
POLICY TRANSMITTAL NO. 09-22	DATE: JUNE 2, 2009
FAMILY SUPPORT SERVICES DIVISION	DEPARTMENT OF HUMAN SERVICES OFFICE OF LEGISLATIVE RELATIONS AND POLICY

TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

OAC 340:50-9-5.

EXPLANATION: **Policy revisions were approved by the Commission and the Governor as required by the Administrative Procedures Act.**

OAC 340:50-9-5 is revised to: (1) change reporting requirements for annual reporter households to match semi-annual reporter requirements; (2) change the date that a benefit report form must be returned to the Oklahoma Department of Human Services (OKDHS) for semi-annual and annual reporters; (3) clarify able-bodied adult without dependents (ABAWD) reporting requirements for semi-annual reporters; (4) update language to current terminology; and (5) remove internal procedures from the rule.

Original signed on 4-15-09

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WF # 08-27 (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 an "OKDHS" number, such as personnel policy at OKDHS:2-1 and personnel rules at OAC 340:2-1. The "340" is the Title number that designates OKDHS 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, OKDHS 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, OKDHS: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 405-521-4326.

REMOVE

340:50-9-5

INSERT

340:50-9-5, pages 1-11, revised 6-1-09

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

Revised 6-1-09

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

(b) **Certified households.** Those households assigned a certification period other than 12 or 24 months are required to report within ten calendar days changes in:

- (1) sources of income;
- (2) unearned income of \$50 per month or more;
- (3) earned income of more than \$100 per month;
- (4) household composition, such as an addition or loss of a household member;
- (5) 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 \$2,000; and ■ 2
- (8) the legal obligation to pay child support.

(c) **Change affecting food benefit.** If a reported change affects the household's eligibility or food benefit amount, the household is notified of the adjustment to be made and the effective date. The worker has ten calendar days from the date the change is reported to take the necessary action. ■ 3

- (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 (FSSD) Benefit Integrity and Recovery 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.

(d) **Changes that increase benefits.** Changes resulting in a benefit increase must be verified. The household is allowed ten calendar days to verify the information. ■ 4

(e) **Changes which decrease or terminate benefits.** Food benefits are closed, **never** suspended, if a change in household circumstances causes a household to be ineligible for food 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. ■ 5 When the change is reported less than ten calendar days before the advance notice deadline, the action must be taken before advance notice deadline the following month. Advance notice is not required when the:

(1) 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 benefits or giving information which requires termination or reduction of food benefits and stating that he or she understands the food 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 calendar days of the change notice; and

(2) reduction or termination of food benefits is based on situations listed in (j) of this Section. ■ 6

(f) **Annual reporting households.** Food benefit households with all adult members elderly or disabled with no earned income are known as annual reporters. ■ 7 A 24-month certification period is automatically assigned. These households are only required to report changes that result in their gross monthly income exceeding 130 percent of the monthly poverty income guidelines for their household size. The worker must act on any changes reported by these households that increase their benefits. The worker also acts on changes reported by the household that result in a decrease in benefits. The system determines if the change results in a decrease in benefits. A decrease in benefits does not occur unless the:

(1) household has requested closure of the case; or

(2) worker has information about the household's circumstances considered verified upon receipt. ■ 8

(g) **Benefit review form for annual reporters.** Annual reporting households are sent computer-generated Form 08MP004E, Benefit Review Report, in the 11th month of

certification. ■ 9 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 Form 08MP004E.
- (2) If the reported changes result in a reduction or termination of benefits, an advance notice must be sent to the household.
- (3) If the household fails to provide sufficient information regarding a deductible expense, the benefits are not terminated, but processed without regard to the deduction.
- (4) Form 08MP004E must be completed and returned to the human services center (HSC), along with all required verification, by the last day of the 12th month of certification. ■ 10

(h) Semi-annual reporting households.

(1) A 12-month certification period is assigned to food benefit households at certification unless the household contains: ■ 11

(A) a member who is an able-bodied adult without dependents (ABAWD) who is not meeting the work requirement;

(B) an ABAWD who is not otherwise exempt; or

(C) all adult household members who are elderly or disabled with no earned income.

(2) These households are only required to report changes that result in their gross monthly income exceeding 130 percent of the monthly poverty income guidelines for their household size unless their household contains an ABAWD meeting the work rule per OAC 340:50-5-64(a). Households with an ABAWD who is meeting the work rule at certification must report if the hours decrease below an average of 20 per week or 80 per month. ■ 12 The worker must act on any changes reported by these households that increase their benefits. The worker also acts on changes reported by the household that result in a decrease in benefits. The system determines if the change results in a decrease in benefits. A decrease in benefits does not occur unless the:

(A) household has requested closure of the case; or

(B) worker has information about the household's circumstances considered verified upon receipt. ■ 8

(i) **Benefit review form for semi-annual reporters.** Semi-annual reporting households are sent a computer-generated Form 08MP004E in the fifth month of certification. ■ 9

(1) The worker must act on any changes reported on Form 08MP004E.

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

(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) Form 08MP004E must be completed and returned to the HSC, along with all required verification, by the last day of the sixth month of certification. ■ 13

(j) **Notice of adverse action not required.**

(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. ■ 14 In these situations, FSSD mails notices to the households informing them of the changes that are about to be made. ■ 15

(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 benefit is reduced due to completion of restoration of lost benefits.

(5) **Variable food benefit.** The household benefit amount varies from month to month within the certification period to take into account changes that 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 benefit recoupment.** A notice of adverse action is not required if the household fails to make agreed upon cash or food benefit 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.

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

INSTRUCTIONS TO STAFF 340:50-9-5

Revised 6-1-09

1. **At the interview, the worker must give each household Form 08FB038E, Changes in Household Circumstances. A change is considered reported the date the human services center (HSC) receives Form 08FB038E or is notified of the change by telephone or personal contact. In order to provide easier access, each HSC must have a telephone number where collect calls are accepted. The phone number is:**

(A) provided on all notices such as those for certification, denial, and adverse action; and

(B) shown on Form 08FB038E.

2. Resources are not verified for households considered categorically eligible to receive food benefits per OAC 340:50-11-111.

3. When a change is reported, the worker determines if the change affects the household's eligibility or the food benefit. The worker must document all

reported changes in Family Assistance/Client Services (FACS) Case Notes. If the change was reported on Form 08FB038E, the household must be provided with another Form 08FB038E.

4. When a change is reported:

(1) the change is made effective no later than the first issuance to be delivered ten calendar 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) if verification is provided timely, the supplement is issued by the tenth calendar day following the date the change was reported, or the date the regular roll benefit is to be received, whichever is later; and

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

5. 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.

6. 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 08MP038E, Notice to Client, is hand issued by the worker.

7. 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 A in the reporter status field.

8. (a) Verified upon receipt means that information is not questionable, and the provider is the primary source of the information. Action must be taken by the next effective date using normal adverse action processes. Types of information considered verified upon receipt include, but are not limited to:

(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 benefits and the information is considered verified upon receipt;

(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) information from 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 benefits. This information is considered verified upon receipt; and

(7) actions processed for food benefits or other OKDHS programs, that affect food benefit 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 benefit; however, the information is NOT considered verified upon receipt.

The action to decrease food benefits is not taken as it is a non-report month.

9. Food benefit cases in reporter status are displayed on CWA Report 17, for tracking purposes, the month after Form 08MP004E, Benefit Review Report, is sent to the client. Food 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.

10. When Form 08MP004E is returned to the HSC, the worker determines if the form is complete and all required verification is received.

(1) If complete, the worker processes all changes, updates the benefit report action field with 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 I indicating an incomplete form, and enters the date Form 08MP004E was received in the HSC.

(3) If Form 08MP004E is not returned to the HSC, the benefit report action field remains blank. When this field remains blank or shows an I at negative action deadline, the food 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 12th month, the worker may reopen closed food benefits when the completed Form 08MP004E and/or required verifications are received. Any required changes are processed along with the action to reopen food 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.

(5) In the event the completed Form 08MP004E and/or required verifications are received in the 13th month or later, the household must re-apply.

(6) If the worker fails to take action in a timely manner and food benefits subsequently close, normal reopening processes using reason code 18A are used.

11. 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.

12. (a) The worker is responsible for determining which households are identified as semi-annual reporters.

(1) The worker:

(A) 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 Food Benefit Allotments and Standards for Income and Deductions; and

(B) instructs the client to calculate monthly gross income by totaling actual income received in each calendar month. Actual income is the income before any deductions are applied.

(2) 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.

(3) The worker uses normal adverse action processes to close the food benefits.

(b) The worker informs able bodied adults without dependents (ABAWD) who are meeting the work rule at the time of certification to report if their work hours decrease below 20 hours per week, averaged to 80 hours per month. They are required to report this change within ten calendar days of the date of the change. See OAC 340:50-5-64 for information on ABAWD work requirements.

(1) When the client reports changes timely or untimely, the worker must review the client's prior ABAWD status to accurately determine if all food benefits for which the client is eligible have been received. This includes the initial first three 'free' months. If the worker determines the client is eligible for the initial three 'free' months, then food benefits continue. The worker completes a desk review during the third month prior to advance notice deadline to again review the client's ABAWD status.

(2) When the worker determines the client has received all food benefits for which he or she is eligible, the client is removed from the food benefit the next effective date. If the client is the only person in the food benefit household, the worker closes the benefits the next effective date.

13. (a) When Form 08MP004E is returned to the HSC, 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 08MP004E.

(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 08MP004E is not returned to the HSC, 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.

(b) During the period between negative action deadline and the last day of the sixth month, the worker may reopen closed food benefits when the completed Form 08MP004E and/or required verifications are received. Any required changes are processed along with the action to reopen food 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.

(c) In the event the completed Form 08MP004E and/or required verifications are received in the seventh month or later, the household must re-apply.

(d) If the worker fails to take action in a timely manner and food benefits subsequently close, normal reopening processes using reason code 18A are used.

14. Examples of mass changes include changes in:

(1) the maximum income limitation or basis of issuance tables;

(2) Social Security or SSI benefits; and

(3) Temporary Assistance for Needy Families (TANF) or State Supplemental Payments.

15. The Family Support Services Division may also make announcements through the news media so the general public as well as food benefit recipients are notified of changes which are being made.