

DSS ADMINISTRATIVE LETTER ECONOMIC SERVICES NO. 3-2005, Impact of Claim Recoupments on Cases with the Legally Obligated Child Support Exclusion (May 12, 2005)

(Food Stamps)

TO: County Directors of Social Services

ATTENTION: Food Stamp Supervisors

DATE: May 12, 2005

SUBJECT: Impact of Claim Recoupments on Cases with the Legally Obligated Child Support Exclusion

EFFECTIVE: Upon Receipt

I. GENERAL INFORMATION

Legally Obligated Child Support (LSO) paid by members of a Food Stamp Unit was changed to an exclusion rather than a deduction beginning January 1, 2005. Administrative Letter No. 11-2004 was issued December 16, 2004, advising of this change.

Recently it was brought to our attention that a month end batch job for claim recoupment purposes recalculated household budgets for Food Stamp cases with recoupments. The month end batch job caused allotments to decrease even though no entry was made in the Food Stamp Information System (FSIS). An automation fix was implemented effective April 1, 2005, that will budget the LSO amount paid as an income deduction unless transaction codes 6, 8, or 9 are keyed in FSIS.

II. POLICY PROCEDURES

A. Provide supplements to households affected by the unintentional recalculation of benefits in February or March. Review all affected cases and issue the correct supplement amount to eligible households for February and/or March, as appropriate.

B. Refer to DSS Administrative Letter No. 11-2004 for any questions you have concerning policy procedures for LSO budgeting.

III. IMPLEMENTATION INSTRUCTIONS

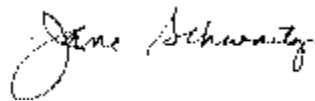
A. Report SLA430 EP-01, EOM Effected LSO Cases, includes all households affected by this month end batch job. The report is attached for the following counties: Alexander, Anson, Ashe, Beaufort, Bladen, Buncombe, Burke, Cabarrus, Caldwell, Caswell, Catawba, Cleveland, Cumberland, Currituck, Davidson, Davie, Duplin, Durham, Edgecombe, Gaston, Granville, Greene, Harnett, Haywood, Hertford, Lee, Mecklenburg, Montgomery, Nash, New Hanover, Pamlico, Pasquotank, Pitt, Richmond, Robeson, Rockingham, Rutherford, Sampson, Stanly, Stokes, Union, Wake, Washington, Wayne, Yadkin and Yancey.

B. Provide supplements for households listed on Report SLA430 EP-01 for the months of February and March 2005. Track all affected cases to insure benefits are supplemented properly. Supplement only the benefit amount lost. This does not include claim recoupment amounts. Do not supplement benefits to households who have already received supplements to correct this problem.

C. Unless a transaction code 6, 8, or 9 is entered in FSIS, FSIS will continue to budget the LSO amount paid as an income deduction. When transaction codes 6, 8, or 9 are entered, manually recalculate the countable income as an exclusion and enter the correct amount in FSIS. Send the household the appropriate notice.

We apologize for any inconvenience this automation problem has caused. If you have any questions regarding this letter, please contact your Food Assistance and Energy Programs Representative.

Sincerely,

A handwritten signature in cursive script that reads "Jane Schwartz".

Jane Schwartz, Chief

Economic Services Section

JS:jcs