



**George E. Pataki**  
Governor

**NEW YORK STATE**  
**OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE**  
40 NORTH PEARL STREET  
ALBANY, NY 12243-0001

**Brian J. Wing**  
Commissioner

## Informational Letter

### Section 1

<b>Transmittal:</b>	01 INF 20
<b>To:</b>	Local District Commissioners
<b>Issuing Division/Office:</b>	Temporary Assistance
<b>Date:</b>	October 24, 2001
<b>Subject:</b>	Providing Temporary Assistance to Individuals Sanctioned From Supplemental Security Income
<b>Suggested Distribution:</b>	Temporary Assistance Directors Staff Development Coordinators Food Stamp Directors Medicaid Directors Child Assistance Program Coordinators
<b>Contact Person(s):</b>	Contact the Central Team at 1-800-343-8859 extension 49344
<b>Attachments:</b>	None
<b>Attachment Available On – Line:</b>	<input type="checkbox"/>

### Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
94 ADM-10 82 ADM-78		352.16(d) 352.2(b) 352.8 352.30(e)(i) 397.1	SSL 300	PASB XII-E-2.1 PASB XII-H PASB IX-I	

### Section 2

#### I. Purpose

The purpose of this Informational Letter is to inform Social Services Districts (SSDs) that there has been a change in Social Security Administration (SSA) policy concerning applicants or recipients of Supplemental Security Income (SSI). The change states that SSI applicants or recipients can have durational sanctions

imposed for intentionally making false statements or misrepresenting material facts. SSI individuals affected by this provision will not receive SSI cash benefits but will continue to receive SSI Medicaid.

## **II. Background**

Section 207 of the Foster Care Independence Act of 1999 amended title XI of the Social Security Act by adding Section 1129A to provide for the imposition of administrative sanctions to help prevent and respond to fraud and abuse in SSA's programs and operations.

Administrative durational sanctions may apply to any false statement or misrepresented material fact made on or after December 14, 1999. These sanctions will be progressive and last for a specified period of consecutive months. The sanction periods are as follows:

- 6 months for the first occurrence
- 12 months for the second occurrence
- 24 months for each subsequent occurrence

## **III. Program Implications**

### **A. Federal Temporary Assistance (FA, SNA –FP and CAP)**

Beneficiaries of SSI cash benefits can not receive federally funded temporary assistance benefits. If an SSI beneficiary has a durational SSI cash sanction imposed, they are not considered to be recipients of SSI cash. Therefore, applicants or recipients who are not receiving SSI cash benefits and have unmet needs, and are otherwise eligible, can apply for and receive Family Assistance (FA) benefits. If an SSI recipient or sanctioned SSI individual applies for FA, the SSD is required to determine eligibility for FA according to all FA program standards.

### **B. State Temporary Assistance (SNA-FNP)**

SSI recipients who have unmet needs and are otherwise eligible can receive Safety Net Assistance (SNA) benefits to meet or supplement their needs. Therefore, individuals in receipt of SSI cash benefits or who have a portion of their SSI cash benefits recouped by SSA or are sanctioned from receiving SSI cash benefits, can apply for and receive SNA benefits. If an SSI recipient makes an application for Safety Net Assistance (SNA), the SSD is required to determine eligibility for SNA according to all SNA program standards. In addition, Rice and Swift budgeting procedures still apply.

If an SSI cash durational sanction is imposed in a household that is currently utilizing Rice budgeting procedures, the SSI sanctioned individual who is a legally responsible relative or a required filing unit member, must apply for TA benefits and his/her income and resources must be considered in determining the eligibility of the assistance unit. If the SSI cash sanctioned individual is not a required filing unit member but is a legally responsible relative (such as a spouse), and chooses not to apply for TA benefits, Allen budgeting must be followed (see PASB XII-E.2). If the SSI cash sanctioned individual is a required filing unit member and chooses not to apply for TA benefits, the entire assistance unit is ineligible.

Rice budgeting applies when SNA recipient(s) live in the same household as a legally responsible relative who receives SSI cash benefits. According to regulations, an SNA spouse and/or SNA child(ren) under twenty one who lives with a legally responsible relative in receipt of SSI cash benefits, must have his/her

total needs prorated. An SNA individual's income must be counted against the SNA household members' prorated needs. The SSI cash recipient's income and resources must not be counted against the SNA household members' prorated needs (see 94 ADM-10).

Example of Rice Budgeting:

Mr. Smith lives in Albany County with his wife who receives SSI cash benefits. Mr. Smith pays \$300 per month for rent and heat is not included in the rent. Mr. Smith heats his apartment with oil.

Because Mrs. Smith is legally responsible for her husband, her presence in the household is considered in determining the SNA standard of need and grant amount. The SSD calculates an SNA budget for two and authorizes one-half the SNA budget for two to Mr. Smith. The budget would be calculated as follows:

SNA budget for 2 people - (Albany County)

Basic allowance	\$179.00
HEA	22.50
SHEA	17.00
Shelter Max	204.00
<u>Fuel for Heat</u>	<u>69.00</u>
Total needs	<u>\$491.50</u>

$$1/2 = \$245.75 \text{ (rounded down) grant} = \$245.00$$

If an SNA recipient lives with a non-legally responsible relative in receipt of SSI cash benefits, Swift budgeting as illustrated in the following example, continues to apply.

Mr. Brown, a 25 year old SNA recipient, resides in an apartment in Albany County with his mother who receives SSI cash benefits. Mr. Brown is the tenant of record. The rent is \$350 per month including heat. Mr. Brown's mother receives the SSI individual "living with others" rate of \$554 per month and contributes \$175 per month toward the rent.

Because Mrs. Brown is not legally responsible for her son, her presence in the household, income and resources can not be automatically counted. The SSD first determines if the SSI recipient actually contributes money to the SNA applicant/recipient. In this example, Mrs. Brown does contribute \$175.00 per month towards the cost of shelter. Therefore, Mr. Brown's budget would be calculated as follows:

SNA budget for 1 Person - (Albany County)

Basic allowance	\$112.00
HEA	14.10
SHEA	11.00
<u>Shelter with heat</u>	<u>175.00 (actual rent \$350 - \$175 Mrs. Brown's contribution)</u>
Total Needs	\$312.10 (rounded down) = \$312

Because Mr. Brown has no income, his SNA grant will be \$312 a month.

**C. SSI Sanctioned Individuals in Congregate Care**

In a few circumstances, there may be Temporary Assistance recipients residing in Congregate Care Facilities who are sanctioned from SSI cash benefits. If this occurs, those TA recipients will not need to reapply for TA to obtain increased benefits. They are required to notify the SSD within appropriate time frames that a change affecting their financial circumstances has occurred. The SSD must review the change, and if eligible, recalculate the grant amount. The total grant amount can not exceed the rate for the appropriate level of congregate care including the personal needs allowance. SSI cash sanctioned individuals residing in Congregate Care Facilities who are not currently in receipt of TA cash benefits can apply for assistance. When determining eligibility, all available income and resources must be considered.

**D. Emergency Assistance for Adults (EAA) and Individuals Under a Durational SSI Sanction**

SSI recipients who face emergency situations which endanger their health, safety or welfare that can not be alleviated by the SSI program, can apply for Emergency Assistance for Adults (EAA). Individuals under an SSI cash durational sanction are not considered SSI cash recipients. Therefore, such individuals are ineligible to participate in the EAA program. If SSI cash sanctioned individuals have an emergency need, the SSD must determine if the need can be met through other programs such as Emergency Assistance to Families (EAF) or emergency SNA.

**E. Resumption of SSI Cash Benefits**

The process necessary to resume SSI benefits after a sanction period is completed will depend on the length of the sanction. A new SSI application will not be needed if an individual has been sanctioned for less than 12 months. The Social Security Administration will contact the individual 60 days before the sanction ends to redetermine eligibility. The redetermination process will include verifying address, resources and other eligibility requirements.

Individuals who have been sanctioned for 12 months or more, will be considered a new claim and must reapply by filing a new application for benefits, and complying with all new claim eligibility requirements. To facilitate the reapplication process, SSA will notify the individual 60 days before the sanction ends to schedule an appointment to take a new application.

A few individuals in receipt of SNA benefits and pending an SSI cash redetermination or eligibility, may receive retroactive SSI benefits, when SSI cash benefits resume. If this occurs, all interim assistance procedures will apply. The Common Application form DSS-2921 and DSS-2921(NYC) and the Recertification form DSS-3174, contain the interim assistance language that permits the SSD to recover interim assistance from initial SSI applicants, and to recover interim assistance provided to SSI recipients who were suspended and subsequently reinstated. (see PASB IX-I)

The State Data Exchange (SDX) will be a tool that districts can use to monitor when an SSI cash sanction begins and ends. The SDX 'payment status' field will reflect the status of the SSI benefit amount. The use of the SDX should decrease the possibility of an individual receiving both Temporary Assistance benefits and SSI cash benefits, which may result in an overpayment.

**F. Food Stamp Implications**

According to United States Department of Agriculture (USDA), SSI is not considered a "means-tested public assistance program" in the Food Stamp (FS) program. This means that unlike TA sanctions, there is no prohibition against the Food Stamp grant increasing as a result of the reduction in SSI income. SSI nonrecipients would have their FS budgeting based on the income circumstances after the SSI sanction, including any TA income, if found eligible.

**G. Medicaid Implications**

For Medicaid implications contact your Medicaid representative.

**H. System Implications**

Individuals sanctioned from receiving SSI cash benefits will continue to receive SSI Medicaid. Therefore, Medicaid coverage will continue through the MA-SSI case. To prevent the TA recipient from obtaining Medicaid coverage on the TA cash case, code the SSI person on the PA case with Individual Status Code "07-Active" and MA Coverage Code "04-No Coverage-Ineligible".

\_\_\_\_\_  
Issued By

**Name: Patricia A. Stevens**

**Title: Deputy Commissioner**

**Division/Office: Division of Temporary Assistance**