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 | INFORMATIONAL LETTER |
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TRANSMITTAL: 92 INF-15

TO: Commissioners of
 Social Services

DIVISION: Income
 Maintenance

DATE: February 25, 1992

SUBJECT: Electronic Benefit Issuance and Control System
 (EBICS) Statewide Implementation Schedule and
 Information

SUGGESTED

DISTRIBUTION: Income Maintenance Directors
 Food Stamp Directors
 Staff Development Coordinators
 WMS and BICS Coordinators

CONTACT PERSON: Call 1-800-342-3715 and ask for the following:
 Information Technology Management - Dan Berry
 extension 6-5100
 Food Stamps - Contact Your County Representative at
 extension 4-9225
 Income Support Bureau - Greg Nolan extension 4-9313
 Bureau of Local Financial Operations - Roland Levie
 extension 4-7549

ATTACHMENTS: EBICS Functional Requirements - not available on-
 line

FILING REFERENCES

| Previous ADMs/INFs | Releases Cancelled | Dept. Regs. | Soc. Serv. Law & Other Legal Ref. | Manual Ref. | Misc. Ref. |
|-----------------------|-----------------------|-------------|---|-------------|------------|
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Purpose

The purpose of this letter is to inform local districts about the Electronic Benefit Issuance and Control System (EBICS) and provide information to assist in planning for the implementation of EBICS in your District.

Background

The EBICS represents the next phase of the development of improved benefit issuance systems and builds on the success of the Alternate Food Stamp Issuance System (AFSI) by providing for the issuance of Public Assistance direct cash benefits through the existing AFSI distribution network. Public Assistance clients will use the existing magnetically encoded Common Benefit Identification Card (CBIC) and four digit personal code (PIN) to access their benefits.

The implementation of the EBICS is very timely in that it will provide local districts, in this time of severe budget constraints, with many of the administrative improvements now realized with the electronic issuance of food stamp benefits. In addition, program savings will be achieved through automatic proration. Standard issuance schedules will result in savings from a positive cash float.

Enclosed with this letter is a copy of the functional requirements for EBICS which describes in detail the changes and how EBICS will work. The remainder of this letter will highlight key features of EBICS, identify the implementation schedule and discuss the client notification requirements.

Key Features of EBICS

- Direct public assistance cash grants will be distributed through the network and issuance sites currently used for the distribution of Food Stamp benefits. We anticipate that the majority of Food Stamp issuance locations will participate as cash issuance locations. In some instances additional sites may be recruited to meet the need for access.
- Recurring benefits will be issued semi-monthly for all cases with the exception of recurring grants with an amount under \$25.00. The non-restricted portion of the recurring grant, including shelter paid direct to the client, will be evenly divided between the first half, or A Cycle, and the second half, or B Cycle.
- The A Cycle will mirror the existing Food Stamp staggered issuance schedule beginning on the 1st calendar day of the month and running through the 9th day of the month. The B Cycle will begin on the 16th and run through the 24th.

- The EBICS is being designed to provide for same day cash issuance to meet emergency needs.
- An Automated Clearing House (ACH) process will be included with EBICS which will provide for the automatic wire transfer of funds to debit the county bank account and credit the issuing site's bank accounts.
- The current system support functions for two party and vouchered vendor payments will continue to be supported and will be essentially unchanged.

EBICS Implementation Schedule

The development and implementation schedule for EBICS calls for implementation in three Pilot Districts as follows:

- Washington County - May 1992
- Nassau County - June 1992
- Erie County - August 1992

Following the Pilot implementation, Statewide rollout will begin in the Fall of this year. The planned Statewide Rollout Schedule is:

- Regions I, II and III - October 1992
- Regions IV and V - January 1993

While this schedule is fairly aggressive, the benefits are substantial. For that reason we should jointly strive to achieve Statewide Implementation as soon as possible. The Department is convinced that with a strong cooperative effort we can maintain the above schedule and share in the benefits of the system during the current fiscal year.

As with AFSI implementation, Department staff will provide training both in a Regional format and on site. In addition, training materials, client informational materials and a new training video are being prepared. We will advise you as soon as possible about the details of the training schedule.

Client Notification Requirements

The conversion of the Public Assistance issuance system from a paper based system to an electronic system with the standardization of issuance schedules will require a series of informational and legal notices. These notices are being developed in cooperation with a work group of State and county staff and include the following:

1. EBICS Mass Rebudgeting (Adequate and Timely Notice)

On a statewide basis, each case that includes the full monthly shelter allowance in the first semi-monthly check, by use of the ABEL Shelter Indicator, will have the semi-monthly grant recalculated to include half of the shelter allowance in each semi-monthly grant. New York State DSS will print and mail a timely and adequate notice to each case that is affected by the benefit change. This mass rebudgeting is scheduled for May 16, 1992.

2. EBICS Process Description Notification

Two months before EBICS starts up in each county, a check stuffer describing the change to EBICS must be included with each client's check. This check stuffer will alert clients to the change which is about to take place in the delivery of PA benefits.

3. EBICS Payment Line Conversion (Adequate and Timely Notice)

On a regional basis, cases will be converted to a staggered issuance of PA recurring, semi-monthly benefits over separate 9 day cycles, based on the last digit (terminal digit) of the case number. PA benefits will be available as follows:

| Case Number Terminal Digit Number | Availability Dates | |
|--------------------------------------|--------------------|----------------|
| | <u>Cycle A</u> | <u>Cycle B</u> |
| 0,1 | 1 | 16 |
| 2 | 2 | 17 |
| 3 | 3 | 18 |
| 4 | 4 | 19 |
| 5 | 5 | 20 |
| 6 | 6 | 21 |
| 7 | 7 | 22 |
| 8 | 8 | 23 |
| 9 | 9 | 24 |

New York State DSS will notify clients of the EBICS conversion on the first or second weekend of the month prior to conversion. This conversion notice will meet the adequate and timely notification requirement and will include:

- a. Description of the Electronic Issuance process. (to all cases)
- b. Rules governing the change to semi-monthly payment of PA Benefits. (to all cases)
 1. The monthly shelter allowance will no longer be paid in the first of the month grant. The shelter allowance will be divided between the first semi-monthly grant and the second semi-monthly grant.
 2. Monthly cash grants of \$25 or more will be divided in half and can be picked up twice a month. Recipients with cash grants under \$25 a month will pick up their full amount once a month.
- c. Description of staggered issuance for cases with a terminal digit of 2 through 9.

- d. Bridge payment option for all cases ending with the terminal digit 2 through 9.

A bridge payment will be made to recipients for the first cycle of the first month of conversion to the staggered issuance of EBIC. This bridge payment will consist of a voluntary advance and recoup subject to Federal approval of this plan. The bridge payment will represent a pro-rata share of the Basic Needs Allowance + Home Energy Allowance + Supplemental Home Energy Allowance or a prorated portion of the cash grant, whichever is less.

- e. Informational Mailing

Six weeks before EBICS start-up in each local district, New York State DSS will send to each case step by step instructions on how to obtain their PA benefits through the EBICS system. Also scheduled is a separate county mailing of the retailer list targeted to PA cases with no Food Stamp involvement.

- f. Personal Identification Number (PIN) Notice

New York State DSS will select a PIN for those PA cases not receiving food stamps which do not have a PIN associated with them. The card holder in these cases will be sent a notice indicating what PIN was selected.

Each local district should select a local district EBICS Coordinator and provide the information to the EBICS Project Office, Attention: Dan Berry, 67 North Pearl Street, Albany, New York 12207.

Should you or your staff have questions about the information in this letter or any other aspect of the implementation of the EBICS in your district, please contact the appropriate individuals listed on the cover sheet.

We look forward to your cooperation in the successful implementation of this improved benefit distribution system.

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

John DiPalermo
Deputy Commissioner
Division of Information Technology
Management