

**DSS ADMINISTRATIVE LETTER NO. FOOD AND NUTRITION SERVICES & ENERGY
PROGRAMS 12-2011
(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: December 7, 2011.

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 (3.6% increase) and**
- B. Supplemental Security Income (SSI) payments (3.6% increase) and**
- C. Medicare Part B premiums (\$3.50 increase from \$96.40 to \$99.90).**

On the night of January 31, 2012, the Food Stamp Information System (FSIS) will automatically update Food and Nutrition Services benefits effective February 2012 to reflect these changes.

In January the Division will provide notices to all Food and Nutrition Services recipients affected by this change. The notice will be in English and Spanish. These notices meet the federal requirements for a mass change. A copy of the notice 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 3.6%. The cents will be **dropped** from Social Security/SSI payments. For example, a payment of \$159.65 will be \$159.00. This does not change current policy procedures used for rounding income.
- B.** If the Social Security or SSI payment amount is \$27.00 or less, the 3.6 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. In **February 2012**, the Division of Information Resource Management will produce report 'SLER700-01, SSI/SSA MASS CH'. 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. Counties will be notified once the report is available.

III. PROCEDURES FOR UPDATING INCREASED SSA/SSI PAYMENT AMOUNTS

A. Actions Taken Prior To February 1, 2012

Enter the **old** Social Security and SSI payment amounts. **Do not enter increased payments into FSIS prior to February 1, 2012.** 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 2012 or later and you erroneously enter the new amount prior to February 1, 2012, issue a supplement to the client if applicable.

B. Actions Taken On Or After February 1, 2012

Complete a SLAW budget for January 2012 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 2012 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

1. Cases that become ineligible due to the mass change are suspended and appear on the 'DHRSLA172-02, SUSPENDED CASES' report. The

report will be available in NCXPTR. Counties will be notified once the report is available.

2. Use the report DHRSLA172-02 to review the case. If the case is correct, close it.
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 2012.

IV. MASS CHANGE FOR RECIPIENTS WHO PAY THE MEDICARE PART B PREMIUM

FSIS automatically updates SSI/SSA payment amounts for cases with medical expenses greater than zero in Field 56 of the DSS-8590 if:

- A. A member in the case has a medical expense code of 'B' in Field 80-D; **or**
- B. A member in the case has a medical expense code of 'D' in Field 80-D.

FSIS adds \$3.50 for each member coded 'B' or 'D' to the total medical expense and recalculates the allotment. **Do not enter the increased premium into FSIS prior to February 1, 2012. If this is done, FSIS calculates the increase again resulting in erroneous benefits for February 2012.**

A report titled 'DHRSLA172-01-IW MEDCR' will be available in XPTR. Review and make changes to cases as appropriate. Counties will be notified once the report is available.

If you have any questions contact your Food and Nutrition Services & Energy Programs Regional Support Team directly via email.

Sincerely,



Dean Simpson, Chief
Economic and Family Services

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