
POLICY TRANSMITTAL NO. 04-43	DATE: AUGUST 31, 2004
FAMILY SUPPORT SERVICES DIVISION	DEPARTMENT OF HUMAN SERVICES OFFICE OF PLANNING, POLICY & RESEARCH

TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

OAC 340:50-9-5.

EXPLANATION: OAC 340:50-9-5 Instructions to Staff are revised to: (1) allow food stamp benefits for annual reporting households to be reopened during the 13th month; (2) allow food stamp benefits for semi-annual reporting households to be reopened during the 7th month; (3) replace out-of-date terms; and (4) clarify existing language.

Original signed on 8-31-04

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WF # 04-08 (NAP)

INSTRUCTIONS FOR FILING MANUAL MATERIAL

OAC is the acronym for Oklahoma Administrative Code. If OAC appears before a number on an Appendix or before a Section in text, it means the Appendix or text contains rules or administrative law. Lengthy internal policies and procedures have the same Chapter number as the OAC Chapter to which they pertain following a “DHS” number, such as personnel policy at DHS:2-1 and personnel rules at OAC 340:2-1. The “340” is the Title number that designates DHS as the rulemaking agency; the “2” specifies the Chapter number; and the “1” specifies the Subchapter number.

The chronological order for filing manual material is: (1) OAC 340 by designated Chapter and Subchapter number; (2) if applicable, DHS numbered text for the designated Chapter and Subchapter; and (3) all OAC Appendices with the designated Chapter number. For example, the order for filing personnel policy is OAC 340:2-1, DHS:2-1, and OAC 340:2 Appendices behind all Chapter 2 manual material. Any questions or assistance with filing manual material will be addressed by contacting Policy Management Unit staff at (405) 521-3611.

REMOVE

340:50-9-5

INSERT

340:50-9-5, pages 1-9, revised 9-1-04

340:50-9-5. Changes after application and during the certification period

(a) **Applicant households.** Applicant households must report all changes related to their eligibility and benefits. Households must report changes, which occur after the interview but before date of the notice of eligibility, within ten days of the date of the notice. ■ 1

(b) **Certified households.** Those households assigned a certification period other than 12 months are required to report within ten days:

- (1) changes in sources of income;
- (2) changes in unearned income of \$50 per month or more;
- (3) changes in earned income of more than \$100 per month;
- (4) all changes in household composition, such as an addition or loss of a household member;
- (5) changes in residence and resulting changes in shelter costs;
- (6) the acquisition of licensed vehicles not fully excluded;
- (7) cash on hand, stocks, bonds, and money in bank checking or savings accounts or savings institutions, when the balance reaches or exceeds a total of \$2000; and
- (8) changes in the legal obligation to pay child support.

(c) **Change affecting food stamp benefit.** If a reported change affects the household's eligibility or food stamp benefit amount, the household is notified of the adjustment to be made and the effective date. The worker has ten days from the date the change is reported to take the necessary action. ■ 2

(d) **Follow-up.** The household is notified of the receipt of the change report by a computer-generated notice.

- (1) If the household fails to report a change within the ten-day period and, as a result, receives benefits to which it is not entitled, an overissuance is referred to the Family Support Services Division, Overpayment Section.
- (2) If the worker fails to take action on a reported change within the prescribed time limits and benefits are lost, they are restored to the household.

(e) **Changes which increase benefits.** Changes resulting in a benefit increase must be verified. The household is allowed ten days to verify the information.

(1) The change is made effective no later than the first issuance to be delivered ten days after the date the change was reported or verified, whichever is later.

(2) The worker issues a supplement when a change that increases benefits is reported too late to verify and make the change by regular roll deadlines.

(3) The household is allowed ten days to verify the information.

(4) If verification is provided timely, the supplement is issued by the tenth day following the date the change was reported, or the date the regular roll benefit is to be received, whichever is later.

(5) If the required verification is not provided within ten days but is provided at a later date, the supplement is issued within ten days of the date verification was provided, rather than from the date the change was reported.

(f) **Changes which decrease or terminate benefits.** A case is closed, **never** suspended, if a change in household circumstances causes a household to be ineligible for food stamp benefits. When a household's benefit level decreases or is terminated, an advance notice is required unless exempt from such a notice for a reason listed in (1) and (2) of this subsection. When an advance notice is required, the decrease or termination of the benefit is effective no later than the month following the month in which the advance notice period expired. ■ 3 When the change is reported less than ten days before the advance notice deadline, the action must be taken before advance notice deadline the following month. Advance notice is not required when:

(1) the Oklahoma Department of Human Services (OKDHS) receives a clear written statement signed by a responsible household member stating he or she no longer wishes food stamps or giving information which requires termination or reduction of food stamp benefits and stating that he or she understands the food stamp benefit will be reduced or terminated. The household retains its right to a fair hearing and to continue benefits if a fair hearing is requested within ten days of the change notice; and

(2) the reduction or termination of food stamp benefits is based on situations listed in (j) of this Section. ■ 4

(g) **Annual reporting households.** Non-public assistance (non-PA) households with all adult members elderly or disabled with no earned income are known as annual reporters. A 24-month certification period is automatically assigned. These households

are required to report within ten days those changes listed in (b) of this Section. ■ 5

(h) **Benefit review form for annual reporters.** Annual reporting households are sent a computer-generated review form in the 11th month of certification. ■ 6 The intent of this form is to allow the household's circumstances to be reviewed without requiring face-to-face contact.

- (1) The worker must act on any changes reported on the benefit review form.
- (2) If the reported changes result in a reduction or termination of benefits, an adequate advance notice must be sent.
- (3) If the household fails to provide sufficient information regarding a deductible expense, the benefits must not be terminated, but processed without regard to the deduction.
- (4) The annual review form must be completed and returned to the county office, along with all required verification, by the last day of the 12th month. ■ 7

(i) **Semi-annual reporting households.** A 12-month certification period is assigned to non-PA households who have countable earned income at certification unless the household contains a member who is an able-bodied adult without dependents and who is not meeting the work requirement or is not otherwise exempt. ■ 8 These households are only required to report changes which result in their gross monthly income exceeding 130 percent of the monthly poverty income guidelines for their household size. ■ 9 The worker must act on any changes reported by these households which would increase their benefits. Changes reported by the household which would result in a decrease in benefits are also acted upon by the worker. The system determines if the change results in a decrease in benefits. A decrease in the benefits will not occur unless the:

- (1) household has requested the case be closed; or
- (2) worker has information about the household's circumstances considered verified upon receipt. ■ 10

(j) **Benefit review form for semi-annual reporters.** Semi-annual reporting households are sent a computer-generated review form in the fifth month of certification. ■ 6

- (1) The worker must act on any changes reported on the benefit review form.

(2) If the reported changes result in a reduction or termination of benefits, an adequate advance notice must be sent.

(3) If the household fails to provide sufficient information regarding a deductible expense, the benefits must not be terminated, but processed without regard to the deduction.

(4) The semi-annual review form must be completed and returned to the county office, along with all required verification, by the last day of the sixth month. ■ 11 & 12

(k) **Notice of adverse action not required.** The situations listed in (1) - (8) of this subsection do not require a notice of adverse action.

(1) **Mass changes.** The individual notification requirement is waived when changes affecting the entire caseload or significant portions of the caseload are initiated because of changes or requirements in federal or state law. ■ 13 In these situations, the Family Support Services Division (FSSD) mails notices to the households informing them of the changes which are about to be made. ■ 14

(2) **Notice of death.** If the worker determines, based on reliable information, that all members of the household are deceased, notice of adverse action is not required.

(3) **Moved out of county.** Notice of adverse action is not required when the worker determines, based on reliable information, that the household has moved out of the county and that a transfer request has not been received.

(4) **Completion of restoration of lost benefits.** Notice of adverse action is not required if the household is previously notified in writing when restoration of lost benefits is completed and the household's food stamp benefit is reduced due to completion of restoration of lost benefits.

(5) **Variable food stamp benefit.** The household benefit amount varies from month to month within the certification period to take into account changes which were anticipated at the time of certification and the household was so notified at the time of certification.

(6) **Willful misrepresentation.** Notice of adverse action is not required if a person in the household is disqualified for willful misrepresentation. If there is more than one person in the household, the benefits of the remaining household members are reduced or terminated to reflect the disqualification of that household member.

(7) **Food stamp recoupment.** A notice of adverse action is not required if the household fails to make agreed upon cash or food stamp repayment of an overpayment.

(8) **Drug or alcohol treatment center or group home loses approved status.** If a household's eligibility is being terminated because the drug or alcohol treatment center or group home facility is no longer approved, an individual notice of adverse action is not required.

(l) **Action on changes when fair hearings are requested.** When a household requests a fair hearing within ten days of the date shown on the adverse action notice, the household may continue to receive food stamps.

INSTRUCTIONS TO STAFF

1. At the interview, the worker must give each household Form FSP-38, Changes in Household Circumstances. A change is considered reported the date the county office receives Form FSP-38 or is notified of the change by telephone or personal contact. In order to provide easier access, each local office must have a telephone number where collect calls are accepted. The phone number is provided on all notices such as those for certification, denial, and adverse action. The phone number is also shown on Form FSP-38.
2. When a change is reported, the worker determines if the change affects the household's eligibility or the food stamp benefit. The worker must document all reported changes in Family Assistance/Client Services (FACS) Case Notes. If the change was reported on Form FSP-38, the household must be provided with another Form FSP-38.
3. When a change is reported ten calendar days or more before the advance notice deadline, Oklahoma Department of Human Services (OKDHS) Appendix B-2, Deadlines for Case Actions, the action is taken in the same month the change is reported.
4. A notice of adverse action is computer-generated except when the reason for the change is death, code 01, or other, code 69. When code 69 is used, Form ABCDMS-37, Notice to Client of Action Taken, is hand issued by the worker.
5. The worker is responsible for determining which households are identified as annual reporters. The worker uses normal certification procedures. The computer recognizes the annual report status, automatically assigns a 24-month certification period, and identifies the household as an annual reporter

by entering an A in the reporter status field.

- 6. Food stamp benefit cases in reporter status are displayed on CWA Report 17, for tracking purposes, the month after Form FSS-BR-1 is sent to the client. Food stamp benefit cases are no longer displayed on CWA Report 17 when the benefit report action field is updated with C for complete. If the benefit report action field remains blank or is updated to I for incomplete, the case remains on the CWA Report 17 until the benefits close at negative action deadline.**
- 7. When Form FSS-BR-1, Benefit Review Report, is returned to the county office, the worker determines if the form is complete and all required verification is received, including verification of all income received in the month specified on Form FSS-BR-1.**

 - (1) If complete, the worker processes all changes, updates the benefit report action field with a C, and enters the date the action is shown as complete.
 - (2) If incomplete or lacking all required verification, the worker updates the benefit report action field with an I indicating an incomplete form, and enters the date action is taken.
 - (3) If Form FSS-BR-1 is not returned to the county office, the benefit report action field remains blank. When this field remains blank or shows an I at negative action deadline, the food stamp benefits are automatically closed the next effective date with reason code 36S.
 - (4) During the period between negative action deadline and the last day of the 13th month, the worker may reopen closed food stamp benefits when the completed Form FSS-BR-1 and/or required verifications are received. Any required changes are processed along with the action to reopen food stamp benefits using R in the action taken field and 18O in the reason code field. It is also necessary to update the F24/F25 fields for those persons included in the benefit household. In the event the completed Form FSS-BR-1 and/or required verifications are received in the 14th month or later, the household must re-apply. If the worker fails to take action in a timely manner and food stamp benefits subsequently close, normal re-opening processes using reason code 18A are used.
- 8. The worker is responsible for determining which households are identified as semi-annual reporters. The worker follows normal certification procedures. The computer recognizes the semi-annual status, automatically assigns a 12-**

month certification period, and identifies the household as a semi-annual reporter by entering S in the reporter status field.

9. The worker informs the client of his or her responsibility to report when the household's gross countable income is over 130 percent of the monthly poverty income guideline as shown in Oklahoma Department of Human Services (OKDHS) Appendix C-3, Maximum Coupon Allotments and Standards for Deductions, Maximum Income and Utilities. The client is instructed to calculate monthly gross income by totaling actual income received in each calendar month. Actual income is the income before any deductions are applied. At the time a calendar month's total gross income exceeds 130 percent of the monthly poverty income guideline, the household is required to report this change in ten calendar days. The worker uses normal adverse action processes to close the food stamp benefits.

10.(a) Verified upon receipt means that information is not questionable, and the provider is the primary source of the information, such as:

(1) Beneficiary and Earnings Data Exchange System (BENDEX), from the Social Security Administration (SSA). For example, a BENDEX data exchange message is received during a non-report month indicating a household member is approved for Social Security benefits. This income would result in a decrease in food stamp benefits. This information is considered verified upon receipt. Action must be taken by the next effective date using normal adverse action processes.

(2) Supplemental Security Income (SSI)/State Data Exchange System (SDX), from the SSA;

(3) Systematic Alien Verification for Entitlements (SAVE), from the United States Citizenship and Immigration Services (USCIS);

(4) Unemployment Insurance Benefits (UIB), from the Oklahoma Employment Security Commission (OESC);

(5) workers' compensation documents from Workers' Compensation Court;

(6) the household itself, when it reports changes in household composition. For example, the client reports a person has left the household which will result in a decrease in food stamp benefits. This information is considered verified upon receipt. Action must be taken by the next effective date using normal adverse action processes; and

(7) actions processed in the food stamp or other OKDHS programs, that affect food stamp expenses such as:

(A) a decrease in child care family share co-payment, which would result in a smaller dependent care deduction; or

(B) the determination of an intentional program violation.

(b) Examples of information that is NOT verified upon receipt are:

(1) Oklahoma Wage Link (OWC and OWL), quarterly wage match data;

(2) any wage data obtained from BENDEX; and

(3) New Hire List (NHL) matches. For example, an NHL data exchange message is received during a non-report month indicating a household member has started to work. This income would decrease the food stamp benefit; however, the information is NOT considered verified upon receipt. The action to decrease food stamp benefits is not taken as it is a non-report month.

11. When Form FSS-BR-1 is returned to the county office, the worker determines if the form is complete and has all required verification, including verification of all income received in the month specified on Form FSS-BR-1.

(1) If complete, the worker processes all changes, updates the benefit report action field with C, and enters the date action shown as complete.

(2) If incomplete or lacking all required verification, the worker updates the benefit report action field with I indicating an incomplete form, and enters the date action is taken.

(3) If Form FSS-BR-1 is not returned to the county office, the benefit report action field remains blank. When this field remains blank or shows I at negative action deadline, the case automatically closes the next effective date with reason code 36S.

12. During the period between negative action deadline and the last day of the seventh month, the worker may re-open closed food stamp benefits when the completed Form FSS-BR-1 and/or required verifications are received. Any required changes are processed along with the action to reopen food stamp benefits using R in the action taken field and 18O in the reason code field. It is

also necessary to update the F24/F25 fields for those persons included in the benefit household. In the event the completed Form FSS-BR-1 and/or required verifications are received in the eighth month or later, the household must re-apply. If the worker fails to take action in a timely manner and food stamp benefits subsequently close, normal re-opening processes using reason code 18A are used.

- 13.** Examples include changes in the maximum income limitation or basis of issuance tables and changes in Social Security or SSI benefits. Also included are changes in Temporary Assistance for Needy Families (TANF) and State Supplemental Payments.
- 14.** The Family Support Services Division may also make announcements through the news media so the general public as well as food stamp recipients notified of changes which are being made.