INFORMATIONAL LETTER

TO: Commissioners of
Social Services

DATE: September 4, 1991

SUBJECT: Food Stamps Quality Control Alert

SUGGESTED DISTRIBUTION: Food Stamp Directors
Income Maintenance Directors
Quality Control/Corrective Action Coordinators
Staff Development Coordinators

CONTACT PERSON: County Food Stamp Representative at 1-800-342-3715,
extension 4-9225

ATTACHMENTS: None

FILING REFERENCES

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DSS-329EL (Rev. 9/89)
This is to inform local districts of food stamp error prone areas identified through Quality Control Data Analysis Reports and through discussions with State Quality Control staff.

**SHELTERED WORKSHOP INCOME**

Income received by members of Food Stamp households who reside in group living arrangements and work part time in sheltered workshops is not always being budgeted. Failure to budget such income results in FS overpayments. The income a resident in a group living arrangement receives from employment in a sheltered workshop must be budgeted as food stamp earned income in determining a household's monthly FS benefit amount.

**DEPENDENT CARE COSTS AS A DEDUCTION**

Households with employed individuals are not always receiving the food stamp dependent care deduction(s) to which they are entitled. Failure to allow such a deduction results in FS underpayments.

Households consisting of employed individuals and children should always be thoroughly reviewed regarding dependent care expenses.

The dependent care expense(s), when verified, is allowable as a FS dependent care deduction up to $160 per month per child.

Households eligible for expedited processing who incur a dependent care expense are entitled to a dependent care deduction, pending verification of such expense.

**PA RECOUPEMENT CODES**

The correct WMS PA recoupment code is not being assigned to some PA cases undergoing recoupment. It is important to use the correct PA recoupment code because the code determines whether the PA recoupment is counted or excluded as food stamp income. Failure to use the correct PA recoupment code results in FS underpayments and overpayments.

Special attention must be given to use of the following WMS PA recoupment type codes. Use of these codes will result in the PA recoupment being counted as food stamp income.

**Advance Payments**

- Upstate - Code 3 - Advance Payment
- NYC - Code R - Rent Advance
- - Code U - Utility Advance
PA Fraud

Upstate – Code 4 – PA Fraud/FS IPV
NYC – Code F – Fraud

Note that the PA Fraud recoupment codes (Code 4 and Code F) are to be used only if there is a conviction by a court or a client admission of fraudulent receipt of PA benefits.

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Oscar R. Best, Jr.
Deputy Commissioner
Division of Income Maintenance