any disaster related expenses on the head of household's **CARE** screen in the **Monthly CHILD SUPPORT Payment** field. Enter **OT** in the **V** (verification) field.

Fastpath to **DONE** and commit information to CARES.

Complete Option **P** (Process Appl Months) – Remove disaster related expenses from on-going month of 11/03

Complete Option **Q** (Finalize Application)

## **REMEMBER TO NARRATE**

### **Closed FS AU - Active Cash or MA AU**

If the customer received food stamp benefits prior to September 2003 and is not currently receiving food stamp benefits but is receiving cash or medical assistance, use the following procedure to issue the Food Stamp Disaster Relief benefit:

On the **AMEN** screen:

- Enter Option **J** (Screening)
- Enter the prior FS AU#
- Complete the screening process
  - On the **CIRC** screen, enter all income and shelter costs and enter the non-reimbursable disaster expenses as **OT** (other) in the **Shelter Types/Amounts** field
  - On the **INCH** screen enter **10/1/03** as the application date

Enter Option **O** (Interview)

Update all required information.

On the **ADDR** screen, enter **Y** in the **Authorized Rep** field

On the FS **AREP** screen, enter:

- **F1** (representative receives no notices or benefits) in the **Rep Type** field
- **OU** (other unrelated adult) in the **Relationship** field
- **Isabel** in the **L Name** field
- **DR** (disaster relief) in the **Address Line 1** field
- **Balt** in the **City** field
- **MD** in the **State** field
- **21201** in the **Zip** field

To eliminate the CARES gross income test, the following process must be completed for the head of household:

- On the **DEM2** screen, review the existing disability information.
- If there is an existing disability on any household member, review the coding to determine whether or not the household is already eligible for waiver of the gross income test.
  - If the coding already allows for the waiver, no further action is required.
- If there is no current disability on any household member or if the existing coding does not allow for the waiver, enter on the head of household's **DEM2** screen:
  - in the **Disab/Incap** field
  - **VA** in the **Approval Source** field
  - **10 03** in the **Approval Source (MMYY)** field
  - **10 03** in the **Begin Date** field
  - **10 03** in the **End Date** field

Enter any disaster related expenses on the head of household's **CARE** screen in the **Monthly CHILD SUPPORT Payment** field. Enter **OT** in the **V** (verification) field.

Fastpath to **DONE** and commit information to CARES.

Complete Option **P** (Process Appl Months)

- Remove disaster related expenses from on-going month of 11/03
- **NOTE:** If a TCA underpayment BEG is created, enter **AE** (Administrative Error) as the BEG Reason Code. Then, when processing the BEG through RMEN, remove it by changing the BEG Reason Code to **RM** (Remove).

Complete Option **Q** (Finalize Application)

### Currently Active Cash or MA AU with No Prior FS AU

If the customer has never received food stamp benefits but is receiving cash or medical assistance, use the following procedure to issue the Food Stamp Disaster Relief benefit:

On the **AMEN** screen:

- Enter Option **L** (Add a Program)
- Enter the active Cash or MA AU#
- Complete the screening process
  - On the **CIRC** screen, enter all income and shelter costs and enter the non-reimbursable disaster expenses as **OT** (other) in the **Shelter Types/Amounts** field
  - On the **INCH** screen enter **10/1/03** as the application date

Enter Option **O** (Interview)

Update all required information.

On the **ADDR** screen, enter **Y** in the **Authorized Rep** field

On the FS **AREP** screen, enter:

- **F1** (representative receives no notices or benefits) in the **Rep Type** field
- **OU** (other unrelated adult) in the **Relationship** field
- **Isabel** in the **L Name** field
- **DR** (disaster relief) in the **Address Line 1** field

- **Balt** in the **City** field
- **MD** in the **State** field
- **21201** in the **Zip** field

To eliminate the CARES gross income test, the following process must be completed for the head of household:

- On the **DEM2** screen, review the existing disability information.
- If there is an existing disability on any household member, review the coding to determine whether or not the household is already eligible for waiver of the gross income test.
  - If the coding already allows for the waiver, no further action is required.
- If there is no current disability on any household member or if the existing coding does not allow for the waiver, enter on the head of household's **DEM2** screen:
  - in the **Disab/Incap** field
  - **VA** in the **Approval Source** field
  - **10 03** in the **Approval Source (MMYY)** field
  - **10 03** in the **Begin Date** field
  - **10 03** in the **End Date** field

Enter any disaster related expenses on the head of household's **CARE** screen in the **Monthly CHILD SUPPORT Payment** field. Enter **OT** in the **V** (verification) field.

Fastpath to **DONE** and commit information to CARES.

Complete Option **P** (Process Appl Months)

- Remove disaster related expenses from on-going month of 11/03
- **NOTE:** If a TCA underpayment BEG is created, enter **AE** (Administrative Error) as the BEG Reason Code. Then, when processing the BEG through RMEN, remove it by changing the BEG Reason Code to **RM** (Remove).

Complete Option **Q** (Finalize Application)

**For Local Department Use:**

Case Number

FS Case Name	Date	Locality
Address	City, State, Zip	

**Request for Supplemental Food Stamps Because of Disaster-Related Expenses**

My household has non-reimbursable disaster-related expenses. Check below and state the amount:

Cost of temporary shelter. Amount \$ \_\_\_\_\_

Costs of clean-up. Amount \$ \_\_\_\_\_

Cost of food destroyed. Amount \$ \_\_\_\_\_

Dependent care due to disaster. Amount \$ \_\_\_\_\_

Moving and storage costs. Amount \$ \_\_\_\_\_

Costs to protect property during the disaster. Amount \$ \_\_\_\_\_

Cost to repair or replace items for home. Amount \$ \_\_\_\_\_

Cost to repair or replace self-employment property. Amount \$ \_\_\_\_\_

Other (Specify) \_\_\_\_\_ Amount \$ \_\_\_\_\_

My household has lost income due to the disaster. Please explain \_\_\_\_\_

\_\_\_\_\_

I hereby certify, under penalty of perjury, that the household listed above experienced the reported non-reimbursable disaster related expenses or loss of income in the month of \_\_\_\_\_, 2003

Signature

Date

## **Request for Supplemental Food Stamps Because of Disaster-Related Expenses**

**PURPOSE AND USE OF FORM** – This form allows the local agency to assess eligibility for a supplemental allotment for current food stamp households that report non-reimbursable disaster expenses. The amount of the supplemental allotment is the difference between the household's regular October allotment and the maximum for that household size.

**USE OF FORM** – The agency must provide the form to households that report a disaster-related expenses or loss of income.

**NUMBER OF COPIES** – Two.

**DISPOSITION OF FORM** – The local agency must provide a copy of the completed form to the household and file a copy in the case record.

**INSTRUCTIONS FOR PREPARATION OF FORM** – Local agency staff should complete the identifying case information at the top of the form. A household member or an authorized representative must complete or provide information for the bottom section regarding non-reimbursable disaster-related expenses and sign and date the form.

**For Local Department Use:**

<b>For Local Department Use:</b>		Case Number
FS Case Name	Date	Locality
Address	City, State, Zip	

**Food Replacement Request**

How was food destroyed or damaged?
Value of destroyed food:

I hereby certify, under penalty of perjury, that the household listed above has experienced the destruction of food, in the month of _____, 2003	
Signature	Date

## Instructions for completing Replacement of Lost Food Affidavit

PURPOSE AND USE OF FORM – This form allows the local agency to assess the value of food destroyed. Depending on the reason for the loss, the local department may provide additional food stamp benefits to cover the value of food destroyed.

USE OF FORM – The agency must provide the form to households that report a household disaster that resulted in the loss of food purchased with food stamp benefits.

NUMBER OF COPIES – Two.

DISPOSITION OF FORM – The local agency must provide a copy of the completed form to the household and file a copy in the case record.

INSTRUCTIONS FOR PREPARATION OF FORM – Local agency staff should complete the identifying case information at the top of the form. A household member or an authorized representative must complete or provide information for the bottom section regarding food destroyed. A household member must sign and date the form.

