

**Operations Memorandum - Food Stamp  
OPS070104**

01/16/07

**SUBJECT:** Pennsylvania Combined Application Project (PA CAP)

**TO:** Executive Directors

**FROM:** Joanne Glover, Director, Bureau of Operations

**Purpose**

To provide County Assistance Offices (CAOs) with information and instructions on the implementation of PA CAP. PA CAP is effective January 23, 2007 .

**Background**

The United States Department of Agriculture selected Pennsylvania to participate in the Food Stamp Combined Application Project. The Department of Public Welfare has named this project PA CAP. PA CAP is a five-year demonstration project that allows individuals who live alone or purchase and prepare meals separately from other household members and receive Supplemental Security Income (SSI) the opportunity to participate in the Food Stamp Program (FSP) under different rules. Under this program, the Social Security Administration (SSA) will process food stamp (FS) applications as part of the SSI eligibility process. FS will be automatically opened and closed by the Client Information System (CIS) as part of the auto-SSI process based on information provided through the State Data Exchange (SDX).

**Discussion**

CAOs will not be responsible for opening PA CAP cases; will close PA CAP cases only under certain circumstances; and will have a limited role in the ongoing maintenance of open PA CAP cases. The following Q & A's provide you with the necessary information and instruction for successful implementation of this project.

**When will PA CAP start?**

Eligible individuals will begin to receive PA CAP FS benefits in January, 2007.

**Who will be eligible for PA CAP?**

Single-person SSI households with SSI income only, or a combination of SSI and other unearned and/or earned income, that:

- are not receiving FS;
- meet the SSA definition of Federal Living Arrangement Code "A"—Own household;
- declare they purchase and prepare meals for themselves only;

- live in Pennsylvania;
- are age 18 or older; and
- receive the maximum SSI/State Supplementary Payment (SSP) benefit of \$650.40 or the maximum combined SSI/SSP and other SSA income of \$670.40.

### **Will an existing one-person SSI/FS case be enrolled in PA CAP?**

No. PA CAP is only for households not receiving FS benefits.

### **How will PA CAP be implemented?**

PA CAP will be implemented in two phases:

- **Phase 1:** Conversion – January 23, 2007.

A conversion process will automatically open PA CAP FS benefits for eligible A, J and M one-person SSI budgets that do not currently receive FS. Converted PA CAP FS benefits will be opened at the lowest benefit level. These converted cases will receive a One-Time Issuance (OTI) for the full January benefit.

- **Phase 2:** Automatic Opening/Closing – January 2007.

Ongoing automatic opening of PA CAP FS benefits based on information from SSA through the SDX will begin for new PA CAP recipients after the conversion. At that time, SSA will provide information regarding the individual's desire to participate in PA CAP and his/her shelter costs. The opening process will occur monthly in conjunction with the SSI opening or eligibility review and the State Supplementary Payment (SSP) process. All PA CAP openings will be issued an OTI for the first month.

**NOTE:** The PA CAP renewal period is automatically set for 36 months. SSA will complete the renewal for PA CAP when they redetermine eligibility for SSI.

### **How will a PA CAP case be identified on CIS?**

- PA CAP participants are identified as a FS Program Status Code 70 with an Individual FS Qualification Code 02 .
- Additional PA CAP system details will be discussed in a future CIS Daily Status.

### **How will PA CAP households know about the project?**

- Most SSI recipients who met the eligibility requirements for PA CAP were sent a letter of introduction (Attachment A). The letter explained their potential eligibility for PA CAP and included information regarding the Electronic Benefits Transfer (EBT) system. Agencies and advocacy groups that work with the SSI population were also informed by letter about PA CAP and asked to assist with addressing any concerns about this project.

**NOTE:** Letters of introduction that were returned to Headquarters as undeliverable and letters received from individuals requesting to not receive PA CAP were identified by Headquarters staff. These cases will not be enrolled in PA CAP at conversion.

- For those SSI applicants that request PA CAP benefits through the SSA office, SSA will provide the individual with a fact sheet and information regarding PA CAP (Attachment B). If the individual does not wish to wait until eligibility for SSI is determined to receive FS benefits, the SSA will advise the individual of the option of applying for regular FS benefits.

### **How will PA CAP households get EBT cards?**

- PA CAP households that do not already have an EBT card will be sent a centrally-issued card from JP Morgan. CAOs need to be aware that clients who are awaiting receipt of the EBT card may incur a need for Medical Services. These individuals may contact the CAO to request their 19 digit card number for presentation to the medical provider. The EBT card also includes a mailer (Attachment C) and a stuffer (Attachment D) that provide information about EBT and explains how to access his/her benefits. PA CAP recipients **are not** required to come to the CAO to have their EBT card pinned. Pinning of their card may occur on the telephone through the JP Morgan Customer Service Line. PA CAP households will, however, have the option of coming into the CAO to have their EBT card pinned.

**NOTE:** Individuals currently receiving their SSP by check or direct deposit are not required to receive their SSP payment via EBT. The SSP will continue to be sent using their current delivery method.

### **Will PA CAP participants be sent notices?**

Yes. PA CAP households will receive PA/FS 162 notices. The eligibility notices will notify the household of their eligibility and benefit amount. All PA CAP eligibility notices will include an insert informing the recipient of their individual FS payment day schedule for their digit and county of residence. Other notices exist for PA CAP and should be used only with PA CAP participants. This text is provided in Attachment E.

### **What will happen if the PA CAP individual appeals a notice?**

Recipients of PA CAP have the same right to appeal and right to a fair hearing as all other FS recipients. CAOs will use the information provided through the SDX for the appeal process. CAOs should handle appeals for PA CAP benefits using the current appeals process.

### **Will the CAO be opening PA CAP cases?**

No. All PA CAP budget openings are automated. CAOs will not be able to open any PA CAP budgets. Detailed systems procedures will be issued as a CIS Daily Status.

### **What happens if an individual requests PA CAP through the CAO?**

If an individual contacts the CAO regarding an application for PA CAP, the individual must be advised that PA CAP is a five-year demonstration project limited to individuals processed by the SSA. SSA offices discuss the availability of PA CAP benefits during the application or reapplication process for SSI. The person inquiring about PA CAP at the CAO should be offered the opportunity to apply for the regular FSP.

Current FS recipients may become aware of PA CAP and question why they are not receiving the same benefit as the PA CAP recipient. CAOs should emphasize to these individuals that PA CAP is an automated demonstration project that is limited to 5 years. The goal of PA CAP is to encourage SSI recipients that do not utilize the regular FSP to begin receiving FS. **The CAO must not advise current FS recipients to request closure of their FS benefits on the assumption that the case will be reopened in PA CAP.** PA CAP has specific eligibility criteria which the automated system uses to determine eligibility and issue benefits.

**NOTE:** Not all single person SSI households will be found eligible for benefits under PA CAP.

### **Will the CAO be closing a PA CAP case?**

PA CAP closings are automated based on information provided by the SDX except for the two circumstances where the CAO needs to close PA CAP:

1. When a recipient moves from one county to another.

When a CAO closes the SSI/SSP budget as part of an inter-county transfer procedure, the PA CAP budget must be closed at the same time. The inter-county transfer procedure for SSI/SSP budgets is addressed in Supplemental Handbook Section 720.44. The CAO should close the PA CAP budget using Reason Code 052, Option 3. The PA CAP budget then automatically reopens at the next monthly batch run after the opening of the SSI/SSP budget. The PA CAP recipient should not experience a disruption of FS benefits.

2. When a client requests closure.

PA CAP recipients may choose to receive regular FS instead of PA CAP. If the individual contacts the CAO to request closing, the CAO informs the individual that recipients of regular FS may not be able to re-enroll in PA CAP. If the individual still wants to opt out, **document the discussion and the decision in the case narrative.** The CAO closes PA CAP for the next payment date using Reason Code 063, Option 4. The PA CAP indicator on CQINDL automatically changes from a “Y” to an “O.” This prevents the PA CAP case from automatically reopening the next month.

### **What happens if the PA CAP household no longer meets the PA CAP criteria?**

When information is received on the SDX indicating that an individual no longer meets PA CAP criteria, CIS automatically closes the FS budget at the next deadline that can be met with proper

notice. A notice to the individual is sent using the batch process by designating Reason Code 423, Option 2. The CAO is informed of the closing via Alert 057.

When the budget closes, the CAO sends the household an application and advises the household that they may be eligible to receive FS benefits under the regular FSP.

Reasons a household may no longer qualify for PA CAP benefits include:

- A change in living arrangements; or
- A change in household circumstances involving purchasing and preparing food; or
- A change in the SSI payment status code.

### **Will PA CAP households be eligible for expedited FS?**

No. Expedited FS benefits will not be authorized for those households that are in PA CAP.

### **How will changes be reported?**

- Households participating in PA CAP are required to report changes in circumstances in accordance with SSI rules. Changes may be reported by calling SSA at 1-800-772-1213 or by contacting the local SSA office. These changes will be communicated to the CAO through the SDX. PA CAP recipients are not required to report changes to the local CAO.
- Changes, such as changes in shelter costs, not required for SSI purposes, but affecting a household's eligibility or benefit amount for PA CAP may be reported to the CAO. The individual's statement will be accepted without further verification. CAOs and the Statewide Change Centers will have the ability to make changes to the PA CAP shelter costs based on information reported by the PA CAP participant. The CAO should narrate the reported change. If the reported change does not affect the benefit amount or eligibility, the CAO should note in the narrative that the change was reported but does not affect the benefit or eligibility.

### **Will these households be subject to overpayments?**

There should be very few if any PA CAP overpayments. Referrals for recoupment of an overpayment only apply if a PA CAP recipient reports a change in shelter expenses that the CAO or Statewide Change Center fails to complete timely. The CAO would need to complete the referral manually to initiate the overpayment.

### **What if a person authorized for or receiving PA CAP does not want FS benefits?**

If a person opened in PA CAP no longer wishes to receive PA CAP benefits, that person can opt out of receiving PA CAP. The PA CAP recipient may opt out by either contacting the CAO or notifying SSA at redetermination. If the recipient contacts the CAO, PA CAP benefits should be closed using Reason Code 063, Option 4. If the recipient notifies SSA at the redetermination, the SDX will be updated with the correct code to automatically close PA CAP.

## **What will happen if the SSI individual has a representative payee?**

At implementation, individuals who have representative payees will not be included in PA CAP. Procedures for inclusion of this population are being considered as a possible future enhancement. Further instructions will be provided if and when this occurs.

## **How are PA CAP benefits calculated?**

- PA CAP benefits are automatically calculated by CIS using the following deductions and income information provided by SSA through the SDX:
  1. The standard deduction of \$134;
  2. A standard shelter expense of \$121 if the household's shelter costs are below \$196 per month;
  3. A standard shelter expense of \$359 if the household's shelter cost are at or above \$196 per month;
  4. The Non-Heating Standard Utility Allowance of \$242;
  5. The maximum amount of SSI/SSP income or combination of SSI/SSP and Social Security Disability or Retirement.
- These standards will be used in conjunction with the SSI/SSP and Social Security Disability or Retirement income received by the household to give one of four standard benefit amounts.

**NOTE:** These figures are based on the current amounts and will change automatically with the MASS grant and COLA changes.

## **What are the four standard benefit amounts?**

The current benefit amounts for PA CAP households based on the calculation listed above are:

- For SSI income only:
  1. If the shelter cost is below \$196 per month, the PA CAP FS benefit for January 2007 is \$31.
  2. If the shelter cost is at or above \$196 per month, the PA CAP FS benefit for January 2007 is \$103.
- For SSI and other income:
  1. If the shelter cost is below \$196 per month, the PA CAP FS benefit for January 2007 is \$22.
  2. If the shelter cost is at or above \$196 per month, the PA CAP FS benefit for January 2007 is \$94.

**NOTE:** These figures will change automatically with the MASS grant and COLA changes.

## **Are PA CAP cases subject to Quality Control Review?**

Yes. PA CAP cases will be included in the sample and subject to Quality Control review. However, incorrect information from SSA which results in an error will be excluded from the error rate.

### **Next Steps**

1. Share this information with all appropriate staff.
2. Implement this Operations Memorandum effective January 23, 2007 .
3. Maintain this Operations Memorandum until the appropriate handbook pages have been revised.

### **Attachments**

[Attachment A: PA CAP Letter of Introduction](#)

[Attachment B: PA CAP Fact Sheet](#)

[Attachment C: EBT Mailer](#)

[Attachment D: EBT Stuffer](#)

[Attachment E: PA CAP Notice Text Attachments](#)