

## 2.2 FOOD STAMPS

Case maintenance and corrective procedures specific to the Food Stamp program are outlined in this Section.

### A. SOURCES OF INFORMATION

In addition to the sources listed in Section 2.1, the following are specific to the Food Stamp Program.

#### - Report Form, ES-FS-2

The ES-FS-2 serves 2 purposes. It provides the client with a means to report changes and serves as the 12-month review form for cases certified for more than 12 months, according to Section 1.4,N. The information in this Section (item A) applies when the form is used to report changes. Its use as a 12-month review form is described in item B below.

The ES-FS-2 is mailed with computer-generated notification letters.

When the Worker receives an ES-FS-2, he makes any appropriate changes in the data system. When the information is unclear or follow-up is needed, the Worker contacts the client before taking action. Another ES-FS-2 must be sent to clients who submit a completed ES-FS-2.

When the information provided on the ES-FS-2 results in a change in benefits, proper notification is sent. See Chapter 6. Along with this notification, the Worker requests additional verification needed, if any, and states that failure to provide verification will result in the increased benefits reverting to the original allotment.

When the household does not provide the required verification, the Worker takes the necessary action to change the benefits. Changes reverting to the original coupon allotment because of the client's failure to verify are subject to 13 days advance notice.

#### - Data System Printouts

See Chapter 3 for IEVS information.

All Food Stamp reports are found in MOBIUS.

B. REPORTING REQUIREMENTS

Reportable changes must be reported within 10 days of the date the change becomes known to the AG. Form ES-FS-2 is one means by which this may be done. See item A,1.

When a reported change results in a change in the income reporting requirements listed below, the client must receive a notice with instructions about the change in his income reporting requirement. This will be included on the change in benefit notice.

**EXAMPLE:** A WV WORKS AG receiving FS loses WV WORKS benefits due to earned income, but is still eligible for FS. With the WV WORKS closure notice, the AG is also informed that their income reporting requirement has changed from the requirement to report changes of reporting more than \$100 earned income and more than \$25 unearned income to only when gross earned and unearned income exceeds 130% FPL. The notice will state the correct 130% FPL amount for the AG size and the month the new reporting requirement is effective.

**EXCEPTION:** The AG is not required to report any mass changes in federal benefits, such as the yearly increase in RSDI or SSI benefits. RSDI/SSI increases are handled by the Department in accordance with instructions in Appendix B of this Chapter. All other federal benefit cost-of-living increases are treated as any other change, except that the client is not penalized for failure to report these mass changes.

**NOTE:** This exception does not apply to an individual change affecting the level of a client's benefits, only to mass changes.

Reportable AG's must report any change that could affect eligibility and benefit amount. These changes include, but are not limited to:

- Income:

Reporting requirements vary depending upon 2 factors; the presence of at least 1 WV WORKS recipient in the FS AG and the type of income, earned or unearned. The chart on the following page outlines these factors and lists the client's reporting requirements and the Worker's required action on reported income changes, including self-employment income, between redeterminations.

WV WORKS RECIPIENT IN FS AG	INCOME TYPE	REPORTING REQUIREMENTS	ACTION ON REPORTED CHANGES BETWEEN REDETERMINATIONS
No	Unearned Only	Earned - Within 10 days of knowledge of onset  Unearned - changes of more than \$25	All changes acted on notice depending on requirements
No	Earned, with or without unearned	When total gross earned and unearned income for the Income Group exceeds 130% FPL - by the 10 <sup>th</sup> of the month following the month in which the change occurs.	All changes acted on depending on notice requirements
Yes	Earned and/or unearned	Earned - More than \$100 Unearned - More than \$25	All changes acted on depending on notice requirements
Yes/No	None	Earned or Unearned - within 10 days of onset	All changes acted on depending on notice requirements

- Changes in AG composition;
- The AG moves or there is a change of address;
- A change in the amount of rent or utilities when the AG moves;
- A change in the amount of assets;
- Someone buys, sells or trades a vehicle;
- There is a change in a legal obligation to pay child support.

1. Timely Reporting And Follow-Up

To determine if a claim must be established or a lost benefit restored, a decision must be made as to whether or not a change was reported in a timely manner.

**NOTE:** When a client fails to report household expenses which would normally result in a deduction, the AG loses their entitlement to that deduction. They have a right to the expense once it is reported and verified, if necessary. Retroactive benefits are not issued.

Reported changes are effective the month following the month they are reported.

When the client does not report in a timely manner and the change could have been made earlier, a claim may be established. See Chapter 20.

Reportable changes must be reported within 10 days of the date the change becomes known to the AG. Benefits are not restored when the change which would have increased benefits is not reported within 10 days.

## 2. 12-Month Review of Eligibility

**NOTE:** The first cases affected by the 12-month review policy are those certified for more than 12 months beginning in October, 1996.

Cases with certification periods of more than 12 months must have a review completed by the end of the 12th month of eligibility. This review differs from the redetermination as follows:

- The 12-month review is accomplished by mail only; and
- No face-to-face interview is conducted; and
- Form ES-FS-2 is used, instead of form ES-2.

The data system automatically mails an ES-FS-2 to the affected cases. The form is mailed by the first day of the 12th month. It must be returned by the 10th day of the 12th month. The Worker must check the form after it is returned to determine if any changes are necessary. Changes reported on the ES-FS-2 are to be treated as changes reported during the certification period, not as changes reported during the completion of a redetermination, i.e., all adverse actions require 13 days advance notice.

The form is considered to be complete when all items that require a yes or no answer have one marked and appropriate detailed information is provided. Unless the client indicates on the form that the change is for one month only, the Worker must assume that the change is continuing. Verification is not requested on the ES-FS-2. If a change is reported that requires verification, it must be requested using form ES-6. Failure to provide requested verification results in case closure, after 13 days advance notice.

Failure to return a completed ES-FS-2 results in case closure, after advance notice.

When the ES-FS-2 is returned late, but is returned by the last day of the 12th month, no ES-2 is required for reapplication. Instead, the ES-FS-2 is used as the application form. Benefits are not prorated when the form is returned by the last day of the 12th month. The case must be scheduled for redetermination at the same time it would have been due had the form been returned on time.

When the ES-FS-2 is returned between the 1st day and the last day of the 13th month, no ES-2 is required for reapplication. Instead, the ES-FS-2 is used as the application form. Benefits for the 13th month must be prorated from the date the ES-FS-2 is received. The case must be scheduled for redetermination at the same time it would have been due had the form been returned on time.

When the ES-FS-2 is returned after the last day of the 13th month, full application procedures must be followed, including completion of the ES-2 and establishment of a new redetermination cycle.

C. AGENCY TIME LIMITS

The agency must act on reported changes effective with the next month's benefit, when advance notice requirements permit. Benefits must be restored to the client or repaid to the agency when changes cannot be made in a timely manner. See Chapter 20.

D. TYPES OF CHANGES

1. Change In Case Name

The case may be changed from one payee to another at the request of the individuals involved or when a change in circumstances requires it. This includes, but is not limited to, marriage, divorce, or when the payee leaves the home.

2. Change In Category Or Deprivation Factor

When the client becomes eligible for WV WORKS or SSI, Categorical Eligibility may apply. See Chapter 1.

When case circumstances change so that the AG becomes eligible for additional disregards or deductions, the Worker must make data system changes and determine if supplemental benefits are required. See Chapters 10 and 23.

3. Change In AG

The addition of an eligible individual to the AG is made effective the month after the change is reported. When the data system deadline has passed, benefits are restored for the month following the month in which the change was reported. When the addition results in a decrease in benefits, it is effective the month after the change is reported if there is time to issue advance notice. If not, the change is effective 2 months after it occurs, but no claim is established unless the client failed to report in a timely manner, and this is the reason the change could not be made within 13 days.

When the client does not report in a timely manner and the change could have been made earlier, the change must be made no later than the month after the expiration of the 13-day advance notice period.

4. Change In Income

When a client reports the loss of UCI income, the Worker must evaluate the circumstances to determine if the Food Stamp work penalty must be applied. The penalty is applied when the individual is exempt from Food Stamp work requirement due solely to the fact that the client was registered with BEP. Good cause for failure to comply with a BEP requirement includes all situations described in Section 13.3,C. These are the same as good cause for voluntarily quitting a job.

**NOTE:** When a reported change in income results in a \$0 benefit amount, the AG is closed after proper notice. This applies whether or not the AG is categorically eligible.

5. Change Of Address

A change of address is made in the data system as soon as the client reports it. Any other changes which the client reports, in addition to the address change, are also acted on at the same time, when notice requirements permit.

When the address change is reported after the deadline date, Food Stamps cannot be held. For instructions about returned Food Stamps, see Chapter 21.

The data system issues form ES-CG-CM-1 when properly coded. This form must be returned in 10 days and requests information about shelter/utility expenses and household composition. When the form is not returned timely, the Worker must contact the client for the information using an RFI or form ES-6. See Chapter 6.

#### 6. Continuation Of Benefits

When an WV WORKS or Medicaid AG, also certified for Food Stamps, is closed, and there is enough information to continue Food Stamps, the Food Stamps must continue with no interruption in benefits. It is expected most AG's will continue to be eligible.

A new OFS-2 is not required. See Chapter 1 for establishing the redetermination date.

When there is not enough information to continue Food Stamps, an ES-6 or verification checklist is sent to request the additional information needed. If the AG does not respond, notice for closure of the Food Stamp AG is sent. See Chapter 6.



The notification must state that the AG continues to be eligible for Food Stamps. See Chapter 6.

7. Selling Food Stamps

Complaints concerning a store trafficking FS, such as a retailer buying coupons for cash or selling ineligible items are referred by the Worker to the USDA FNS Charleston Field Office at (304) 347-5944.

Complaints concerning a recipient who is trafficking FS, must be referred to IFM by the Worker. See Section 20.2.

8. Food Stamps Returned To The County Office By The Client

**NOTE:** The following procedures are not intended to circumvent client notification procedures found in Chapter 6.

When Food Stamps are returned to the county office, the Worker determines if the amount is a full or a partial month's allotment. Unused Food Stamps may not be redeemed for cash.

Returned Food Stamps are forwarded to the Financial Clerk who disposes of them as follows.

- When a full month's allotment is returned, Form ES-FS-11 is completed and the Food Stamps returned to the State Office within 30 days.
- When a partial month's allotment is returned to repay an overissuance, a claim must be established. See Chapter 20.
- When a partial month's allotment is returned for some reason other than an overissuance, Form FNP-135 is completed and submitted to the Food Stamp Issuance Unit in OFS, along with the Food Stamps which were cancelled by the Financial Clerk.

9. Cost-Of-Living Increases In Federal Benefits

Recipients of federal benefits such as RSDI, SSI, Black Lung or VA Benefits may receive periodic cost-of-living increases (COLA's). RSDI/SSI increases are handled in accordance with instructions in Appendix B of this Chapter. All other federal benefit cost-of-living increases are treated as any other change, except that

the client is not required to report the change.

10. Change in Work Registration Status

When a change is reported that results in a previously exempt individual having to register for work, the Worker must take immediate action to register that person. The Worker is responsible for ensuring on an ongoing basis that the participation status of each recipient, mandatory or exempt, is correct in the system. See Chapters 13 and 23.

11. Change in Work Hours (ILC Only)

When an ABAWD reports a change in their work hours to less than 20 hours per week, the Worker must immediately determine if the client remains eligible. See Section 9.1,A.

E. CORRECTIVE PROCEDURES

1. Restoring Lost Benefits

**NOTE:** Restored benefits are used to offset existing claims prior to issuing any remainder to the client.

The agency must restore benefits which were lost due to:

- Errors made by the Department; or
- Action taken due to failure of the client to act responsibly when good cause is established later; or
- Through no fault of the Department or client, a sudden change in the client's circumstances that occurred and was reported in the last 10 days of the month, requires action to correct the allotment for the following month; or
- When an IPV disqualification penalty was established against an AG and was subsequently reversed.

**NOTE:** Lost benefits are not restored for the month in which the change occurred under any circumstances. If the client fails to report a change within 10 days of the date the change occurred, and the change would have

increased benefits, benefits are not restored. Action is taken based on the date the change is reported.

The client is notified of restored benefits by form ES-FS-6. This form is self-explanatory and must be mailed to the client with a copy of the ES-NL-B1. A copy is filed in the case record.

2. When Lost Benefits Are Not Restored

Lost benefits are not restored when:

- The client fails to take required actions without good cause.
- Benefits are lost due to the client's failure to provide correct and timely information.
- When the client requests restoration of lost benefits, but fails to provide documentation to verify the loss.

Benefits are not restored under any circumstances for periods of time in excess of those described in item 3 below.

3. Time Limits For Restoring Benefits

Benefits are not restored for more than twelve months prior to whichever of the following occurred first:

- The date the Worker received a request from the benefit group for restoration of benefits; or
- The date the Worker is notified or otherwise discovers that a loss has occurred; or
- The date any judicial action determines that benefits were wrongfully withheld as follows:
  - If the judicial action is the first action the recipient has taken to obtain restoration of lost benefits, benefits are restored for a period of not more than twelve months from the date court action is initiated.
  - If the judicial action is a review of the Department's action, benefits are restored for the period of not more than twelve months from the date the Department received a request for restoration. When no request for restoration was received, benefits are restored for not more than a period of twelve months from the date the Fair Hearing was requested by the client.

**NOTE:** Whether restoration of benefits was requested or not, benefits are not restored for more than a period of twelve months from the date the Department is notified of or discovered the loss.

Benefits are restored for a period not to exceed twelve months prior to the date of notification, which is determined as follows:

**N** If a member of the benefit group participated in the ADH and contested the Department's position, the date of notification is the date the ADH was held.

**N** When the Department's position was not contested at the ADH, the date of notification is the date the court decision is received.

**NOTE:** Benefits lost due to the imposition of the disqualification period are restored, not those lost due to repayment of the overpayment.

**EXAMPLE:** The client tells the Worker on July 14, 1995 that he believes his coupon allotment is incorrect due to failure of the Worker to allow the client a deduction for reported medical expenses. On August 10th, the Worker discovers that an error was made in the birthdate of one of the benefit group members when the case was approved, and a medical deduction should have been allowed since February, 1994. The Worker takes action to update the data system effective August, 1995. Benefits are restored for July, 1994 through July, 1995. Since the request for restored benefits was made in July, benefits can be restored for up to twelve months from June.

**EXAMPLE:** On May 1, 1992, a ADH was held. The individual accused of an IPV was present and denied charges made by the Department. The client was found guilty of having committed an IPV, and was removed from the benefit group effective June, 1992. On September 24, 1992, the disqualification was overturned by a court decision. The Department received the court's decision on October 15, 1992. Benefits can be restored up to twelve months prior to May, 1992, the date of the ADH. Benefits are restored to the date of the ADH since none were lost prior to that time. Since benefits were not actually lost until June, 1992, when the client was removed, benefits are restored for June, July, August, September and October.

**EXAMPLE:** On July 2, 1992, an ADH was held. No one from the Food Stamp benefit group was present to defend the accused member. The client was found guilty and removed from the benefit group effective August, 1992. On October 1, 1993 the Department is notified of the reversal of the disqualification. Benefits are restored for up to twelve months prior to October, 1993, so benefits are restored for October, 1992 (twelve months prior to October, 1993) through October, 1993 (the month the court decision was made).

#### 4. Corrective Actions To Restore Benefits

When the Worker determines the benefit group is

entitled to the restored benefits, he must:

- Take data system action to adjust the coupon allotment to the correct amount
- Identify the month(s) in which benefits have been lost
- Determine the amount of benefits to restore
- Offset lost benefits by the amount of any existing claim against the benefit group

**NOTE:** Initial allotments must not be used to offset a claim. See Chapter 1.

- Restore benefits within 30 days of the discovery.

**EXCEPTION:** When benefits are restored due to reversal of an IPV disqualification penalty, benefits must be restored within 45 days of the date of notification.

## 5. How Benefits Are Restored

Lost benefits are restored by issuing a one-time allotment to cover the amount of lost benefits.

However, the client may request that lost benefits be restored in monthly installments. The Worker determines if the request is reasonable.

When benefits must be restored to a benefit group and the composition has changed, benefits are issued to the benefit group containing a majority of the individuals who were in the benefit group at the time the loss occurred.

If the benefit group containing the majority cannot be located or otherwise determined, benefits are restored to the benefit group containing the person who was designated as the Head of Household at the time the loss occurred. If this person cannot be located, benefits are not restored.

## 6. Returned Benefits

The following process takes place when FS issued in the C-219 data system are returned to the State Office for any reason, except repayment for a claim:

- The FS are returned to the issuance inventory.
- The FS Issuance Unit enters the following information into the data system daily, by county, for each returned issuance:

- M Case number
- M Case name
- M Street address
- M Month of issuance

This information is obtained daily from the C-219 data system by the county and the list of returned FS is printed for use by the Worker. This daily list is only retained in the data system for approximately 24 hours.

- Upon receipt of the list, the Worker must do the following:
  - M Make a case recording of the FS return and the month of issuance.
  - M If appropriate, reissue the FS to the client, using a WEKR transaction. See Section 23.13.

**NOTE:** There is no time limit for a request by the client that returned FS be reissued. When no adverse action notice has been issued to inform the client that he is ineligible for the FS, the FS must be reissued.