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**Operations Memo 2011-31**  
**July 6, 2011**

**To:** Department of Transitional Assistance Staff

**From:**  Stephanie Brown, Assistant Commissioner for Policy, Program and External Relations

**Re:** SNAP Annual Reporting Process

**Overview**

To streamline the SNAP recertification process, this Operations Memo introduces the Annual Reporting (AR) process for households currently receiving earned or unearned income or is homeless. Federal law allows for a certification of one year for households with earned or unearned income as long as there is an interim contact. The Annual Reporting process is essentially two consecutive semiannual reporting periods with an interim report required at the end of the first six month period. Changes reported on the Interim Report (IR) are to be acted upon in the remaining six months of certification, and no interview is required unless the information provided is questionable or contradictory to prior information reported by the household. The process will be introduced in two phases as follows:

- Phase One: conversion of all of active Universal Semiannual Reporting (USR) cases and cases with a pending release for Universal Semiannual Reporting, to Annual Reporting in July; and
- Phase Two: mailing of the first Interim Reports to Annual Reporting households in October.

**Note:** Details about the Interim Report process will be issued in a separate memo.

**Purpose of Memo**

This Operations Memo:

- advises staff of the change from the Universal Semiannual Reporting (USR) process to the AR process; and
- describes case manager responsibilities during the AR process.

## Annual Reporting Requirements

The requirements for AR are similar to the USR requirements in that any non-public assistance (NPA) household that reports the current receipt of earned or unearned income must be placed on AR with the following exceptions:

- the NPA SNAP household has a related TAFDC Monthly Reporting household;
- the NPA SNAP household has a related TAFDC Extension household;
- the NPA SNAP household is a TBA SNAP household;
- the NPA SNAP household contains a person who is SNAP Work Program Required;
- the NPA SNAP household contains a self-employed client; or
- all adult members of the SNAP household are elderly or disabled and have no earned income.

Homeless households with or without income (or a history of income) must be placed on AR.

In addition, households that currently have no earned or unearned income even if there was a past history of earnings or unearned income, must not be placed on AR, but are to be given a one-year certification in compliance with the current policy outlined in Field Operations Memo 2008-14: *Extending Food Stamp Certification Periods*.

Reported changes that are entered into BEACON, during the first six months of the certification and the six months after submission of the IR, either by the case manager or by batch jobs such as BENDEX, SDX and DEFRA will only affect the SNAP Benefit level if:

- the total gross income exceeds the household's eligibility income level or when someone enters the household causing the income to exceed the gross income limit, the household is terminated; or
- the calculation results in a benefit increase. The information used in the calculation is released and the increased benefit amount is paid to the client; or

**Note:** Certain mass changes, for example the SNAP COLA may result in a decrease within the AR period.

If the calculation results in a benefit decrease, the information used in the calculation is released, but the decreased benefit will not issue. The Department will continue to pay the current benefit for the remainder of the AR period.

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**Conversion of Existing Semiannual Reporting Cases and Case Manager Responsibilities**

Beginning on July 5, 2011, to implement AR, a data-fix will be run to change any case that had been assigned a reevaluation type of Universal Semi-Annual Reporting/Mail In (USR) to Annual Reporting (AR). All active USR cases and cases with a pending release for USR will be converted to AR. Although these households have been converted to AR, these households will be sent an annual report forty-five days before the end of the households' original **end certification date** (the USR end certification date).

**Annual Reporting Reevaluation Process**

Forty-five days before the end certification date, a pre-printed form called the Annual Report will be mailed to households with an AR Reevaluation Type. The AR form is pre-populated with household composition information, unearned income information, shelter and other expense information. The AR form includes appointment availability information, penalty warnings and serves as the Notice of Expiration for SNAP benefits.

The AR form also gives the client an apply-by date which is thirty days from the date the AR was sent. This is a USDA requirement. In addition, the AR form includes a return-by date, which is fifteen days from the date the AR is sent. Clients are encouraged to send their ARs by the return-by date to provide the case manager with sufficient time to process the case. Clients are instructed to annotate changes to household composition, income and expenses and return the AR form to the TAO.

The household will be automatically closed for Failure to Recertify (whether initiated or not) if, by the BEACON release date for the end reevaluation date:

- the AR form is not returned to the office; or
- the recertification has been initiated but the recertification process has not been completed; or
- the client has failed to return any missing mandatory verifications or has not completed an interview.

Upon receipt of the AR form, the case manager or designated staff must initiate a reevaluation on the Program Administration page.

**Note:** Once the initiated reevaluation is saved, predefined pages, including the Q & A Navigators are set to 'requires reedit', and predefined verifications are set to be re-verified.

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**Conversion of Existing Semiannual Reporting Cases and Case Manager Responsibilities (Continued)**

To process an AR, the case manager must:

- schedule a recertification appointment, either by telephone or face-to-face;
- complete the Reevaluation Workflow, including visiting all pages set to ‘requires reedit’, entering any changes in household composition, income, shelter expenses or other expenses, re- verifying any preset verifications, and verifying any changed information;
- issue a BEACON generated Verification-Checklist (VC-1) if the client did not provide all mandatory verifications;
- complete the data collection and verification processes before going to Interview Wrap-up;
- wrap-up the case by selecting the Reevaluation items on the Selection page including any other appropriate items; and
- calculate EBC results and authorize the request.

The case manager must set the reevaluation period to twelve months on the Updates tab in Interview Wrap-Up. If the reevaluation period is not set to twelve months, an edit that reads “For the entered Reevaluation start date, the Reevaluation end date must be (the actual end date will display)”. The case manager must enter that end date.

**Note:** Once the eligibility request is in a pending release status, the certification period and type cannot be changed. It is important that 30-day expedited households not be set to AR until day 2.

If the household has an associated TAFDC case that was put on Monthly Reporting after the Reevaluation type is determined to be AR, an edit that reads: “Monthly Reporters should not have a Food Stamp Reevaluation Type of Annual Reporting. Please change” will display.

Once the case has been wrapped up and authorized, a new EBC Annual Reporting recertification approval notice will be mailed out advising the client that the household will receive an Interim Report during the fifth month of the certification period and that it must be returned or benefits will be terminated. It will also advise the client to notify the Department if the total household gross income exceeds the income limit for the household size.

**Note:** The case manager will no longer be required to mail the manual *Universal Semi-annual Reporting (USR) Income Guidelines* form showing the gross income limit for household size because the new Annual Reporting Approval notice will display this information.

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**Conversion of Existing Semiannual Reporting Cases and Case Manager Responsibilities (Continued)**

**Changes Entered During Months 1-6**

Reported changes in household composition, income or expenses that are entered into BEACON during months 1 through 6 by either the case manager or by batch jobs such as BENDEX, SDX and DEFRA will recalculate the SNAP benefits as follows:

- if the total gross income exceeds the household's income limit or if an additional household member with income is added to the household, causing the total gross income to exceed the household's income limit, the household is terminated;
- if the calculation results in a benefit increase, the information used in the calculation is released and the increased benefit amount is paid to the client; or
- if the calculation results in a benefit decrease, the information used in the calculation is released, but the decreased benefit will not be issued. The Department will continue to pay the current benefit for the remainder of the AR period.

Effective with Build 44.3 deployed on July 5, 2011, any case processed by a case manager that would have normally been placed on USR, will be placed on AR. Once the case is wrapped-up, EBC Results automatically determines and defaults to the Reevaluation Type of Annual Reporting on the Updates tab in Interview Wrap-Up for households that meet the AR requirements criteria.

**IMPORTANT:** At recertification, case managers must switch non-homeless households with zero income that were automatically converted to AR to a reevaluation type of *Recertification*. These households were converted to AR because they were previously certified as USR. However, the appropriate recertification type for these households based on case circumstances is *Recertification*. Because of preset BEACON logic, the default recertification selection will be AR so the case manager **must deliberately** change this selection to *Recertification*.

**Changes Entered During Months 7-12**

Reported changes in household composition, income or expenses that are entered into BEACON during months 7-12 by either the case manager or by batch jobs such as BENDEX, SDX and DEFRA will recalculate the SNAP benefits as follows:

- if the total gross income exceeds the household's income limit or if an additional household member with income is added to the household, causing the total gross income to exceed the household's income limit, the household is terminated;
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- if the calculation results in a benefit increase. The information used in the calculation is released and the increased benefit amount is paid to the client; or
- if the calculation results in a benefit decrease. The information used in the calculation is released, but the decreased benefit will not issue. The Department will continue to pay the current benefit for the remainder of the AR period.

**Note:** The SNAP COLA may result in a decrease of benefits when the action releases.

A new pre-filled AR is mailed to the household 45 days before the end of the AR certification period and the recertification process begins again. At recertification, households that no longer qualify for AR, such as households who no longer have income or who become self-employed, should be taken off AR and assigned the appropriate certification type.

### **Notices**

New EBC notices were created to inform clients of their Annual Reporting certification type and that they are subject to an Interim Report which will be mailed five months into their AR cycle. The notices are as follows:

- an AR approval notice for new cases approved as AR;
- an AR recertification change notice following recertification with a change in benefit amount;
- an AR recertification no change notice following recertification with no change in benefit amount; and
- an AR reopen notice for cases that reopen and are set to AR.

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### **Questions**

If you have any questions please have your Hotline designee call the Policy Hotline.

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