



Department of Human Resources
311 W. Saratoga St.
Baltimore, MD 21201-3521

FIA ACTION TRANSMITTA

Issuance Date: September 9, 1997

Effective Date: October 1, 1997

Control Number: FIA/OPR 98-12

**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS/ELIGIBILITY STAFF
FINANCE OFFICERS - LOCAL DEPARTMENTS**

**FROM: *Kevin Mahon*
KEVIN MAHON, EXECUTIVE DIRECTOR, FIA**

RE: TEMPORARY CASH ASSISTANCE (TCA), PAYMENT INCREASES

PROGRAMS AFFECTED: TEMPORARY CASH ASSISTANCE, FOOD STAMPS

ORIGINATING OFFICE: OFFICE OF POLICY AND RESEARCH

COMAR REFERENCE: TCA 07.03.03.14

SUMMARY:

This Action Transmittal confirms the October 1997 implementation of a 2.9 percent payment increase for Temporary Cash Assistance applicants and recipients. Senate Bill 778 (Welfare Innovation Act of 1996) requires that the total of Temporary Cash Assistance and Food Stamps be at least 61% of the established Minimum Living Level. The established Minimum Living Level for State Fiscal Year 1998 is \$1163 for a family of three. The key dates for actions related to the benefit increase for this program are noted below.

ACTION REQUIRED:

In CARES counties, the mass change will run September 12, 1997. Customer notices for increases or decreases will be generated at the time of mass change. All grant changes, the \$250 shelter cap for Food Stamps, and new recoupment amounts require no action by the case manager. The only exceptions are recoupment cases where the payment plan source is grant reduction (GR) or court order (CO). These cases must be updated manually. A report identifying these cases will be distributed September 15, 1997.

The key dates in AIMS counties for action related to the benefit increase for this program are:

September 16, 1997- Simulated Run/ S200's Produced

September 29, 1997- Final Date for AIMS Data Entry to Meet Payroll Cut-Off

I. TCA

A. Implementation of the 2.9% Payment Increase

1. Apply the increased payment amounts effective October 1, 1997. See Attachment A.
2. Cases in suspend status: special processing or adverse action for November will not be mass changed by AIMS. The Mass Change Exception Report identifies cases that will not be mass changed. The pre-simulated run scheduled for September 9, 1997 will generate that report.
3. In AIMS jurisdictions, the pre-simulated mass change run scheduled for September 9, 1997 will produce an S-920 report, which will identify those cases that were not mass changed and need to be handled by local department staff.
4. Use the new payment amounts for financial eligibility decisions that are made in September for October grants. This includes reconsiderations, interim changes, and recoupment cases.

NOTE: Do not process cases on AIMS after the close of business on September 29, 1997 except emergency OTO's. Case level transactions processed on September 29, 1997 will reflect October 1, 1997 standards. OTO's processed on September 30, 1997 will reflect the correct transaction date, but will be system edited based on the new benefit limits. Ensure that OTO's for September issued on September 30th use the old standards.

B. Impact on Recoupment in TCA

The recoupment amount for all household sizes with the exception of one person households will increase October 1, 1997 due to the grant increase. The three major responsibilities of the local department in the recoupment portion of the mass change are:

1. Review the TCA recoupment caseload to be sure it is ready for the mass change.
2. Send notices (Form 733RC) to all households listed above undergoing recoupment.

3. Compare October's S-300 with the 733RC's that were sent in September to be sure the amounts agree.

These three responsibilities are explained in greater detail below:

4. Review of S-300 for Recoupment Amount Accuracy

The local department should review its latest S-300 report (preferably September's report) to ensure that the amount being deducted for all TCA cases in recoupment corresponds to the new Schedule R amounts. The local department should change any incorrect amounts by September 24, 1997 to allow for adverse action.

Check recoupment cases for Repayment Status Code (see Code Table 17 in AIMS Procedures Manual). Convert any "W" Code Cases (where recoupment is worker-generated) to Code "A" (recoupment automatically calculated by AIMS) unless there is good reason to keep the case in "W" status. The steps needed to change a "W" to "A" Code are:

- a. Complete the AIMS 2 for PA cases;
- b. Use transaction type ACHG;
- c. Enter "B" in suppress notice;
- d. Enter "A" in repay status
- e. Enter zeros in monthly repay amount; and
- f. Enter "N" in financial screen required.

Make all necessary changes prior to the simulated mass change scheduled for September 16, 1997. When the simulated mass change is run, notices will be sent to the customers informing them of the October 1, 1997 increase and showing the benefit calculations including recoupment amounts.

NOTE: If there is a change in the calculation when the repayment status is changed from "W" to "A", the mass change letter will be incorrect if the change is done after the simulated mass change. Make all changes prior to the September 16, 1997 simulated run.

5. Customer Notification - DHR/IMA 733RC

Send all cases undergoing a recoupment change in Temporary Cash Assistance (TCA) a DHR/IMA 733RC "Notice of Change in Recoupment Amount." Local Departments must prepare and mail these notices to the customer at least five days before the new recoupment amount takes effect, i.e. September 24, 1997. AIMS cannot generate individual notices of recalculation. Use the AIMS S-300 report as a guide in preparing the notices.

Local departments should have a sufficient supply of the 733RC in stock. If more are required, please order through normal channels. Check boxes 1, 5 and 6 on the form and provide the appropriate information. The change is effective October 1, 1997.

Follow the procedures listed below for cases with a "W" code that were affected by the mass change:

- a. Using the AIMS S-300 report (preferably the September report, since the October report will not be run until early October), select those cases where the recoupment amount will continue into October 1997 or beyond.
- b. By September 16, 1997 prepare and mail to each of the customers identified in "a" above a completed 733RC. Keep a copy of this 733RC in the case record for follow-up.

6. Reconciling October S-300 Report with 733RC's Mailed

To determine whether 733RC notices mailed to recipients by the local department in September agree with the amount actually recouped in October, compare the copy of the 733RC retained by the local department with the S-300 Report for October 1, 1997. If there is any discrepancy between the S-300 and the 733RC for a particular case, prepare and send an amended 733RC (if the first 733RC was incorrect) or change the recoupment amount with an AIMS 2 (if the S-300 is wrong).

C. AIMS-Generated S-200 Letters Announcing October Grant Increase

AIMS will automatically print and mail an S-200 announcing the October grant increase to all TCA recipients. These letters will be printed as part of the simulated mass change on September 16, 1997. The letters will carry a notice similar to the following:

"Your grant is being changed because of an increase in Public Assistance. Your Food Stamp benefit will be reduced/closed because of a receipt/increase of public assistance benefits."

TCA recipients who are undergoing recoupment as of September 1997 will also have a notice printed on their S-200 similar to the following:

"Since the maximum allowable TCA payments have increased, recoupment amounts have also increased. This recoupment increase is not due to a new overpayment. It is simply a higher monthly repayment of an overpayment about which you were already informed."

II. FOOD STAMP PROGRAM

A. The Food Stamp program excess shelter cap remains at \$250. However, many food stamp allotment amounts will be reduced as a result of the increase in PA grants.

On September 17, 1997, AIMS will automatically print and mail an adverse action notice to recipients whose benefits are affected by the mass change.

B. AIMS Food Stamp Processing Grant Increases

1. Type A Households (Single PA/FS):

AIMS will process the increased TCA benefits as increased FS income for all these cases and will issue an appropriate notice.

2. Type B Households (Multiple PA/FS) and Type E Households (Mixed PA and NPA/FS):

AIMS will process the correct benefit only in those cases where the FS case number is the same as the PA case number and all associated cases have been manually updated by the worker on the AIMS 2/3C. AIMS cannot automatically take into account the increased grant for any associated cases.

3. For all associated cases, where the PA assistance unit does not have the same number as the FS household, the case manager must provide AIMS with the increased grant information prior to the simulated mass change that is scheduled for September 16, 1997. This will ensure that the notices sent to the FS household would be correct.

C. Impact on Recoupment in Food Stamps

1. All food stamp cases changed as a result of a PA change will have the recoupment amounts automatically adjusted with the October mass change. Case manager – determined recoupment amounts will remain unchanged. It will therefore be necessary to manually adjust these recoupment amounts by September 16, 1997.

2. Case manager – determined recoupment cases are indicated on the S-300 reports by the Code "W" under Repayment Status – FS. Only in agency error or fraud cases or where the customer has signed an agreement to repay an amount greater than the standard amount should the recoupment amount be worker determined. System calculate other cases since a flat percentage is used an every attempt should be made to change to automated recoupment. This will significantly reduce the number of manual recoupment adjustments required in each local department.

III. ATTACHMENTS AND INSTRUCTIONS

- A. Insert the attached Section 500, page 1 in the Food Stamp Manual.
- B. The FIP Schedule, Schedule R and Schedule X have been attached for your information.

ACTION DUE DATE: October 1, 1997.

Direct inquiries to Yolanda Parker at (410) 767-7259.

cc: FIA Management Staff
Constituent Services
DHR Executive Staff
DHMH Executive Staff

CTF
Help Desk

.14 FIP Schedule

MONTHLY ALLOWABLE AMOUNTS TO BE PAID

| Number of persons in the assistance unit | Grant Amount | 50% Poverty Level |
|---|--------------|-------------------|
| 1 | \$172 | \$329 |
| 2 | 304 | 443 |
| 3 | 388 | 556 |
| 4 | 468 | 669 |
| 5 | 542 | 783 |
| 6 | 596 | 896 |
| 7 | 671 | 1009 |
| 8 | 738 | 1123 |
| 9 | 797 | 1236 |
| 10 | 859 | 1349 |
| 11 | 922 | 1463 |
| 12 | 984 | 1576 |
| 13 | 1045 | 1689 |
| 14 | 1106 | 1803 |
| 15 | 1169 | 1916 |
| 16 | 1245 | 2029 |
| Each person over 16 | Add \$63 | Add \$62 |

SCHEDULE - R

Effective: October 1, 1997

| A | B | C | D |
|-------------------------------------|-------------------|-------------------------------------|-------------------------------------|
| Family Size | Allowable Payment | 90 % | Available Recoupment |
| 1 | \$172 | \$155 | \$17 |
| 2 | 304 | 274 | 30 |
| 3 | 388 | 349 | 39 |
| 4 | 468 | 421 | 47 |
| 5 | 542 | 488 | 54 |
| 6 | 596 | 536 | 60 |
| 7 | 671 | 604 | 67 |
| 8 | 738 | 664 | 74 |
| 9 | 797 | 717 | 80 |
| 10 | 859 | 773 | 86 |
| 11 | 922 | 830 | 92 |
| 12 | 984 | 886 | 98 |
| 13 | 1,045 | 941 | 104 |
| 14 | 1,106 | 995 | 111 |
| 15 | 1,169 | 1,052 | 117 |
| 16 | \$1,245 | \$1,121 | \$124 |
| Each Person More Than 16 | Add \$ 63 | Calculate 90% of Col.- B | Calculate 10% of Col.- B |

NOTE: When a family receiving Food Stamps is also subject to recoupment, a "double" adjustment applies to the determination of income to be used in the Food Stamp computation.

TEMPORARY CASH ASSISTANCE
COMAR
07.03.03.13
SCHEDULES and TABLES
SCHEDULE - X

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|----|---------|-------|-------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1 | \$172 | 166 | 161 | 155 | 149 | 143 | 138 | 132 | 126 | 120 | 115 | 109 | 103 | 97 | 92 |
| 2 | \$304 | 294 | 284 | 274 | 263 | 253 | 243 | 233 | 223 | 213 | 203 | 193 | 182 | 172 | 162 |
| 3 | \$388 | 375 | 362 | 349 | 336 | 323 | 310 | 297 | 285 | 272 | 259 | 246 | 233 | 220 | 207 |
| 4 | \$468 | 452 | 437 | 421 | 406 | 390 | 374 | 359 | 343 | 328 | 312 | 296 | 281 | 265 | 250 |
| 5 | \$542 | 524 | 506 | 488 | 470 | 452 | 434 | 416 | 397 | 379 | 361 | 343 | 325 | 307 | 289 |
| 6 | \$596 | 576 | 556 | 536 | 517 | 497 | 477 | 457 | 437 | 417 | 397 | 377 | 358 | 338 | 318 |
| 7 | \$671 | 649 | 626 | 604 | 582 | 559 | 537 | 514 | 492 | 470 | 447 | 425 | 403 | 380 | 358 |
| 8 | \$738 | 713 | 689 | 664 | 640 | 615 | 590 | 566 | 541 | 517 | 492 | 467 | 443 | 418 | 394 |
| 9 | \$797 | 770 | 744 | 717 | 691 | 664 | 638 | 611 | 584 | 558 | 531 | 505 | 478 | 452 | 425 |
| 10 | \$859 | 830 | 802 | 773 | 744 | 716 | 687 | 659 | 630 | 601 | 573 | 544 | 515 | 487 | 458 |
| 11 | \$922 | 891 | 861 | 830 | 799 | 768 | 738 | 707 | 676 | 645 | 615 | 584 | 553 | 522 | 492 |
| 12 | \$984 | 951 | 918 | 886 | 853 | 820 | 787 | 754 | 722 | 689 | 656 | 623 | 590 | 558 | 525 |
| 13 | \$1,045 | 1,010 | 975 | 941 | 906 | 871 | 836 | 801 | 766 | 732 | 697 | 662 | 627 | 592 | 557 |
| 14 | \$1,106 | 1,069 | 1,032 | 995 | 959 | 922 | 885 | 848 | 811 | 774 | 737 | 700 | 664 | 627 | 590 |
| 15 | \$1,169 | 1,130 | 1,091 | 1,052 | 1,013 | 974 | 935 | 896 | 857 | 818 | 779 | 740 | 701 | 662 | 623 |
| 16 | \$1,245 | 1,204 | 1,162 | 1,121 | 1,079 | 1,038 | 996 | 955 | 913 | 872 | 830 | 789 | 747 | 706 | 664 |

| | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 |
|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----|----|
| 1 | 86 | 80 | 75 | 69 | 63 | 57 | 52 | 46 | 40 | 34 | 29 | 23 | 17 | 11 | 6 |
| 2 | 152 | 142 | 132 | 122 | 111 | 101 | 91 | 81 | 71 | 61 | 51 | 41 | 30 | 20 | 10 |
| 3 | 194 | 181 | 168 | 155 | 142 | 129 | 116 | 103 | 91 | 78 | 65 | 52 | 39 | 26 | 13 |
| 4 | 234 | 218 | 203 | 187 | 172 | 156 | 140 | 125 | 109 | 94 | 78 | 62 | 47 | 31 | 16 |
| 5 | 271 | 253 | 235 | 217 | 199 | 181 | 163 | 145 | 126 | 108 | 90 | 72 | 54 | 36 | 18 |
| 6 | 298 | 278 | 258 | 238 | 219 | 199 | 179 | 159 | 139 | 119 | 99 | 79 | 60 | 40 | 20 |
| 7 | 336 | 313 | 291 | 268 | 246 | 224 | 201 | 179 | 157 | 134 | 112 | 89 | 67 | 45 | 22 |
| 8 | 369 | 344 | 320 | 295 | 271 | 246 | 221 | 197 | 172 | 148 | 123 | 98 | 74 | 49 | 25 |
| 9 | 399 | 372 | 345 | 319 | 292 | 266 | 239 | 213 | 186 | 159 | 133 | 106 | 80 | 53 | 27 |
| 10 | 430 | 401 | 372 | 344 | 315 | 286 | 258 | 229 | 200 | 172 | 143 | 115 | 86 | 57 | 29 |
| 11 | 461 | 430 | 400 | 369 | 338 | 307 | 277 | 246 | 215 | 184 | 154 | 123 | 92 | 61 | 31 |
| 12 | 492 | 459 | 426 | 394 | 361 | 328 | 295 | 262 | 230 | 197 | 164 | 131 | 98 | 66 | 33 |
| 13 | 523 | 488 | 453 | 418 | 383 | 348 | 314 | 279 | 244 | 209 | 174 | 139 | 105 | 70 | 35 |
| 14 | 553 | 516 | 479 | 442 | 406 | 369 | 332 | 295 | 258 | 221 | 184 | 147 | 111 | 74 | 37 |
| 15 | 585 | 546 | 507 | 468 | 429 | 390 | 351 | 312 | 273 | 234 | 195 | 156 | 117 | 78 | 39 |
| 16 | 623 | 581 | 540 | 498 | 457 | 415 | 374 | 332 | 291 | 249 | 208 | 166 | 125 | 83 | 42 |

| | | |
|---|-------------------|--------|
| DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION | FOOD STAMP MANUAL | 15 |
| STANDARDS FOR INCOME AND DEDUCTIONS | Section 600 | Page 1 |

STANDARDS FOR ELIGIBILITY AND MAXIMUM ALLOTMENTS

- A. The Standards for the following appear in Section 600 page 2.
- (1) Column A - Maximum Gross Monthly Income Standards (130% of poverty)
 - (2) Column B - Maximum Net Monthly Income Standards (100% of poverty)
 - (3) Column C - Maximum Gross Income Standard for Elderly and Disabled Separate Household (165% of poverty)
 - (4) Column D - Thrifty Food Plan/Maximum Allotment
- B. Standards (1), (2), and (3) are used to determine household eligibility and not for computing allotments.

FORMULA CALCULATION

Multiply the household's net monthly income by 30%. Round the product up to the next whole dollar if any cents result. Subtract the product from the maximum allotment amount for the household size found in Column D, section 600. In an initial month, if the allotment is less than \$10, no benefit is issued. Except in an initial month, all eligible one and two person households must be issued the minimum allotment of \$10.

DEDUCTION STANDARDS

The following are the deduction standards per household unless otherwise noted:

| | |
|---|-----------|
| Standard Deduction | \$134 |
| *Excess Shelter Deduction | up to 250 |
| Homeless Household Shelter Allowance | 143 |
| Dependent Care (child or elderly or disabled adult) | |
| For each dependent when needed for full time employment | 200 |
| For each dependent when needed for part time employment | 100 |
| Standard Utility Allowance (SUA) | 183 |
| Limited Utility Allowance (LUA) | 110 |
| Telephone Standard | 20 |

- * The excess shelter cap does not apply to households with an aged or disabled member. These households receive an uncapped shelter deduction.

Date: 10/96

.14 FIP Schedule

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| Each person over 16 | Add \$63 | Add \$62 |

SCHEDULE - R

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