

JANE SWIFT
Governor


Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance
600 Washington Street • Boston, MA 02111

WILLIAM D. O'LEARY
Secretary

CLAIRE MCINTIRE
Commissioner

Field Operations Memo 2001- 34
September 24, 2001

To: Transitional Assistance Office Staff

From:  Cescia Derderian, Acting Assistant Commissioner for Field Operations

Re: Food Stamp Program - 10/1/2001 Cost of Living Increases

Overview

State Letter 1209 issues policy revisions implementing the following cost-of-living changes in the Food Stamp Program, effective 10/1/2001:

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 **\$391**.
- The nonheating SUA increases to **\$237**.
- The telephone SUA increases to **\$28**.

Shelter Deduction - The maximum Shelter Deduction increases to **\$354**.

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

Homeless Shelter/Utility Deduction - The Homeless Shelter/Utility Deduction remains at **\$143**.

**Automatic
Update of Active
Food Stamp
AUs**

All active food stamp AUs on the Recipient Masterfile as of the close of business on **09/21/2001** will be automatically recalculated using the increased standards.

- Food stamp AUs with an increased food stamp benefit amount will be sent to FMCS. The newly calculated benefit amount will be displayed on the **Active by Grantee Name** view.
 - Food stamp AUs with unresolved Conversion Benefit Discrepancies will not have their increased food stamp benefit amount sent to FMCS. These AUs will appear on the **Interview Wrap-up, Pending Authorization** view.
 - Food stamp AUs with a decreased food stamp benefit amount will not be sent to FMCS. These AUs will appear on the **Interview Wrap-up, Pending Release** view.
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**Report of
Updated AUs**

A report "**Food Stamp 10/2001 COLA Updated Cases**" will:

- be available on ViewDirect during the week of **09/24/2001**;
- list all AUs automatically increased as a result of the COLA;
- list the AU's old and new food stamp benefit amounts (as adjusted by the system);
- list the amount added to the 10/1/2001 issuance (benefits owed from 10/1/2001 to 10/2001 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 10/2001 COLA Updated Cases**" report will be sent the following notices:

- an English/Spanish notice produced by Schrafft's (this notice cannot be viewed from Document History);
 - 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 10/1/2001 to their 10/2001 cyclical date).
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Closed Food Stamp AUs

Food stamp AUs owed additional benefits for the 10/2001 COLA and closed in October 2001 will be issued benefits in October 2001. These closed AUs will:

- have benefits dated and issued in mid-October 2001;
- be listed on the "10/2001 Food Stamp COLA Closed Cases" report (this report will be available on ViewDirect during the week of October 15); and
- be sent the same notification cards as active AUs.

When to Use New Standards

AUs data-entered on or after **09/24/2001** will have benefits calculated using the 10/1/2001 issuance standards.

Instructions for AUs with Unresolved Conversion Benefit Discrepancies or Decreased Food Stamp Benefit Amounts

Food stamp AUs with unresolved Conversion Benefit Discrepancies will not have their increased food stamp benefit amount sent to FMCS, and will appear on the **Interview Wrap-up, Pending Authorization** view.

AUs with Conversion Benefit Discrepancies

- AU Managers must resolve all discrepancies and manually calculate the retroactive benefit. *See Manually Prorating Retroactive Benefits and Issuing Lost Benefits, on Page 4.*

AUs with Decreased Food Stamp Benefit Amounts

- Food stamp AUs with a decreased food stamp benefit amount will not be sent to FMCS, and will appear on the **Interview Wrap-up, Pending Release** view.
- AU Managers must review each AU based upon release date and allow the decrease to be processed, if appropriate.

NOTE: If, after reviewing the AU, it is determined that the decrease is erroneous, take appropriate action.

**Manually
Prorating
Retroactive
Benefits**

When food stamp benefits are owed to an AU back to October 1, 2001 as a result of COLA, the prorated amount is calculated as follows:

- Take the difference between the 9/2001 (old) and 10/2001 (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 10/1/2001 to the 10/2001 cyclical start date.
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**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 the Related Benefits Window. See *Transitional Assistance Programs and BEACON, A User's Guide*: Chapter XVI, Section H, for procedures to issue these benefits.

Questions

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