

**DSS ADMINISTRATIVE LETTER NO. FOOD ASSISTANCE AND ENERGY  
PROGRAMS XX-2006  
(Food Stamps)**

**TO:** County Directors of Social Services

**ATTENTION:** Food Stamp Supervisors

**SUBJECT:** Social Security/Supplemental Security Income (SSI) Cost-of-Living Adjustment (COLA)

**DATE:** December 5, 2006

**I. GENERAL INFORMATION**

The purpose of this letter is to outline the procedures for handling the Social Security/Supplemental Security Income (SSI) Cost-of-Living Adjustment (COLA) mass change in:

- A. Social Security payments (3.3% increase);**
- B. Supplemental Security Income (SSI) payments (3.3% increase); and**
- C. Medicare Part B premiums (\$5.00 increase from \$88.50 to \$93.50).**

On the night of January 31, 2007, FSIS will automatically update food stamp benefits effective February 2007 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**

- A.** FSIS recalculates the allotment by increasing the Social Security payment and/or SSI payment amount by 3.3%. 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.

- B. If the Social Security benefit or Supplemental Security Income (SSI) payment amount is \$30.00 or less, the 3.3 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.
- C. Transitional food stamp cases will not be included in the Mass Change.
- D. SNAP cases will be updated to reflect the increased SSI amount but the allotment amount will remain the same.
- E. Beginning February 2, 2007, the Benefit Processing Section will produce Report SLER700-01 titled "SSA/SSI MEDICARE PREM MASS CHG FEB 2007". 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 be available in NCXPTR. 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.

### III. PROCEDURES FOR UPDATING INCREASED SSA/SSI PAYMENT AMOUNTS

#### A. Actions Taken Prior To February 1, 2007

Enter the **old** Social Security and SSI payment amounts. **Do not enter increased payments into FSIS prior to February 1, 2007.** 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 January 2007 or later and you erroneously enter the new amount prior to February 1, 2007, issue a supplement to the client if applicable.

#### B. Actions Taken On Or After February 1, 2007

Complete a SLAW budget for January 2007 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 February 2007 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 2007 SSA/SSI/MED PREM. MASS CHANGE.
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 DHRSLA172-02, SSA/SSI MASS CHANGE 2007-CASES SUSPENDED DUE TO EXCESS NET INCOME FEBRUARY 2007. You will receive a turnaround DSS-8590 with an updated client record number for each case suspended. The message on the DSS-8590 will read Suspended Due to Excess Income.
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, Effect of Mass Change/Food Stamp Allotment, to notify each terminated food stamp unit as soon as possible but no later than February 28, 2007. Indicate the reason the case was terminated effective February 1, 2007.
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 February 2007.

#### E. Action On Categorically Eligible Cases

1. Categorically eligible cases that are suspended appear on the DHRSLA 172-02, SSA/SSI MASS CHANGE 2007-CASES SUSPENDED DUE TO EXCESS NET INCOME FEBRUARY 2007 . 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, Effect of Mass Change/Food Stamp Allotment, to notify each suspended food stamp unit as soon as possible but no later than February 28, 2007. Indicate the case was suspended effective February 1, 2007.
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 February 2007.

#### IV. 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.

FSIS adds \$5.00 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 February 1, 2007. If this is done, FSIS calculates the increase again resulting in erroneous benefits for February 2007.**

Review control listing entitled SSA/SSI MEDICARE PREM MASS CHG FEB 2007, and make changes to cases as appropriate.

**V. MASS CHANGE FOR RECIPIENTS WITHOUT THE MEDICARE PART B PREMIUM.**

FSIS automatically updates cases without medical expenses greater than zero in Field 56 of the DSS-8590 if:

**A.** A member in the case is coded A , C , E , or G in Field 80-D.

Cases without medical expenses appear on the DHRSLA180-01, INDIV W/O PREM MASS CHG FEB 2007 . This report includes individuals that are not paying a Medicare premium and/or paying private health insurance.

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

Sincerely,

Jane Schwartz, Chief  
Economic Services

JS/vw  
Attachment

## **NOTICE TO FOOD STAMP RECIPIENTS**

Effective January 2007, there will be a 3.3% increase in Social Security and Supplemental Security Income (SSI) payments. In addition, the Medicare Part B premium will increase to \$93.50. This may affect your food stamp benefits effective February 2007.

### **YOU DO NOT HAVE TO REPORT THESE CHANGES TO YOUR CASEWORKER.**

These changes may cause a change in the amount of your food stamp benefits. If you have any questions about these changes, contact your local food stamp office.

You have the right to request a fair hearing if you do not believe your benefits were determined correctly when these changes were made.

### **HOW TO GET A HEARING**

You have the right to a fair hearing of your case if you do not agree with our decision. You can request a fair hearing by letting your local food stamp office or county department of social services know of your request. You may request the hearing in person, by telephone, or in writing. The hearing may be requested by any member of your food stamp unit or by your representative, including an attorney obtained at your own expense. Free legal advice may be available. Contact your nearest Legal Services Office.

You have 90 calendar days from the date this notice was mailed to ask for a hearing. Unless you ask for a hearing by this date, you cannot have one.