

21.1 INTRODUCTION

This Chapter contains policies and procedures related to replacement of benefits by program.

When the client reports non-receipt, partial receipt, loss, theft or damage of the benefit, the Worker must determine if the benefit will be replaced.

21.2 FOOD STAMP PROGRAM

The following section covers the replacement of Food Stamps that are undelivered, damaged or destroyed, or when a partial allotment is received. This section also covers the replacement of destroyed food purchased with Food Stamps. When the benefit group is eligible to receive a replacement allotment, the allotment must be received as follows:

- Within ten (10) days after the client reports, if benefits were not sent by certified or registered mail, or
- Within fifteen (15) days after the client reports, if benefits were sent by certified or registered mail, or
- Within two (2) working days after the client returns the ES-FS-36, whichever is later.

A. WHEN FOOD STAMPS WILL BE REPLACED

1. Undelivered Food Stamps

Undelivered means the Food Stamps were mailed but never received by the client, or delivered then stolen from the mailbox.

Undelivered Food Stamps must be reported orally or in writing within the intended period of use. The intended period of use is the month for which the Food Stamps are issued or, for Food Stamps issued after the 25th of the month, twenty (20) days from the date of issuance.

NOTE: Food Stamp benefits deposited into an EBT account are not replaced. If the benefit file is successfully transmitted by RAPIDS, the EBT vendor must insure that the benefit goes into the account. Contact the EBT Unit when the benefit is not in the account. The only circumstance in which EBT Food Stamp benefits are replaced is item 5, Destroyed Food.

a. Replacement Procedures

The following procedures are used to replace undelivered Food Stamps.

- Inquire in RAPIDS on screen IQFS to determine if Food Stamps were issued.
- Check RAPIDS screen BIFR. If Food Stamps have been returned, correct the client's address if necessary, and use appropriate RAPIDS procedures to reissue the Food Stamps.
- If Food Stamps have not been received by the client or returned to the State Office after five (5) calendar days from the scheduled date of receipt, the client must sign form ES-FS-36 within ten (10) days of the report of undelivered Food Stamps.
- Complete and have the client sign form OFS-FS-10, Replacement of Undelivered Food Stamp Coupons Mailed From State Office. The form must be signed by a Supervisor; the original is filed in the case record and a copy is sent to the Food Stamp Issuance Unit.
- Use appropriate RAPIDS procedures to issue replacement Food Stamps.

b. Limits on Replacements

Replacement coupons will only be issued if all of the following conditions are met:

- The client reports the Food Stamps were stolen from the mail or lost in the mail in the period of intended use (See item a, above), and
- The AG requesting the replacement has not already been issued two countable replacements in the previous five (5) months, and
- The client completes and signs the ES-FS-36 within ten (10) days of reporting the loss.

There is, then, a limit of two countable replacements in any six-month period of time.

Only countable replacements are limited to two in a six-month period of time. All replacements are considered to be countable unless:

- The issuance is returned or otherwise recovered. Recovery procedures must be completed, not just initiated, in order to remove any issuance from the count of replacements issued.
- The replacement is being issued due to an agency issuance error.
- A specific Manual section states there is no limit or a different limit on the number of replacements for a particular reason for the loss.

c. Offset

Replacements of undelivered Food Stamps must not be used to offset a claim.

d. Denial of Replacement - Hearings

If the client is not eligible for a replacement or available documentation indicates the request for replacement may be fraudulent, the Worker/Supervisor must deny or delay the replacement. The client must be notified by ES-NL-B and is entitled to a Fair Hearing. A replacement is not issued pending the Fair Hearing decision.

e. Alternate Issuance

The client must be encouraged to make arrangements for safe receipt of benefits.

The client's address will be changed to the local office address under the following circumstances:

- After one report of non-receipt, the client may request alternate issuance, and the Worker must comply.

- After two reports (not replacements) of non-delivery or partial allotments in a six- month or shorter period, the Worker must use alternate issuance, until the client has made arrangements for safe receipt of benefits. This procedure is not subject to the Fair Hearing Process.

2. Damaged Food Stamps

a. Replacement Procedures

When a client returns damaged, misprinted or improperly manufactured coupons to the county office, he will be referred to the Financial Clerk who may authorize replacement of Food Stamps which are distinguishable.

The Financial Clerk is responsible for determining if the coupons are distinguishable and the appropriate amount to be replaced.

In cases of unreadable or mutilated coupons (damaged, misprinted or improperly manufactured), the client must present more than three-fifths of each coupon before replacement can be made. If the Financial Clerk is unable to determine the value of the coupons, the coupons are to be cancelled and sent to FNS. Only those distinguishable coupons are to be replaced.

No ES-FS-36 is required, but the loss must be reported within ten (10) days of receipt of the damaged books.

The Worker replaces the Food Stamps using appropriate RAPIDS procedures.

b. Limits on Replacements

There is no limit on the number of damaged coupon books that can be replaced as long as they were misprinted or improperly manufactured or damaged prior to receipt. Replacements of coupons damaged or mutilated after receipt are limited to two (2) in a six (6) month period.

c. Offset

Replacements of damaged Food Stamps must not be used to offset a claim.

3. Destroyed Food Stamps

Households may request a replacement for the portion of its allotment (not to exceed one month's allotment) which it had received, but which was subsequently destroyed in a household misfortune or disaster such as fire or flood as verified by a collateral contact.

a. Replacement Procedures

To qualify for a replacement, the AG must report the destruction to the county office within ten (10) days of the incident and complete and sign the ES-FS-36 within ten (10) days of reporting the loss.

The ES-FS-36 is forwarded to the Food Stamp Issuance Unit.

The Food Stamps are replaced using the appropriate RAPIDS procedure.

b. Limits on Replacements

Replacement is limited to two (2) times in six (6) months.

This limit is in addition to the limit described in Section 21.2,A,1,b.

c. Offset

Replacement of destroyed Food Stamps must not be used to offset claims.

4. Partial Allotment Received

NOTE: Food Stamp benefits deposited into an EBT account are not replaced. If the benefit file is successfully transmitted by RAPIDS, the EBT vendor must insure that the benefit goes into the account. Contact the EBT Unit when the benefit is not in the account. The only circumstance in which the EBT Food Stamp benefit is replaced is item 5, Destroyed Food.

a. Replacement Procedures

When the client reports that he received only a partial allotment, action taken depends upon the circumstances.

- If it appears the envelope was tampered with prior to receipt by the client, the procedure for undelivered Food Stamps is followed. Refer to Section 21.2,A,1,b.
- If it appears that the envelope may have been stuffed with a lesser amount than the client was eligible to receive, the Food Stamp Issuance Unit is contacted to determine the likelihood that this occurred. If it appears to the Worker and Supervisor, after consultation with the Issuance Unit, that it is likely the envelope was stuffed incorrectly, benefits are replaced using a WEKR transaction with issuance code 01. The client must report the loss within ten (10) days of receipt of the partial issuance and must complete and sign the ES-FS-36 within ten (10) days of the report.

b. Limits on Replacements

When the error is determined to be an issuance error, there is no limit on the number of issuances that may be replaced. Refer to Section 21.2,A,1,b.

c. Offset

Replacements for receipt of a partial allotment must not be used to offset a claim.

5. Destroyed Food

This is the only situation in which Food Stamp benefits issued by EBT are replaced.

a. Replacement Procedures

In cases when food purchased with Food Stamp benefits is destroyed in a household misfortune or disaster, the AG will be eligible for replacement of the actual value of the loss, not to exceed one month's allotment if:

- The loss is reported within ten (10) days of the incident; and
- The AG's misfortune or disaster is verified; and
- The ES-FS-36 is completed and signed within ten (10) days of the report of the loss.

The misfortune or disaster may be an individual household misfortune or disaster such as fire, as well as natural disasters affecting more than one household. The replacement must be received within two (2) days of the receipt of the completed and signed ES-FS-36.

The Worker replaces the value of the food using the appropriate RAPIDS procedure.

b. Limits on Replacement

There is no limit on the number of times the value of food lost in a misfortune or disaster may be replaced.

c. Offset

Replacements of destroyed food must not be used to offset claims.

6. Lost, Stolen, Damaged or Destroyed EBT Cards

The client may request a new card by contacting the EBT ARU, DHHR Customer Service Center, or the local office. All replacement cards are sent in active status, unless never previously activated. The following details the processes used when each is contacted. The processes for the DHHR Customer Service Center and the local offices differ because the DHHR Customer Service Center staff has the capability to inactivate a card.

a. EBT ARU

When the client requests a new card through the EBT ARU, the old card is inactivated, and, if the current address is in the EBT Administrative System, a new card is mailed to the client. When the client's current address is not in the EBT Administrative System, the card is inactivated, but a replacement

card is not mailed. The client is instructed by the ARU to contact his Worker to change his address. The client must contact the EBT ARU the day following the address change to request a new card.

b. DHHR Customer Service Center

When the client requests a new card through the DHHR Customer Service Center, the old card is inactivated in the EBT Administrative System and, if the current address is in the EBT Administrative System, a new card is mailed to the client.

When an address change is required, the card is inactivated in the EBT Administrative System, but a new card is not issued. The Worker must complete an address change in RAPIDS and request a replacement card on RAPIDS screen AIRQ.

NOTE: Inactivation of the card in the EBT Administrative System must take place immediately to prevent unauthorized use. Inactivation of the EBT card is effective immediately.

c. Local Office

When a client reports a lost, stolen or damaged card to the local office, he is referred to the EBT ARU. When a client reports an address change and requests a replacement EBT card, the address change is completed in RAPIDS and the client is referred to the ARU to immediately inactivate the card. The client must contact the ARU the following day to request a new card.

NOTE: Address changes in RAPIDS are received by the EBT vendor the following day. If a client's card has been already been inactivated or is not in danger of unauthorized use, i.e., damaged, the Worker may request a new card on RAPIDS screen AIRQ after the address change is made in RAPIDS.

If the client requests a replacement card at application or redetermination, the Worker must complete screen AIRQ to request a new card. This method is only used if the client's old card is not in danger of unauthorized use.

7. EBT PIN Changes

The payee or authorized cardholder may request a PIN change at any time. Replacement cards are issued with the same PIN, unless the individual requests a new one. A PIN-only change request must be made to the vendor's ARU.

B. WHEN FOOD STAMPS WILL NOT BE REPLACED

Replacement issuances are not provided in the following circumstances:

- When coupons are lost, stolen or misplaced after receipt.
- When coupons are totally destroyed after receipt in some way other than a household disaster or misfortune.
- When coupons sent by registered or certified mail are signed for by anyone residing with or visiting the AG's residence.
- When the issuance would normally be replaced but the AG has not signed the ES-FS-36 within ten (10) days of the date the client reports.
- When the client has already received the maximum number of countable replacements. See Section 21.2,A,1,b.
- When FNS has issued a disaster declaration and the AG is eligible for disaster Food Stamp benefits, the AG must not receive the disaster allotment and a replacement allotment.
- When the client does not report the benefit loss within the period of intended use or within ten (10) days of the specific incident.
- When benefits are issued into an EBT account, with the exception of food purchased with Food Stamp benefits destroyed in a household misfortune or disaster.