DSS ADMINISTRATIVE LETTER NO. ECONOMIC AND FAMILY SERVICES 8-2008 (Food and Nutrition Services)

- TO: County Directors of Social Services
- **ATTENTION:** Food and Nutrition Services Managers & Supervisors
- SUBJECT: Social Security/Supplemental Security Income (SSI) Cost-of-Living Adjustment (COLA)

DATE: November 25, 2008

I. GENERAL INFORMATION

The purpose of this letter is to outline the procedures for handling the Social Security/Supplemental Security Income (SSI) Cost-of-Living Adjustment (COLA) mass change in:

A. Social Security payments (5.8% increase) and

B. Supplemental Security Income (SSI) payments (5.8% increase)

On the night of January 30, 2009, FSIS will automatically update Food and Nutrition Services benefits effective February 2009 to reflect these changes.

The Division will provide laser-printed notices to all Food and Nutrition Services recipients affected by this change. Spanish notices will be mailed to households that have indicated Spanish as their preferred language. These notices meet the federal requirements for a mass change. A copy of the English version is attached. Notice of adverse action is not needed. The Food and Nutrition Services unit is entitled to a fair hearing only if benefits were improperly computed.

II. MASS CHANGE FOR RECIPIENTS OF SOCIAL SECURITY PAYMENTS, SSI, OR A COMBINATION OF SSI AND SOCIAL SECURITY PAYMENTS

- A. FSIS recalculates the allotment by increasing the Social Security payment and/or SSI payment amount by 5.8%. The cents will be **dropped** from Social Security/SSI payments. For example, a payment of \$159.65 is rounded to \$159.00. This does not change current policy procedures used for rounding income.
- **B.** If the Social Security or SSI payment amount is \$17.00 or less, the 5.8 percent increase will calculate to less than \$1.00. As a result, these cases will not receive an increase in the SSI and SSA benefit amount.
- **C.** Transitional Food and Nutrition Services cases will not be included in the mass change.

- **D.** SNAP cases will be updated to reflect the increased SSI amount but the allotment amount will remain the same.
- E. Beginning February 5, 2009, the Benefit Processing Section will produce Report SLER700-01 titled "SSA/SSI MASS CHG FEB 2009". The report indicates the case identification, the old and new Food and Nutrition Services allotments (without recoupment adjustments), and the old and new Social Security payment and/or SSI amounts. The report will be available in NCXPTR. DSS-8590 forms will not be printed and mailed to the counties. Various messages appear on the report depending on the type action that occurred. Keep in mind that Report SLER700-01 and the DSS-8590 may show different Social Security and SSI amounts due to FSIS rounding the calculated amounts downward.

III. PROCEDURES FOR UPDATING INCREASED SSA/SSI PAYMENT AMOUNTS

A. Actions Taken Prior To February 1, 2009

Enter the **old** Social Security and SSI payment amounts. **Do not enter increased payments into FSIS prior to February 1, 2009.** If this is done, FSIS calculates the increase again resulting in erroneous benefits.

NOTE: If an individual is approved for SSA and/or SSI benefits effective January 2009 or later and you erroneously enter the new amount prior to February 1, 2009, issue a supplement to the client if applicable.

B. Actions Taken On Or After February 1, 2009

Complete a SLAW budget for January 2009 or earlier and use the old Social Security and SSI payment amounts. Issue prior months benefits via a DSS-8593 or through the TC9 process.

Enter the new Social Security and SSI payment amounts for Food and Nutrition Services benefits effective February 2009 or later.

C. Action On Eligible Cases

FSIS will round all calculated amounts downward for the mass change. Should an amount be incorrect due to rounding, it is not necessary to manually correct the amounts immediately following the mass change. Take action to correct Social Security and SSI payment amounts at the next recertification or change in situation, whichever is first.

D. Action On Ineligible Cases

 Cases that become ineligible due to the mass change are suspended and appear on the DHRSLA172-02, SSA/SSI MASS CHANGE 2009-CASES SUSPENDED DUE TO EXCESS NET INCOME FEBRUARY 2009.

- 2. Use the report DHRSLA172-02 to review the case. If the case is correct, close it **unless it is categorically eligible (CE)**. If CE, go to **E.** below.
- 3. If the case was suspended in error, determine the correct Social Security and/or SSI payment amount. Key the DSS-8590 authorizing benefits for February 2009.

E. Action On Categorically Eligible Cases

- Categorically eligible cases that are suspended appear on the DHRSLA 172-02, "SSA/SSI MASS CHANGE 2009-CASES SUSPENDED DUE TO EXCESS NET INCOME FEBRUARY 2009". DSS-8590 will **not** be printed for the cases that change.
- 2. Use the report DHRSLA 172-02 to review the case. If a case is suspended correctly, **do not close the case**.
- 3. If the case was suspended in error, determine the correct Social Security and/or SSI payment amount. Key the DSS-8590 authorizing benefits for February 2009.

If you have any questions, please contact your Food and Nutrition Services & Energy Programs Representative.

Sincerely,

Dean Simpson

Dean Simpson, Chief Economic and Family Services

DS/sd Attachment <u>EFS_FNS_AL-8-2008a</u>