

DEPARTMENT OF HUMAN RESOURCES INCOME MAINTENANCE ADMINISTRATION 211 W. Saratoga Street timore, Maryland 21201	IMA ACTION TRANSMITTAL EFFECTIVE DATE: July 1, 1995
ISSUANCE DATE: July 24, 1995	CONTROL NUMBER: IMA OPA #96-01

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

**FROM: *Katherine L. Cook*
KATHERINE L. COOK, ACTING EXECUTIVE DIRECTOR, IMA**

RE: WAIVER FOR HANDLING FOOD STAMP CLAIMS

PROGRAMS AFFECTED: FOOD STAMPS

ORIGINATING OFFICE: OFFICE OF POLICY ADMINISTRATION

SUMMARY

This transmittal is to notify local departments of approval by the Food and Consumer Service (FCS) of a waiver to allow local departments to discard inadvertent household error (IHE) and administrative error (AE) claims under \$100.

BACKGROUND

FCS conducted a Client Services Review in a local department of social services in September 1994. As a result of this review FCS suggested that Maryland request a waiver to permit us to discard IHE and AE claims under \$100 in order to process the backlog of claim referrals pending computation. This waiver was recently approved.

CURRENT POLICY

Local departments must initiate collection action on AE and IHE claims unless the claim is collected through offset or the total amount of the claim is less than \$35 and the claim cannot be recovered by reducing the household's allotment.

NEW POLICY

As a result of the waiver:

- Do not initiate collection action on AE claims that total less than \$100. This applies to both active and closed cases.
- Do not initiate collection action on IHE claims when the total amount is less than \$100 unless the claim can be recovered by reducing the household's monthly allotment.

ACTION REQUIRED

CARES

- When an overissuance appears on the **FSFI** screen, enter the appropriate overpayment/underpayment reason code. Once an overpayment has been determined, a benefit error group (BEG) must be created. CARES will generate an alert to the worker if a BEG is not completed on the day the overpayment is established.
- Access the Benefit Error Submenu. Enter the food stamp AU number and choose Option A through F. This will usually be Option B. In Option B, the system created overpayment(s) will appear on the **BEMG** screen. Validate the reason code which was automatically entered from the **FSFI** screen and press **enter** to commit the data.
- AE overpayments and claims against closed IHE cases, which total less than \$100, will be removed in either Option H - Approve a Benefit Error Group, or Option I - Update a Benefit Error Group, by typing **RM** in the **BEG Status Field** on the **BEGS** screen. When more than one month of overpayments are involved in a claim, look at the total amount to determine if the claim should be pursued.
- IHE overissuances under \$100 will be pursued through recoupment if the case is active, as well as all overissuances totalling \$100 or more.

AIMS

- AE claims amounting to less than \$100 - Do not initiate a claim on the FS overissuance even if the case is currently active.
- IHE claims amounting to less than \$100 - Do not initiate a claim if the case is closed. If the case is active, the overissuance can be recovered by recoupment. Initiate the claim using established procedures.

ACTION DUE

The waiver was approved effective July 1, 1995, for an indefinite period of time.

INQUIRIES

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

DHR Executive Staff
IMA Management Staff
Arnold Dixon