

## CHANGE NOTICE FOR MANUAL

**DATE:** May 12, 2010  
**MANUAL:** Food and Nutrition Services Certification Manual  
**TO:** County Directors of Social Services  
**CHANGE NO.:** 2-2010  
**SUBJECT:** FNS Policy Corrections and New Policy

**EFFECTIVE DATE:** June 1, 2010

### I. BACKGROUND

The purpose of this change notice is to make corrections to the Food and Nutrition Services Certification Manual, and reflect policy changes implemented by Administrative Letters.

### II. SPECIFIC CHANGES

#### **Section 800, Requirements for Establishing Recipient Claims**

1. Updated to reflect the correct form number and name of the DSS-8650, Notice of Information Needed to Complete your FNS. Refer to Section 840 for policy regarding Front End Investigations.
2. Changed the EPICS referral type to "S" not "R" for Trafficking Referrals.
3. Changed to allow the Investigator to decide if an appointment is warranted before establishing a claim.
4. Added policy regarding review and approval of completed DSS-1682.
5. Removed duplication of rules regarding DSS-8230.
6. Added information about repayment agreements and DSS-8604.
7. Added policy regarding Prosecution Guidelines.
8. Added instructions to enter the claim and disqualification in EPICS.
9. Added clarification regarding recipients signing the DSS-8588.
10. Added clarification regarding who can be disqualified and debtors on claims.

#### **Section 805, Requirements for Establishing Recipient Claims**

1. Added references about Simplified Reporting effective August 1, 2009.
2. Added clarification regarding IPV disqualifications added during TFNS, and claims establishment during TFNS.

#### **Section 810, Administrative Error (AE) Claims**

1. Added clarification regarding AE claims and Fair Hearings.
2. Removed references to quarterly reporting.
3. Added clarification on client's reporting requirements.

4. Added clarification on ESC/UIB matches.
5. Added policy regarding calculating overpayments during the period of ARRA.
6. Added policy that TOP and DOR codes can only be changed by State office.
7. Added policy on Repayment Agreements that are not accepted by the county.
8. Added reference to use the DSS-8604 for Repayment Agreements.
9. Added clarification regarding TOP reviews.
10. Added instructions for claim compromise and un-compromise.
11. Added information regarding EPICS automatic claim termination.
12. Added clarification on claims with deceased debtors.
13. Added information required for claim deletion or closure.
14. Added instruction for claims retention.

#### **Section 815, Inadvertent Household Error (IHE) Claims**

1. Added clarification on client's reporting requirements.
2. Added clarification on determining the first month of overissuance.
3. Removed reference to quarterly reporting requirements.
4. Removed reference to the approval of the NC Claims Management Plan.
5. Corrected the name of the DSS-1682.
6. Added policy regarding calculating overpayments during the period of ARRA.
7. Added policy that TOP and DOR codes can only be changed by State office.
8. Added reference to use the DSS-8604 for Repayment Agreements.
9. Added policy on Repayment Agreements that are not accepted by the county.
10. Added instructions for claim compromise and un-compromise.
11. Added information regarding EPICS automatic claim termination.
12. Added clarification on claims with deceased debtors.
13. Added information required for claim deletion or closure.
14. Added instruction for claims retention.

#### **Section 820, Intentional Program Violation (IPV) Claims**

1. Added clarification of referral timeliness.
2. Added clarification on client's reporting requirements.
3. Added clarification on determining the first month of overissuance.

4. Added policy regarding calculating overpayments during the period of ARRA.
5. Added policy that TOP and DOR codes can only be changed by State office.
6. Added reference to use the DSS-8604 for Repayment Agreements.
7. Added policy on Repayment Agreements that are not accepted by the county.
8. Added policy on automatic recoupment when a household begins participating.
9. Added instructions for claim compromise and un-compromise.
10. Added clarification on claims with deceased debtors.
11. Added information required for claim deletion or closure.
12. Added instruction for claims retention.

#### **Section 825, Intentional Program Violation (IPV) Disqualifications**

1. Changed reference of Fraud to Intentional Program Violation.
2. Corrected the phone number for counties to contact with questions or problems with out of state disqualifications.
3. Added an example of a Disqualification Consent Agreement.
4. Added policy regarding the record retention of the method used to establish the disqualification.
5. Added policy regarding disqualifications and Simplified Reporting.

#### **Section 830, EBT Recipient and Retailer Fraud**

1. Changed instructions for counties to report suspected retailer fraud.
2. Removed reporting requirements and figure 830-1.

#### **Section 835, Report of Erroneous Issuance (DSS-1682)**

1. Remove figure 835-1.
2. Changed references to Food Stamps to Food and Nutrition Services.

#### **Section 840, Front End Referrals**

1. Replaced references to Food Stamps with Food and Nutrition Services.
2. Removed reference to DSS-8648 which has been eliminated.
3. Changed instructions for claim closure request.

#### **Section 845, Treasury Offset Program (TOP)**

1. Added the Food, Energy, and Conservation Act of 2008 as including instructions for TOP collection.
2. Added clarification that debtors are submitted to TOP, not claims.

3. Added clarification of repayment agreements and EPICS's automatic blocking and unblocking of TOP.
4. Removed reference to the 10-year limit for TOP that has been removed.
5. Removed reference to obsolete delinquency rules.
6. Added instructions for new delinquency rules.
7. Added instructions for new DSS-8604 and Repayment Approach Screens.
8. Added instructions to have debtors blocked from TOP.
9. Removed list of blocking codes.
10. Removed obsolete figures 845-2 and 845-3.
11. Added new form DSS-8606.
12. Added clarification regarding TOP reviews.
13. Replaced reference to Food Stamps with Food and Nutrition Services.
14. Added reference to new forms, DSS-8610, DSS-8609, DSS-8607, and DSS-8608.

#### **Section 850, NC Debt Setoff Collection (DOR) Procedures**

1. Replaced reference to Food Stamps with Food and Nutrition Services.
2. Removed reference to obsolete delinquency rules.
3. Added reference to new delinquency rules.
4. Removed reference to DOR blocking codes.
5. Added new policy that makes DOR blocking a State level function only.
6. Removed figures 850-1, 850-2, 850-3, and 850-4.

### **III. IMPLEMENTATION INSTRUCTIONS**

These changes are effective for all open referrals and/or unpaid claims as of June 1, 2010.

### **VI. INSTRUCTIONS FOR MAINTENANCE OF THE FOOD and NUTRITION SERVICES MANUAL**

**To maintain your current hard copy of the Food and Nutrition Services User's Manual:**

1. Go to the DSS On-Line Manuals Change Notice website at:  
<http://info.dhhs.state.nc.us/olm/manuals/dss/ei-30/chg/>
2. Click on Change No. 2-2010
3. Click on the attachment links at the bottom of the page to print the changed sections and attached documents.

4. Open the files using Adobe Acrobat Reader and print the pages. Insert or replace the appropriate pages in your current hard copy as indicated below.

Note: Adobe Reader may be downloaded for free at <http://www.adobe.com>

To update your current copy of the manual:

<b>Remove</b>			<b>Insert</b>	
<b>Section</b>	<b>Pages</b>		<b>Section</b>	<b>Pages</b>
800	All		800	1 - 6
805	1, 2 & 4, 5		805	1, 2 & 4, 5
810	All		810	1 - 13
815	All		815	1 - 21
820	1 - 3 & 6 - 22		820	1 - 3 & 6 - 27
825	All		825	1 - 7
	Figure 825-1		Figure 825-1	
830	All		830	1 - 2
835	All		835	1 - 2
840	All		840	1 - 2
845	All		845	1 - 8
850	All		850	1 - 6

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

Sincerely,



Dean Simpson, Chief  
Economic and Family Services Section

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