

DSS ADMINISTRATIVE LETTER NO. ECONOMIC SERVICES 10-2004, Food Stamp Mass Change for January 2005 (November 22, 2004)

(Food Stamps)

TO: County Directors of Social Services

ATTENTION: Food Stamp Supervisors

SUBJECT: Food Stamp Mass Change for January 2005

DATE: November 22, 2004

I. GENERAL INFORMATION

The purpose of this letter is to outline the procedures for handling the mass change in:

- A. Social Security payments (2.7% increase);**
- B. Supplemental Security Income (SSI) payments (2.7% increase); and**
- C. Medicare Part B premiums (\$11.60 increase from \$66.60 to \$78.20).**

On the night of December 31, 2004, FSIS will automatically update food stamp benefits effective January 2005 to reflect these changes.

The Division will provide laser-printed notices to all food stamp recipients affected by this change. These notices meet the federal requirements for a mass change. A copy of the notice is attached. The food stamp unit is entitled to a fair hearing only if benefits were improperly computed.

II. MASS CHANGE FOR RECIPIENTS OF SOCIAL SECURITY PAYMENTS, SSI, OR A COMBINATION OF SSI AND SOCIAL SECURITY PAYMENTS

FSIS recalculates the allotment by increasing the Social Security payment and/or SSI payment amount by 2.7%. The cents will be **dropped** from Social Security/SSI payments. For example, a payment of \$159.65 is rounded to \$159.00. This does not change current policy procedures used for rounding income.

FSIS will round all calculated amounts downward for the mass change but it is not necessary to manually correct the amounts immediately following the mass change. Take action to correct Social Security and SSI payment amounts at the next change in situation if needed.

If the Social Security benefit or Supplemental Security Income (SSI) payment amount is \$37.00 or less, the 2.7 percent increase will calculate to less than \$1.00. As a result, these cases will not receive an increase in the SSI and SSA benefit amount.

Transitional food stamp cases will not be included in the Mass Change.

Beginning January 2, 2005, the Benefit Processing Section will mail Report SLER700-01 titled "SSI/SSA Mass Change January 2005" and DSS-8590's to each county. The report indicates the case identification, the old and new food stamp allotments (without recoupment adjustments), and the old and new Social Security payment and/or SSI amounts. The report will also be available in XPTR. Various messages appear on the report depending on the type action that occurred. Keep in mind that Report SLER700-01 and the DSS-8590 may show different Social Security and SSI amounts due to FSIS rounding the calculated amounts downward.

A. Actions Taken Prior To January 1, 2005

Enter the **old** Social Security and SSI payment amounts. **Do not enter increased payments into FSIS prior to January 1, 2005.** If this is done, FSIS calculates the increase again resulting in erroneous benefits.

NOTE: If an individual is approved for SSA and/or SSI benefits effective December 2004 or later and you erroneously enter the new amount prior to January 1, 2005, issue a supplement to the client if applicable.

B. Actions Taken On Or After January 1, 2005

Complete a SLAW budget for December 2004 or earlier and use the old Social Security and SSI payment amounts. Issue prior months benefits via a DSS-8593 or through the TC9 process.

Enter the new Social Security and SSI payment amounts for food stamp benefits effective January 2005 or later.

C. Action On Eligible Cases

1. Counties will receive a DSS-8590 with an updated client record number for each case that remains eligible. The message on the DSS-8590 will read "Mass Change Update." These cases are listed on the SLER700-01 Report with no message.

2. File the DSS-8590. No further action is necessary.

D. Action On Ineligible Cases

1. Cases that become ineligible due to the mass change are suspended and appear on the SLER700-01 Report with the message "SUSPENDED" and the reason code. You will receive a turnaround DSS-8590 with an updated client record number for each case suspended.

2. Use the DSS-8590 to review the case. If the case is correct, close it **unless it is categorically eligible (CE)**. If CE, go to **E.** below.

3. Use the DSS-8639 to notify each terminated food stamp unit as soon as possible but no later than January 31, 2005. Indicate the reason the case was terminated effective January 1, 2005.

4. If the case was suspended in error, determine the correct Social Security and/or SSI payment amount. Key the DSS-8590 authorizing benefits for January 2005.

E. Action On Categorically Eligible Cases

1. Categorically eligible cases that are suspended appear on the SLER700-01 Report with the message "SUSPENDED" and the reason code. Counties will receive a turnaround DSS-8590 with an updated client record number for each case suspended.

2. Use the DSS-8590 to review the case. If a case is suspended correctly, **do not close the case.**

3. Use the DSS-8639, to notify each suspended food stamp unit as soon as possible but no later than January 31, 2005. Indicate the case was suspended effective January 1, 2005.

4. If the case was suspended in error, determine the correct Social Security and/or SSI payment amount. Key the DSS-8590 authorizing benefits for January 2005.

III. MASS CHANGE FOR RECIPIENTS WHO PAY THE MEDICARE PART B PREMIUM

FSIS automatically updates cases with medical expenses greater than zero in Field 56 of the DSS-8590 if:

A. A member in the case is coded 'B' in Field 80-D; **or**

B. A member in the case is coded 'D' in Field 80-D; **and**

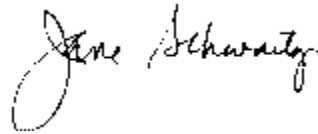
C. There is no member in the case with a medical expense coded 'O' in Field 80-D.
D. FSIS adds \$12.00 for each member coded 'B' or 'D' to the total medical

expense and recalculates the allotment. **Do not enter the increased premium into FSIS prior to January 1, 2005. If this is done, FSIS calculates the increase again resulting in erroneous benefits for January 2005.**

Review control listing entitled "Medicare Mass Change January 2005," and make changes to cases as appropriate.

If you have any questions, please contact your Food Assistance and Energy Programs Representative.

Sincerely,

A handwritten signature in black ink that reads "Jane Schwartz". The signature is written in a cursive style with a large initial "J".

Jane Schwartz, Chief

Economic Services Section

JS/dl

Attachment

[ES_AL-10-2004a](#)