

PART XIV		HANDLING CHANGES	
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A. CHANGES DURING THE CERTIFICATION PERIOD

When changes occur within the certification period that affect the household's eligibility or the amount of the benefit allotment, the agency must act to adjust the household's benefit level. The responsibility for changes lies with both the recipient household and the local agency. The household must report certain changes in income and household status; the local agency must act to make adjustments in entitlement and benefit level based on reported changes and for changes the agency initiates. Unless prohibited, certified households must file an Interim Report about their circumstances during the certification period.

1. Changes that Must Be Reported

Certified households must report when the total income exceeds the gross income limit based on household size at the time of certification, the Interim Report evaluation, or a change reported during the certification period. The income limits are:

<u>Household Size</u>	<u>Income Limits</u>			
	Monthly Amount	Weekly Amount	Bi-Weekly Amount	Semi-monthly Amount
1	\$1,174	\$273.02	\$ 546.04	\$ 587.00
2	1,579	367.20	734.41	789.50
3	1,984	461.39	922.79	992.00
4	2,389	555.58	1,111.16	1,194.50
5	2,794	649.76	1,299.53	1,397.00
6	3,200	777.18	1,488.37	1,600.00
7	3,605	838.37	1,676.74	1,802.50
8	4,010	932.55	1,865.11	2,005.00
Additional members	+ \$406	+ \$94.41	+ \$188.83	+ \$203

Households that receive benefits through the Transitional Benefits component for former TANF recipients do not have to report changes.

Households must report **income** changes within 10 calendar days from the date the household knows of the change or, at the latest, 10 days into the next month after the month the change occurs. The 10-day reporting period will begin the day the household knows of the change. If the household is uncertain of the exact date or amount of the change, then the 10-day reporting period will begin the day the change occurs.

The household may report a change on the *Change Report* form, by telephone, by personal contact, by mail, or electronically. The household may also report a change of its circumstances with the filing of the Interim Report. A household member, an authorized representative, or any person having knowledge of the household's circumstances may report the change to any staff member of the local agency. When the household reports the change by mail, the report will be timely as long as the postmark of the letter is within the required 10-day period regardless of when the local agency receives the information.

During the interview, the EW must advise an applicant of the responsibility to report changes within the required period and of the changes the household must report. The EW must provide the household the telephone number of the local office and, if necessary, a toll-free number or a number for accepting collect calls from households outside the local calling area.

The local agency must provide the Change Report Form to each household at initial application and reapplication and when the agency alters the household size. Additionally, the local agency must provide the form at recertification, if the household needs another form, and whenever the household returns a form or reports a change in the number of household members. The EW must highlight the applicable household size and income limit and must discuss use of the form with the household during the interview.

2. Local Agency Action on Changes (7 CFR 273.12(c), 273.2(f))

Except when households receive Transitional Benefits for former TANF recipients, the agency must act promptly to terminate or to adjust benefits when changes in household circumstances are reported by recipient households, including information about an impending change reported at application/renewal. For Transitional Benefits cases, the EW must input changed information in ADAPT during the Transitional Benefits period but grant benefits in the frozen amount calculated when the TANF case closed by using the override feature of ADAPT. (See Part XII.H.)

The SNAP case must reflect the following changes:

- changes reported by the household;
- changes put into ADAPT to meet reporting or policy requirements of another program;
- changes to prevent duplicate participation; and
- changes that are considered verified upon receipt, such as information about the removal of a child from the home by a foster care worker or information from a drug treatment center that says a client moved.

Other information may become known to the agency through other means than listed above. If the change is one that the household was required to report, the agency must act on the information. If the change is a change that was not required to be reported, the agency must hold the information and evaluate it at the next interim report or renewal, whichever comes first.

The Appendix to this chapter contains charts that outline the procedures for handling changes reported or discovered during the certification period.

The agency has 10 days from the date the agency learns of a change to act on the **new information**. When the reported change requires a reduction, termination or suspension of benefits, the EW must issue an advance notice within 10 calendar days, beginning with the date the agency receives the change, unless one of the exemptions for mailing the notice in Part XIV.D is applicable. In these cases,

depending on the change, the agency must send an adequate notice if a notice is required at all.

Part III.F contains required agency actions needed in response to information obtained through IEVS. The household or the source of information must verify unverified information received through IEVS. If the agency opts to obtain verification from the household, the agency must request the information in writing and allow the household 10 days to respond. The agency must send an advance notice to terminate the case if the household fails to respond timely.

If the household reports the addition of a new member, that person may not be included in the allotment until the agency knows the income and resource information about the individual.

a. Required Supplemental Allotments

If the reported change requires an increase in the household's benefits, the change must be reflected no later than the first allotment issued ten (10) days after the date the change was reported. However, if the increase in benefits is a result of the addition of a new household member, or is the result of a decrease of \$50 or more in the household's gross monthly income, the agency must reflect the change no later than the month following the month in which the change was reported. If it is too late in the month to adjust the upcoming month's allotment, it will be necessary to issue a supplementary allotment by the 10th of the upcoming month.

b. Voluntary Supplemental Allotments

At its option, the local agency may give a supplemental allotment for individual household changes in the month of the changes. The agency may not give supplemental allotments for household composition changes. The agency may give supplemental allotments for income reductions or increased shelter, medical or dependent care expenses.

If the agency opts to provide supplements, the agency must give the supplements for all similar situations, e.g., medical expenses more than \$100, loss of income or income reductions of \$200 or more, etc.

c. Changes and Verification

Households may need to verify information that changes during the certification period. See Part III.E for a discussion of verification requirements for changes unrelated to the Interim Report process. See Part XIV.C.2.c for a discussion of verification requirements for changes related to the Interim Report.

d. Contacting the Household

Whenever the agency learns of a change or a potential change in the

household's circumstances during the certification period, the local agency must determine the impact of the change on the household's eligibility and benefit level **based on the information reported**. The EW must initiate the review of the change within ten days of the notification of the change.

1) **Informal Contact**

Depending on the source of the information reported, as addressed above, and the completeness of the report, the EW may need to contact the household for additional information or clarification. If the EW is unable to determine the impact of the information as reported, the EW should contact the household by telephone or letter/memo to clarify the information. If the EW is unable to obtain clarification, the EW must address the information at renewal or the interim evaluation, whichever is first.

2) **Request for Contact**

The EW must prepare and send the *Request for Contact* form to the household's address **only if the reported information suggests that the household would be ineligible for benefits**. The EW must complete the form to request information or to request that the household complete an action within ten calendar days. The EW must not send the Request for Contact to evaluate changes that the household is not required to report **or that do not indicate ineligibility**. See Part XXIV for the *Request for Contact* form.

Timely Response - No change Reported

If the household responds timely to the *Request for Contact* form and there are no changes in the household's circumstances, the EW must take no other case action related to the change report.

Timely Response - Changes Reported

The EW must send the household a *Request for Contact* form when a household must clarify its situation or provide additional information **as indicated above**. The household has ten days to provide the requested information. If the household responds to the agency request for information within the ten-day limit and reports changes in its circumstances, the agency must evaluate the changed information within ten days of receiving the information. If the change results in an increased allotment, the EW must send the *Notice of Action* to show the allotment change for the next month. If the agency provides voluntary supplemental allotments for similarly reported changes, the EW must approve the supplemental allotment for the current month, in addition to the change for the next month. If the change results in a reduction or termination of benefits, the EW must send the household the *Advance Notice of Proposed Action* or the *Notice of Action* to allow a minimum of ten days for the household to appeal before the reduction or termination becomes effective.

Untimely Response - No Changes

The EW must send a SNAP household a *Request for Contact* form when a household must clarify its situation or provide additional information **as indicated above**. The household has ten days to provide the requested information. If the household does not respond within the ten-day period, the EW must send the household an *Advance Notice of Proposed Action* or *Notice of Action* to close the case. If the household responds before the effective date of the closure and there are no changes in the household's circumstances, the EW must rescind the adverse action notice and reinstate the case in ADAPT.

Untimely Response - Changes Reported

The EW must send a household a *Request for Contact* form when a household must clarify its situation or provide additional information **as indicated above**. The household has ten days to provide the requested information. If the household does not respond within the ten-day period, the EW must send the household an *Advance Notice of Proposed Action* or *Notice of Action* to close the case. If the household responds after the reporting period but before the effective date of the closure, and reports changes to its circumstances, the agency must review the change report and determine the impact, if any, on the household's eligibility or benefit level. If the household remains entitled to an allotment in spite of the information, the EW must send a *Notice of Change* to increase benefits from zero to the revised amount.

No Response to the Request for Contact

If the household does not respond to the request for information by the tenth day, the EW must send the household an adverse action notice to close the case. The basis for the case's closure will be the household's failure to provide clarification.

If the contact request form is undeliverable by the post office because of the address, the EW must send the contact request to the new address, if one is supplied by the post office and the new address is in the same Virginia locality as the EW taking the action. If a returned address indicates that the household is no longer in the locality, the Eligibility Worker must close the case. Depending on when the changes occurred in a household's circumstances, the agency might need to file a claim for benefits that the household incorrectly received.

e. Suspension

When changes cause a household to become ineligible and it appears that the ineligibility will be temporary, the agency may suspend benefits for one month rather than close the case. The EW must send An *Advance Notice of Proposed Action* to suspend unless the change meets one of the exceptions for sending the notice. After the month of suspension, if ineligibility continues, the EW must close the case. The agency must send another *Advance Notice of Proposed Action*. If the ineligibility is indeed temporary, the EW must reinstate the case effective the month following the suspension.

3. Changes in Public Assistance (7 CFR 273.12(f))

The provisions described in this section do not apply to households converting to Transitional Benefits when the TANF case closes.

If a change for a PA case requires either a reduction or termination in public assistance benefits and reduction or termination in SNAP benefits, the agency must issue a single *Advance Notice of Proposed Action* for both the public assistance and SNAP actions. If the household requests a fair hearing within the period provided by the *Advance Notice of Proposed Action*, the agency must continue the household's SNAP benefits on the basis authorized immediately before sending the notice. The household must reapply for SNAP benefits if the certification period expires before the fair hearing process is over however. If the household does not appeal, the change goes into effect according to the procedures specified in Part XIV.A.2.

If any household's benefits will increase as a result of the reduction or termination of public assistance benefits, the EW must not take any action to increase the household's SNAP benefits until the household decides whether it will appeal the public assistance adverse action. If the household decides to appeal and its Public Assistance benefits continue, the household's SNAP benefits must continue at the previous allotment amount. If the household does not appeal, the EW must make the change effective according to the procedures in Part XIV.A.2 except the date the notification of the change is received is the day after the date the Public Assistance *Advance Notice of Proposed Action* expires.

If a change results in the termination of a household's Public Assistance benefits and the EW does not have enough information to determine how the change affects the household's SNAP eligibility or benefit level, the EW must take the following action:

- a. When the EW sends the PA *Advance Notice of Proposed Action* the EW must wait until the notice period expires or until the household requests a fair hearing, whichever occurs first. If the household requests a fair hearing and the Public Assistance benefits continue pending the appeal, the household's SNAP benefits must continue at the previous benefit amount.
- b. If a PA *Advance Notice of Proposed Action* is not required or the household decides not to request a fair hearing or continuation of PA benefits, the EW must send the household a *Request for Contact* form to seek information or clarification from the household. If the household does not respond within ten days, the EW must send an adverse action notice to close the case.

In jointly processed cases in which the SSI determination results in a denial and the local agency believes that SNAP eligibility or benefit levels may be affected, the local agency must send the *Request for Contact* form for the household to clarify its situation within ten days. The EW must close the case if the household does not respond to the clarification request.

4. Mass Changes (7 CFR 273.12(e))

A mass change is one that affects the entire caseload or significant portions of the caseload. Mass change notices are not required if the change does not affect current benefits such as an increase in net income limits. For mass changes that only affect benefits for a portion of the caseload, the agency may opt to send notices to the households potentially or actually affected by the change only instead of the entire caseload. These changes could include a mass change in TANF grant amounts.

For mass changes that result in a reduction or termination of benefits, the agency does not need to send an *Advance Notice of Proposed Action*. Each household must receive an individual notice that a change will occur however.

A general notice may be used for mass changes. Households must receive the notice no later than the benefit availability date. Minimal information needed on the mass change notice includes:

- a. the general nature of the change;
- b. examples of the change's effect on allotments;
- c. the month in which the change will take effect;
- d. the household's right to a fair hearing;
- e. the household's right to continue benefits as long as its appeal is filed in a timely manner and the issue appealed is the improper computation of SNAP eligibility or benefits, or the misapplication or misinterpretation of federal law or regulation;
- f. general information on whom to contact for additional information; and
- g. the liability the household will incur for any overissued benefits if the fair hearing decision is adverse.

Instead of the above notice, the agency may send each household an individual *Notice of Action*.

Mass changes include (7 CFR 273.12(e)):

- a. Adjustment to the maximum allowable monthly income.
- b. Adjustment to the shelter cost deduction.
- c. Adjustments to the dependent care deduction.
- d. Adjustment of the utility standard.
- e. Adjustment of the standard deduction.

- f. Adjustment of the full benefit amount.
- g. Cost-of-living adjustments in Social Security and SSI benefits.
- h. Any other cost-of-living adjustments in benefits such as VA or Black Lung when the Home Office notifies local agencies that a change will be a mass change.
- i. Mass changes to TANF or GR grants.
- j. Monthly supplements to TANF grants based on the receipt of child support issued at the beginning of the month.

Many of the mass changes listed in this section may be effective on October 1 of each year.

Local and state agencies will receive instructions for implementing mass changes as the changes occur.

5. Failure to Report Changes

Households must report certain changes in circumstances as specified in Part XIV.A. If the EW discovers during the certification period that a household failed to report a change as required and, as a result, received benefits to which it was not entitled, the EW must issue an *Advance Notice of Proposed Action* and establish a claim against the household according to Part XVII.A if the agency has enough information to determine ineligibility or the new benefit level. If the agency does not have enough information to determine a new benefit level or ineligibility, the EW must send the *Request for Contact* to allow the household ten days to clarify information or to supply verification. The household must supply information or take required action within ten days or the EW must close the case. The EW will have ten days to act on the change from the date the agency learns of the change.

The agency may not disqualify household members for failing to report a required change unless the agency establishes through investigation that an intentional program violation occurred. In addition, the agency may not file a claim against a household for failure to report a change that it is not required to report.

6. Reductions or Terminations Due to Disqualification (7 CFR 273.11(c)(3))

When the agency determines that an individual is ineligible within the household's certification period, the EW must determine the eligibility or ineligibility of the remaining household members.

- a. If a household's benefits are reduced or terminated within a certification period because one of its members was disqualified due to intentional program violation, the EW must notify the remaining members of their eligibility and benefit level at the same time the excluded member is notified of his or her disqualification. The household is not entitled to an *Advance Notice of*

Proposed Action, but may request a fair hearing to contest the reduction or termination of benefits, unless the household has already had a hearing on the amount of the claim.

- b. If a household's benefits are reduced or terminated within the certification period because one or more of its members is disqualified, as addressed in Part XII.E, the EW must issue an *Advance Notice of Proposed Action* that informs the household of the disqualification, the reason for the disqualification, the eligibility and benefit level of the remaining members and the actions the household must take to end the disqualification, if appropriate.

7. Retention of Cases When Households Temporarily Leave Project Area

The provisions of this section will not apply to households with active TANF, Refugee Assistance, or Medicaid cases in ADAPT if the agency transfers a TANF or Refugee Assistance case.

When a participating household is forced to seek temporary housing outside the city/county of usual residence, but still in Virginia, the original locality may, at its option, keep the SNAP case in an active status for up to two calendar months after the move to another Virginia locality. The local agency must transfer the SNAP case at the end of the second month if the household does not return to the original locality, provided the household maintains contact with the agency. The agency must transfer the case even if the household intends to return to the locality.

Changes to reflect the new address, shelter costs, income, household composition, or any other reported changes must be acted on and verified, if necessary, in accordance with the "Local Agency Action on Changes" section of this chapter and Part III.E.

The EW should consider the distance to the household's temporary address in deciding to keep a case active after the move from the locality. If the distance and/or other concerns such as inadequate transportation would hinder continued participation, the EW should transfer the case. The EW must close the case if the household requests closure.

This policy only applies to ongoing cases, including households due for recertification. Newly applying and reapplying households must file applications in the current locality of residence. If the household moves while an application (new or reapplication) is pending, the original locality must determine eligibility for the month of application and any other month during which the household was in the locality on the first day of the month and then transfer the case.

8. Transfer of SNAP Cases

When a household moves from one Virginia locality to another, beyond a temporary move as addressed in subsection 7 of this chapter, the agency must generally transfer the case to the other Virginia locality. There must be no break in certification and the issuance of benefits for affected households.

a. Cases to Be Transferred

The transferring agency may generally transfer any certified, ongoing SNAP case with at least one month remaining in the certification period. These cases may include regularly certified cases and cases receiving transitional benefits. The transferring agency must complete any processes related to the Interim Report and postponed verifications for applications certified under expedited service processing.

If a household moves while an application/renewal is pending, the transferring agency must process the application and generate benefits for any month the household was residing in the locality. After the application has been processed, the transferring agency must transfer the case to the new locality.

In some instances, an agency may request a closed case file when a household reapplies for benefits in another locality. The transferring agency must also honor the request for a closed case file and transfer the case file promptly.

b. Cases that Cannot Be Transferred

Local social services agencies must not transfer SNAP cases in the following instances:

- The household moves from a Virginia locality to another state. The EW must close the case.
- There is a pending application/renewal. The original agency must process the application. The agency must secure sufficient information to process the application unless the applicant elects to withdraw the application.
- The certification period has expired or will expire within the month and the household has not filed an application for recertification.
- A case is suspended because of ineligibility unrelated to the move from the locality that is projected to last one month. Resolve the issues that lead to the projected ineligibility and then either close the case or transfer it to the new locality.
- A case is suspended because of the Interim Report process. Resolve any issues related to the Interim Report. Reinstate the case and then transfer the case if the household remains eligible.
- There is a loss of contact with the household but the agency has information that the household no longer resides in the locality.

c. Case Transfer Process for the Transferring Agency

Within five working days after being notified that a household has moved from the locality, the EW must complete a desk review of the case. The desk

review is to ensure that documents are properly filed; the record is complete and orderly; and that documentation of case actions is complete. The EW must also review the accuracy of the benefit amount in relation to the reported move. The EW must complete the address change but must make no other changes unless the household reported or the agency has information about other changes such as household composition, income or shelter expense changes that result from the move or reported before the move occurs. The EW must provide sufficient documentation to advise the receiving agency to initiate claims collection activities after the transfer occurs. The case documentation must also support ongoing collection actions.

While the assessment of the case must take place within five days of the reported move, there are instances when the transferring agency must wait a month before completing the transfer. The final assessment of the case must take place after handling postponed verifications for an expedited case or after processing the interim report. The final assessment of the case may take place as late as a month after the report of the move.

If the household reports changes in household circumstances, verification of the changed elements may be needed before the second month, by the next recertification, or for the Interim Report, depending on the impact of the changes on the allotment. Verification will be needed before the second month if the SNAP benefit will increase because of the reported changes. The transferring agency must notify the household on the *Notice of Action* that reflects the allotment change to provide the new verifications to the new agency. The transferring agency must also notify the receiving agency on the *Case Record Transfer Form* to obtain the verification or change the allotment back to the original amount.

The EW must complete the *Case Record Transfer Form* and forward it to the receiving agency. The transferring agency must transfer the entire case file. At its option, the agency may keep photocopied or other duplicates of case documents. The transferring agency may not keep any of the original documents from the case file except when the transferring and receiving agency both use the Ez-filer system or when there is an ongoing claims investigation in which case the agency may keep applicable case information and send a copy of the documents to the receiving agency or make arrangements to secure the necessary documents later from the receiving agency.

The EW must complete a *Notice of Transfer* form to notify the household of the transfer of the case. The EW must send the Notice of Transfer to the household along with a *Change Report* form.

The transferring agency must deliver the intact case file to the receiving agency by certified mail, by authorized courier service, or hand delivery by local agency personnel. The transferring agency must obtain a receipt for the case file from the receiving agency. Note: If the transferring and receiving

agency both use the Ez-filer system, the transferring agency may send a compact disk of the case information if that is acceptable to the receiving agency. If the receiving agency does not use the Ez-filer system, the transferring agency must print the case information and send the documents to the receiving agency.

d. Case Transfer Process for the Receiving Agency

Within five days of receiving a case file transferred from another Virginia locality, the receiving agency must review the case file and determine the continued eligibility and benefit level. The household is not required to report or verify any eligibility elements that may have changed as a result of the move beyond the mandatory reporting elements (i.e., income that exceeds the gross income level and number of work hours for persons whose benefits would be time-limited).

The receiving agency will be responsible for all future processes related to the transferred case, including such actions as but not limited to, sending the *Notice of Expiration* for the end of the certification period, receiving applications for continued benefits, establishing claims or providing restoration, or responding to quality assurance or hearing officer requests.

The receiving agency must not return a case transferred to it unless the case was sent to the incorrect locality. The receiving agency must not return a case even if the case was not eligible for transfer as noted in section b above.

B. CHANGES REPORTED BY AN APPLICANT HOUSEHOLD WHILE AN APPLICATION IS PENDING

Households are required to report changes that occur in their circumstances no later than 10 days after receiving the Notice of Action to approve the application. If the household reports a change before the application is processed however, the EW must act on that information using the following steps.

1. Assess the information to determine applicability to the month of application or a subsequent period.
2. Determine if verification is needed. If verification of the element is needed, as per Part III.A and Part III.E, request the information from the household. Send a revised verification checklist, allowing the household 10 days to supply the verification.

If this 10-day period would cause the application to be held more than 30 days, extend the processing time, even if all other verification/information has already been provided. If the household provides the verification on or before the 10th day, the household would receive benefits for the month of application. (Code the delay in processing as Agency Delay so that the household may receive benefits for the month of application, provided the verification is provided by the 30th day or the 10th day noted above.)

3. If the change is reported after Day 30 so that the processing period has already been extended, the household would still get 10 days to provide the additional information. Benefits would be prorated back to the date of the request for the additional information if the verification is provided on or before the 10th day instead of prorating from the date when the final element was verified.
4. Once the changed element has been verified, the new information must be factored in the benefit calculation for the month of application as well as any months that follow the application month. Eligibility and benefit level for the household must be based on the income and expenses already received/reported as well as elements that are anticipated with reasonable certainty to occur during the month.
5. There will be instances when the change will not affect the application month. Such an instance would be when there is a change in the household's composition. Part XIII.A.1 requires that household composition must be evaluated as of the application date so that any change to the household's membership would be reflected the month after the month of the change. This restriction would also include any associated changes such as calculating the income or personal deductions for a specific member.
6. The application must be denied if the household fails to verify the new elements or the items requested originally.

C. INTERIM REPORT FILING

All households must file an Interim Report by the sixth or twelfth month of the certification period unless they are exempt from filing as noted below. Household composition and financial circumstances at the time of application will be the basis of the SNAP benefit amount for the first half of the certification period unless the household reports a change during the certification period before the Interim Report period. The household composition and financial circumstances reported on the Interim Report will be the basis of the SNAP benefit amount for the remainder of the certification period unless the household reports additional changes after filing the Interim Report.

1. Exemption from Filing

The following households are exempted from filing an Interim Report:

- a. Households in which all members are homeless, as defined in Definitions.
- b. Households with at least one adult member who is a migrant or seasonal farm worker. See Definitions.
- c. Households in which any member is eligible for time-limited benefits because of the Work Requirement. To meet the Interim Reporting exemption, the members must be exempt from the Work Requirement because of the Special Exemption Months category only and may not meet any other Work Requirement exemption. See Part XV.

- d. Households that receive Transitional Benefits for former TANF recipients.

2. Interim Reporting Filing

A household that is required to file the Interim Report must have a 12- or 24-month certification period. On or about the twentieth of the fifth or eleventh month of the household's certification period, the Virginia Department of Social Services will create and mail the Interim Report to all households identified by the EW in ADAPT. Upon identifying cases due an Interim Report and producing information for the Interim Report each month, the ADAPT system will suspend the case's eligibility. A list of cases sent the Interim Report and a copy of the Interim Report for the household is available online to the local agency.

a. Household Responsibilities

The household must complete the Interim Report and return it to the local agency by the fifth day of the sixth or twelfth month. If the household reports a change in its circumstances, the household must supply verification of the changed elements. If the household fails to verify changed deductible expenses, the household will not get credit for unverified expenses. The household must provide additional information or verifications as requested by the local agency within the time allowed. Any responsible household member or authorized representative may complete the Interim Report.

b. Agency Responsibilities

The agency must assess Interim Report forms returned from households for completeness, accompanied verifications and reported changes. If the returned Interim Report is incomplete or lacks required verifications of reported changes, the agency must send the *Interim Report Form - Request for Action* form and the original Interim Report to the household. The household will have ten days to supply information, verification, or to complete the form. The agency must photocopy the incomplete Interim Report before sending the form back to the household.

The agency must consider the report incomplete if:

- The Case Name, head of the household, responsible household member or authorized representative has not signed the form;
- The household fails to submit verification of earned income or changes in unearned income or residency; or
- The household fails to provide information needed to determine eligibility or benefit level.

The EW must use reasonable judgement to determine if the Interim Report is incomplete. For example, if the household marks "No Change" on the form for

income but supplies new pay stubs, the report should not be considered incomplete. Similarly, if a household without elderly or disabled members notes the presence of medical expenses but does not provide verification, there is no need to request verification because the household is not entitled to a deduction.

The EW must query available systems of record upon receiving an Interim Report from the household. Systems of record include VEC, APECS, and SOLQ-I. The EW must contact the household upon completing the inquiries before using the information discovered to allow the household an opportunity to challenge the information. The EW must document the results of the inquiries and note the evaluation of the case for the Interim Report.

If the household fails to return a completed Interim Report or fails to provide needed verification, ADAPT will close the case automatically at the end of the seventh or thirteenth month if the EW has taken no other action on the case. In order for the automatic closure to occur, the EW must leave the case suspended for the seventh or thirteenth month. The household will not receive benefits beginning with the seventh or thirteenth month. The agency does not need to send either an advance or an adequate notice when the household fails to submit a completed Interim Report or fails to take required actions or to supply requested verifications.

c. Verification Requirements

In order to determine eligibility for the second half of a certification period, the household must supply verification of eligibility factors. The household must provide the following:

- Proof of earned income. Verification is needed of all earned income even if the household reports an unchanged amount or source. At a minimum, the household must provide earned income from the month the Interim Report is prepared (Month 5/Month 11). If the amounts presented for this period are substantially different than the amounts presented at certification or the last reported change during the certification period, the EW must request additional verification, which likely should include pay stubs for the month the Interim Report is due (Month 6/Month 12). The verification requirement includes obtaining proof of terminated earned income.
- Proof of changed unearned income amounts or source;
- Proof of changed resource amounts or source if questionable;
- Proof of other elements. The household may need to verify other eligibility elements reported on the Interim Report as needed.

Note: The household does not need to submit verification of self-employment or contract income that has been averaged or verify exempt income or

resources. The EW must not change the amounts listed in ADAPT for deductible expenses in evaluating the Interim Report unless the household indicates a change and provides proof of the amounts. The Interim Report is not incomplete if the household fails to verify the expenses. See Part III.A.1 for guidelines about verifying eligibility elements.

d. Calculation of Benefits

The EW must make adjustments, as needed, to reflect information from the Interim Report in a household's eligibility and benefit level effective the seventh/thirteenth month. While the household must supply verification of earned income from the month before the Interim Report is filed, the EW may need additional pay verification from other months, including the current month, to determine a reasonable monthly average. Using a wider average may also be appropriate for unearned income sources or other changeable elements. For income sources that have been averaged over a year or other period, the previously verified monthly average must continue to be used.

The EW must notify the household of the benefit calculation based on the Interim Report for the second half of the certification period and act to reinstate the case in ADAPT after the evaluation of the Interim Report. The agency must provide an adequate notice to notify the household of the benefit calculation.

D. ADVANCE NOTICE OF PROPOSED ACTION

The household must receive written notice prior to any action to reduce or terminate benefits within the certification period. The advance notice period is 10 days and begins with the day following the date the notice is given or mailed to the household.

The agency may use the Notice of Action for this purpose, unless benefits in both TANF and SNAP are being reduced or terminated simultaneously. In that case, use the Advance Notice of Proposed Action. Both forms and instructions are in Part XXIV.

The following chart of matches or inquiries note whether require independent verification is needed before advance notice can be sent:

<u>Source</u>	<u>Independent Verification?</u>
Virginia Employment Commission (VEC) Unemployment Benefits	No
VEC-Earnings	Yes
BENDEX - OASDI Benefits	No

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SDX - SSI Benefits	No
Internal Revenue Service - Unearned Income	Yes
BEERS - Earned Income	Yes
Social Security Number Match	No
Operation Talon (a match with law enforcement agencies to detect fleeing felons or parole/probation violators)	No
SVES:	
Work credits/quarters	No
Prisoner files	Yes
Unearned income received through SSA	No

Neither an advance notice nor an adequate notice is necessary when (7 CFR 273.13(b)):

1. All members of the household have died.
2. The household has moved from the locality, except in those situations where the agency transfers the case or opts to retain the case as allowed by Part XIV.A.7.
3. Restoration of benefits is complete and the household had previous notification when the increased benefits would terminate.
4. The allotment fluctuates monthly due to anticipated changes and the household had prior notice at the time of certification.
5. Simultaneous applications were made for TANF/GR and SNAP benefits and the household was notified that receipt of financial assistance could reduce the benefit level.
6. A household is given a normal certification period under expedited service contingent on the receipt of postponed verification, provided the household receives written notice that benefits may be reduced or terminated upon receipt of the postponed verification or if verifications postponed are not received.
7. A household's benefits were increased based on a reported change and are decreased to the original amount when no verification is received, as long as the household was advised at the time of the increase. (See Part XIV.A.2.)
8. All members have moved into an institution that does not meet the requirements of Part VII.C.1a-d.
9. The household voluntarily requests to end its SNAP benefits or requests to end Transitional Benefits and makes the request in writing or in the presence of an EW. If the household does not provide a written request, the local agency must send the household a letter to confirm the voluntary withdrawal.

10. A participating household fails to respond to a demand letter requesting repayment of a claim and benefit reduction is invoked.
11. The household **files an incomplete** Interim Report, provided the agency mailed the household an *Interim Report Form - Request for Action* form and the original incomplete form **or the household fails to provide required verification**.

In instances where the agency does not need to send a notice if the household had prior notice of the change, the agency must send an advance notice if the household did not receive a notice.

In addition, the advance notice is not necessary when a change is reported before the beginning of the certification period even though the Notice of Action to inform the household of approval may have already been sent.

Example

A household files for recertification and is approved on July 18. A Notice of Action is given on this same day. The new certification period is to begin August 1. On July 25, the household reports a change that would decrease August's benefits. The Advance Notice of Proposed Action is not required. Instead, a revised Notice of Action is sent.

The advance notice may be retracted if it is mailed by mistake. It may also be retracted if it becomes unnecessary because the household's situation changes during the advance notice period. The household must be informed of the retraction.

If an advance notice is mailed giving erroneous information, a corrected notice must be mailed. If the new allotment will be more than that which the household has already been told, continue with the original effective date. If the new allotment amount will be less than that which the household has already been told, begin the 10-day advance notice period again.

Example

An advance notice is mailed on October 20 to decrease benefits to \$50. The new amount should have been \$45. A corrected notice is mailed on October 25.

Decrease benefits to \$50 effective November 1. Decrease benefits to \$45 effective December 1.

E. ADEQUATE NOTICE

The time for providing adequate notice of a change in benefits is by the time the changed benefits are received by the household, or, if benefits are terminated, by the time the benefits would have been received had the case not been closed. The *Notice of Action* is to be used for this purpose. The form and instructions for its use are in Part XXIV.

In the following situations, while an advance notice is not required, adequate notice is necessary when:

1. Certain mass changes take place. (See Part XIV.A.4.)
2. A waiver to an *Advance Notice of Proposed Action* is signed because continuing the original benefit amount will result in a claim for which the household may be required to repay. The EW must explain to the household that it is the household's choice whether or not to sign the waiver.
3. A household is converted from cash and/or a voluntary benefit repayment of a claim to benefit reduction. (See Part XVII.F.).
4. Benefit reduction is invoked when a participating household responds to a demand letter by requesting renegotiation of the repayment schedule but the agency determines renegotiation is not warranted. (See Part XVII.F.)
5. The person is a resident of a drug or alcoholic treatment center or group living arrangement and the facility loses its FNS authorization or its certification from the appropriate state or local agency.

Note: Residents of group living arrangements applying on their own behalf are still eligible to participate.
6. A household member is disqualified for fraud, or the benefits of the remaining household members are reduced or terminated to reflect the disqualification of that household member.
7. The local agency determines that, based on reliable information, the household will not be residing in the locality as of the first day of the next month unless the agency opts to retain the case, as allowed by Part XIV.A.7, or unless there is sufficient information to allow the agency to transfer the case, as allowed by Part XIV.A.8.
8. A certified household's address is unknown and mail has been returned by the post office indicating no known forwarding address.
9. A household files a timely request for a fair hearing and requests continuation of benefits in response to a prior notice to reduce or terminate benefits.
10. The local agency completes the evaluation of eligibility and benefit level based on a returned, completed Interim Report.
11. A household becomes ineligible for Transitional Benefits, such as when it reapplies for TANF assistance.

F. ODD SUPPLEMENTAL ALLOTMENTS

There will be occasions when a household is entitled to an odd allotment of \$1.00, \$3.00, or \$5.00. This can occur when a household reports a change that requires that a supplemental allotment be given (Part XIV.A), when a replacement benefit is given because food was reported as destroyed (Part XVIII), when restoration of lost benefits is given (Part XVI.A), or when an allotment reduction calculation results in an entitlement to \$1.00, \$3.00 or \$5.00 (Part XVII.F).

When an EW determines entitlement to a \$1.00, \$3.00, or \$5.00 allotment, the authorization document must reflect the higher even dollar amount. The EW must document the case record to explain the discrepancy. In an allotment reduction situation, the amount credited toward the claim must reflect the higher even dollar amount that was issued.

Example

A household is eligible for a benefit amount of \$13. The allotment reduction formula requires \$10 to be recouped. The net benefit amount of \$3 must be raised to \$4 for issuance purposes. The agency must post an allotment reduction of \$9.

CHANGES IN INCOME, DEDUCTIONS, RESOURCES

Within 10 days of the report, the EW must:

- Determine the amount:
 - Income: Frequency, rate, dates of receipt
 - Deductions: Frequency, amounts, due dates, entitlement
- Include in existing calculations to determine continued eligibility and benefit level.
- Compare to gross/net income standards, resource or deduction maximum, as appropriate.

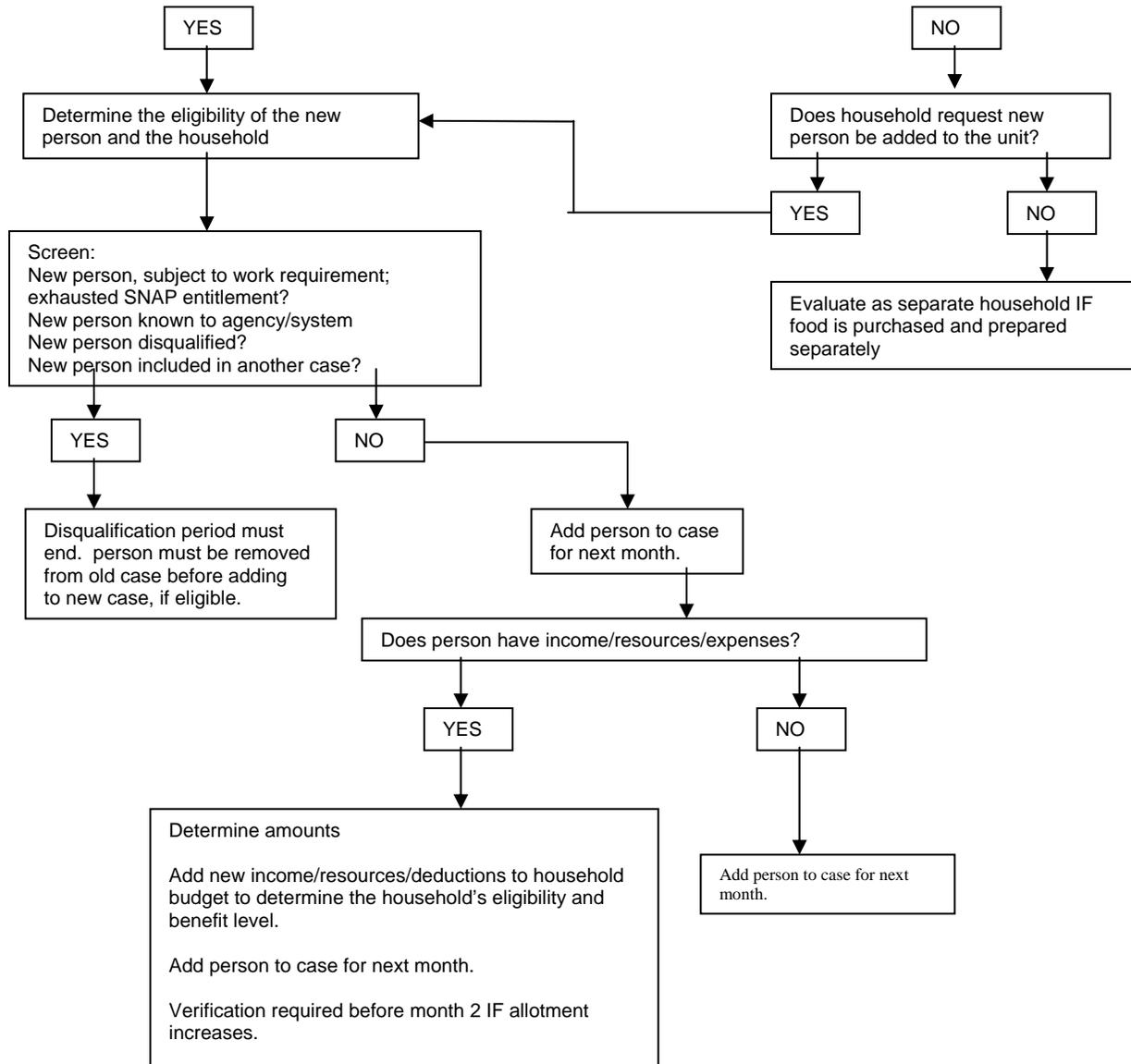
After change evaluation, is the household still eligible?

Yes	No	Unknown
<p>Send 10-day advance notice if the benefits decrease. Verification needed at recertification.</p> <p>Send Notice of Action if the benefits increase. Verify new information before Month 2. If not verified, amount is returned to the original amount.</p>	<p>Send 10-day advance notice to close case or to suspend case for one month. Verify information if questionable.</p>	<p>Household must clarify or verify change within 10 days.</p> <p>Send the Request for Contact form. If the household does not take sufficient action, close the case by sending 10-day advance notice. If the household is not required to report the change, consider the information at recertification or for the interim, whichever is first.</p>

The agency must normally make changes for the month after the month the change is reported. Except for household composition changes, the agency may give supplemental allotments for reevaluations made in the month of the change. The agency may authorize supplemental allotments at its discretion. If the agency makes voluntary supplements, the local agency must provide supplements for all comparable changes.

CHANGES IN HOUSEHOLD COMPOSITION

New Household Member Reported - Is person required to be in the household?



Other actions due with change evaluation: Alien status established
Student eligibility established

Actions due at recertification: Social Security number obtained or proof of application for number
Work registration completed
Alien registration number obtained

These actions may be discussed and information obtained at the time of the change report however, no negative action may be taken if processes are not completed at this time.