



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance
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Field Operations Memo 2000-27
September 29, 2000

TO: Transitional Assistance Office Staff
FROM:  Joyce Sampson, Assistant Commissioner for Field Operations
RE: Food Stamp Program - 10/1/2000 Cost-of-Living Increases

Overview

State Letter 1194 issues policy revisions implementing the following cost-of-living changes in the Food Stamp Program, effective 10/1/2000:

Maximum Benefit Allotments - The maximum benefit levels for all assistance unit (AU) sizes have increased.

Gross, Net and 165 percent Income Eligibility Standards - The Gross, Net and 165 percent Income Eligibility Standards have increased.

Standard Utility Allowances (SUA) - The SUAs have increased:

- The heating standard utility allowance (SUA) increases to **\$349**.
- The nonheating SUA increases to **\$211**.
- The telephone SUA increases to **\$25**.

Shelter Deduction - The Shelter Deduction increases to **\$300**.

Standard Deduction - The Standard Deduction remains at **\$134**.

The Vehicle Fair Market Value Limit remains at \$4,650.

**Automatic Update
of Active Food
Stamp Cases**

All active food stamp AUs on the Recipient Masterfile as of the close of business on **09/26/2000** will be automatically reviewed and, if possible, updated for October issuance.

Report of Updated Cases

A report "**Food Stamp 10/2000 COLA Updated Cases**" will:

- be sent to Transitional Assistance Offices during the week of **09/25/2000**;
- list all AUs automatically updated;
- list the AU's old and new food stamp benefit amounts (as adjusted by the system);
- list the amount added to the 10/1/2000 issuance (benefits owed from 10/1/2000 to 10/2000 cyclical date); and
- be used for reference.

No action by Transitional Assistance Office Staff is necessary.

Recipient Notice

All AUs listed on the "**Food Stamp 10/2000 COLA Updated Cases**" report will be sent the following notices:

- an English/Spanish notice;
 - a multilingual notice that states, "Important! Please have this notice translated immediately."; and
 - a name and address card that gives the old and new food stamp benefit amounts and the additional amount owed, if any (from 10/1/2000 to their 10/2000 cyclical date).
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Closed Food Stamp Cases

Food stamp AUs owed additional benefits for the 10/2000 COLA and closed in October 2000 will be issued benefits in October 2000. These closed AUs will:

- have benefits dated and issued in mid-October 2000;
 - appear on the FSP-026 Issuance Register with a "V-18" code;
 - be listed on the "**10/2000 Food Stamp COLA Closed Cases**" printout (this printout will be sent to Transitional Assistance Offices in mid-October); and
 - be sent the same notification cards as active cases.
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When to Use Old Standards

AUs data-entered by the close of business on **09/26/2000** will have benefits calculated using the issuance standards and calculation method in place before the October 1, 2000 policy change.

When to Use New Standards

AUs data-entered on or after **09/27/2000** will have benefits calculated using the 10/1/2000 issuance standards.

Instructions for AUs Requiring Manual Review/Update

**Manual Review
Printout**

AUs that require manual review and/or update will appear on the **“Food Stamp 10/2000 COLA Cases Requiring Review”** report that will:

- be produced and sent to Transitional Assistance Offices during the week of **09/25/2000**;
- list AUs:
 - ♦ not updated by PACES due to either missing or inaccurate information; and
 - ♦ updated by PACES but whose utility code in Block 56 of the PID is 5; and
- identify by error code why an AU could not be automatically reviewed and/or updated.

Error Codes

The following error codes may appear on the **“Food Stamp 10/2000 COLA Cases Requiring Review”** report. In these situations, check for accuracy of information on file and, if necessary, complete a PID and/or a PACES Worksheet. Determine and issue retroactive benefits (i.e., prorated benefits), if eligible.

Code Explanation:

- 3 AU exceeds maximum allowable gross or net income standards or AU size is greater than 17.
- 5 AU's SUA is prorated or AU is sharing actual utility expenses.
- 6 PACES-calculated benefit does not equal the benefit amount on the Recipient Masterfile.
- 9 AU is active but at zero benefits.

**COLA Decrease
Report**

Recipients appearing on the **“10/1/2000 Decrease Report”** (produced and sent to Transitional Assistance Offices during the week of **09/25/2000**) have not been updated. The recalculation would result in a decrease of food stamp benefits. The decrease in benefits would not be due to the COLA. It may be the result of inaccurate income data currently on file. A manual review is needed for AUs on this report to make sure the income on PACES is correct.

Manual Review of AUs

To restore benefits to food stamp AUs which were not included in the 10/2000 automatic update:

- review each AU to correct any errors or resolve any SUA proration or shared actual utility issues; and
NOTE: PACES will recalculate the food stamp benefits and increase the AU's food stamp benefits on the next available start cycle using the 10/2000 COLA standards.
- manually determine and issue benefits owed to the AU back to 10/1/2000 using the instructions provided below.

Prorating

When food stamp benefits are owed to an AU back to October 1, 2000 as a result of COLA, the prorated amount is calculated as follows:

- Take the difference between the 9/2000 (old) and 10/2000 (new) monthly food stamp benefit amount and multiply by 12;
- Divide the product by 365;
- Multiply by the number of days from October 1 through the day **before** the October cyclical start date; and
- Drop all cents from the sum. This amount represents the prorated portion owed from 10/1/2000 to the 10/2000 cyclical start date.

Issuing Lost Benefits

To manually determine the total amount owed to the AU, add to the prorated amount the difference between the old and new monthly amount for each full month owed before the date the increase is effected.

Issue benefits owed to the AU using Blocks 60 and 61 on the PID.

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline at (617) 348-8478.
