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Executive Office of Health and Human Services
Department of Transitional Assistance
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Field Operations Memo 2007-37
August 1, 2007

To: Transitional Assistance Office Staff

From:  John Augeri, Assistant Commissioner for Field Operations

Re: TAFDC, EAEDC, FS and EA - Automating the Internal Revenue Service (IRS) Match Process

Overview

DTA has resumed the Internal Revenue Service (IRS) Match that identifies clients who received IRS 1099 forms with unearned interest income for tax year 2005. This income may not have been reported to DTA. In previous years, DTA and the IRS used a paper IRS Match process called a Client Information Profile (CIP). TAO staff were responsible to review information on the "CIP" and to take action on cases matched.

Effective April 6, 2007, the IRS Match was added to the Special Match functionality in the BEACON TAO Office Explorer window. Centralized Eligibility Operations (CEO) Special Match Unit staff is responsible for reviewing the IRS information in the BEACON TAO Office Explorer window and taking action on clients matched.

Purpose of Memo

This memo:

- informs TAO staff about the automated IRS Match process and a new CEO-Special Match view for processing the match information;
 - describes the CEO Special Match Unit's responsibilities for processing the IRS Match;
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**Purpose of
Memo
(continued)**

- instructs AU Managers on safeguarding confidential information relative to the IRS Match;
 - describes AU Managers' role in assisting clients with providing verifications to the CEO Special Match Unit; and
 - describes the TAO Appeals Liaison's responsibilities for appeal hearings.
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**CEO-Special
Match View
Information**

A new view in BEACON called the CEO-Special Match view has been created for the IRS Match and replaces the paper "CIP". The CEO-Special Match view is located in "TAO Office Explorer." **Only staff in the CEO Special Match Unit have access to this view due to safeguarding of information procedures required by the IRS to view the confidential information.**

The CEO-Special Match view lists clients in cases for whom unearned income source(s) were reported on a tax year 2005 IRS 1099 form. Subsequent matches will be looking at different tax years. Clients appearing on the view may be grantees or dependents in a case. There may be more than one instance of unearned income matched for the same client. Additionally, there may be more than one matched client in the same case identified in the CEO-Special Match view.

**CEO Special
Match Unit
Actions and
Responsibilities**

The CEO Special Match Unit will review the match information for each client listed and access the BEACON Client List window to determine if the matched client is currently receiving DTA benefits. If the matched client is currently receiving benefits, the Special Match Unit will evaluate the unearned income information reported in the IRS Match to determine if it was known to DTA.

If the income was known to DTA, the Special Match Unit will disposition the match in the CEO-Special Match view with "No Change." No further action is needed.

If the unearned income is not known to DTA, the Special Match Unit will determine if the income is countable for the DTA program(s) currently received by the client. If the unearned income information is needed to determine continued eligibility, the Special Match Unit will send a BEACON generated Unearned Income Match notice to the client requesting current verification(s) for the matched information.

**CEO Special
Match Unit
Actions and
Responsibilities
(continued)**

The notice will not appear in Document History.

Note: If the matched client is a dependent in the case, the Unearned Income Match notice will be sent to the case grantee.

Specifically, the Unearned Income Match notice:

- informs the grantee that DTA has received computer match information showing that the client has unearned income for which verification(s) is required;
- tells the grantee the information source (IRS Match) and type of unearned income reported, for example, interest income, dividend, proceeds from stocks and bonds, proceeds from real estate sales, etc;
- advises the grantee that the information may affect the case's continued eligibility or the amount of the benefits;
- informs the grantee of the verification(s) needed and the specific date by which to provide the requested verification(s) and
- gives the grantee the Special Match Unit address and fax number to send the requested verification(s):

**Special Match Unit
Department of Transitional Assistance
PO Box 9115
Boston, MA 02112-9115
FAX: 617-348-5479
Telephone:1-877-703-7186**

Following IRS safeguarding procedures, the Special Match Unit will set up special case records at CEO to secure the IRS Match information and requested verification(s).

If the grantee provides the requested verification(s) and the verification(s) is acceptable, the Special Match Unit will evaluate the verification(s) for the effect on the case(s) based on DTA program policies.

CEO Special Match Unit Actions and Responsibilities (continued)

The Special Match Unit will disposition the match using one of the following annotations:

- Close;
- Decrease;
- Deny;
- Increase; or
- No Change.

If the grantee fails to return the required verification(s) or other acceptable verification(s) within 30 days from the date of the Unearned Income Match notice, the Special Match Unit will close the cash case and/or Food Stamp case and note in the BEACON Narratives tab the reason for the case closing. The closing notice will appear in Document History.

EA Shelter Terminations Resulting from the IRS Match

If an EA case is attached to the cash and/or Food Stamp case and the EA family does not provide verification(s) asked for in the Unearned Income Match notice, at the end of the 30 day period the Special Match Unit will begin the process of terminating the EA temporary shelter benefits.

The Special Match Unit will:

- complete an NFL-9 notice as follows:

You did not provide verification of unearned income as requested in an Unearned Income Match letter sent to you on _____ (date of the Unearned Income Match letter.) 106CMR 309.020(I); 702.300; 702.311.

If you provide the requested verification by _____ (10 days from the date of the NFL-9) the Department will not terminate your Emergency Assistance Temporary Shelter benefits.

- send the NFL-9 notice and a copy of the notice to the grantee at the shelter address;
 - file a copy of the completed NFL-9 notice in the Special Match Unit secure case record;
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**EA Shelter
Terminations
Resulting from
the IRS Match
(continued)**

- send the AU Manager or Homeless Coordinator an e-mail notifying him or her of the pending termination of the family's temporary emergency shelter benefits, and "cc" the TAO Director and Assistant Director; and
- advise the AU Manager or Homeless Coordinator to update the EA Self-Sufficiency Plan with the grantee requiring him or her to call the Special Match Unit for further instructions to resolve the match before the shelter termination date specified on the NFL-9 notice.

If the grantee provides the verification(s) to the Special Match Unit before the shelter termination date, the Special Match Unit will notify the AU Manager or Homeless Coordinator by e-mail that the match has been resolved and "cc" the TAO Director and Assistant Director.

If the grantee does not provide the verification(s) and the shelter termination date expires, the Special Match Unit will notify the AU Manager or Homeless Coordinator by e-mail to proceed with terminating the family's shelter benefits and "cc" the TAO Director and Assistant Director.

The AU Manager or Homeless Coordinator must:

- call the family at the shelter and advise them that they must leave the shelter;
- call the Centralized Placement Unit and instruct them to check the family out of the shelter;
- update the Residential Facility window once the family has exited the shelter; and
- close the EA case in the BEACON AU Composition Results window with the Noncooperation reason: Failure to verify income and/or asset.

**AU Manager
Responsibilities**

Because of the extremely confidential nature of the IRS Match information, verifications received as a result of the IRS Match must not be filed in the case record or kept anywhere else at the TAO. Additionally, information received from the IRS Match process must not be used for any other purpose.

If the grantee brings the verification(s) to the TAO, while the grantee is still in the TAO, the AU Manager must:

- fax the verification(s) to the Special Match Unit;
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**AU Manager
Responsibilities
(continued)**

- give the original verification(s), the fax coversheet and the fax transmission report to the grantee for his or her records ; and
Note: The Special Match Unit will keep the faxed verification(s), including the fax coversheet and the fax transmission report in the secure case record in case of appeal.
- advise him or her to call the Special Match Unit at **1-877-703-7186** to ensure the verification(s) submitted is acceptable.

If the grantee brings the verification(s) to the TAO and does not stay to speak with the AU Manager, or submits the verification(s) to the AU Manager by mail, the AU Manager must immediately:

- fax the verification(s) to the Special Match Unit;
- attempt to contact the grantee by telephone to have him or her pick up the original verification(s), the fax coversheet and the fax transmission report the same day the verification(s) is received at the TAO, if possible.

If the AU Manager cannot contact the grantee or the grantee cannot pick up the documents the same day, the AU Manager must:

- complete a Receipt of Unearned Income Match Verifications form (Attachment A) and attach a Multilingual Card to the form; and
- mail the original verification(s), the fax coversheet and the fax transmission report to the grantee for his or her records, and include the Receipt of Unearned Income Match Verifications form and Multilingual Card in the envelope.

REMINDER: Verifications must **not** be filed in the case record or kept anywhere at the TAO.

Reopening a Closed Case

If the verification(s) is received by the Special Match Unit after the case has been closed, the Special Match Unit will notify the AU Manager by e-mail that the unearned income verification(s) was received and whether or not it is acceptable. Additionally, the Special Match Unit will make a notation in the BEACON Narratives tab.

- If the verification(s) is acceptable, the Special Match Unit will notify the AU Manager by e-mail and “cc” the TAO Director and Assistant Director to reopen the case(s), if otherwise eligible.
 - If the verification(s) is not acceptable, the Special Match Unit will notify the AU Manager by e-mail not to reopen the case(s) and “cc” the TAO Director and Assistant Director. When contacted by the client, the AU Manager must advise him or her to call the Special Match Unit for further instructions for resolving the match.
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TAO Appeals Liaison's Responsibilities

If a case is closed or EA temporary shelter benefits are terminated as a result of the IRS Match and the client files an appeal, the Division of Hearings will fax a notice of the scheduled appeal to the appropriate TAO. The TAO Appeals Liaison will represent DTA at the hearing.

Prior to the day of the hearing, the TAO Appeals Liaison will call the Special Match Unit and alert them of the date of the scheduled appeal hearing.

On the day of the hearing the TAO Appeals Liaison will call the Special Match Unit and request all relevant information be sent to the TAO for presentation at the hearing. He or she should review all documentation sent from the Special Match Unit and resolve any questions with a staff member of the Special Match Unit before the start of the hearing.

A staff member from the Special Match Unit will be available by telephone for the hearing. The TAO Appeals Liaison must call **1-877-703-7186** at the start of the hearing.

IMPORTANT: Immediately at the conclusion of the hearing, the TAO Appeals Liaison must mail **all** documents received from the Special Match Unit and any additional documents presented during the appeal to the Special Match Unit address given earlier in this memo.

Questions

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



Attachment A

Receipt of Unearned Income Match Verifications

Date _____

Dear _____,

You provided the enclosed verification(s) to the _____
TAO Name

Transitional Assistance Office in response to the Unearned Income Match Notice sent to you by the DTA Special Match Unit.

The verification(s) was faxed for you by this office to the DTA Special Match Unit.

It is important that you keep the verification(s), the fax coversheet and the fax transmission report for your records.

You should call the Special Match Unit at 1-877-703-7186 and speak with a DTA Special Match Unit staff member who will tell you if the verification(s) you provided is acceptable.