



# Office of Temporary and Disability Assistance

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## Local Commissioners Memorandum

### Section 1

<b>Transmittal:</b>	17-LCM-15
<b>To:</b>	Social Services District Commissioners
<b>Issuing Division/Office:</b>	Integrated Family Assistance Programs / Employment and Income Support Programs
<b>Date:</b>	December 1, 2017
<b>Subject:</b>	Automated Termination of Supplemental Nutrition Assistance Program (SNAP) Claims
<b>Contact Person(s):</b>	Claims Policy Questions: SNAP Bureau: 1-800-343-8859 ext. 3-1469  CAMS Questions: Dan Stuhlman (518) 474-7549 or <a href="mailto:Dan.Stuhlman@otda.ny.gov">Dan.Stuhlman@otda.ny.gov</a> Michael Simon (212) 961- 8250 or <a href="mailto:Michael.Simon@otda.ny.gov">Michael.Simon@otda.ny.gov</a>
<b>Attachments:</b>	
<b>Attachment Available Online:</b>	<input type="checkbox"/>

### Section 2

#### I. Purpose:

The purpose of this Local Commissioners Memorandum (LCM) is to inform social services districts (districts) that, under existing regulatory authority, **the state will be administratively terminating Supplemental Nutrition Assistance Program (SNAP) claims against closed cases if there has been no collection against the household's debt for three years.** Reports that identify claims that have been terminated will be sent to district BICS' queues. Terminated claims may be re-established if the case becomes active again, or if circumstances change and collection appears to be likely.

#### II. Background:

The Office of Temporary and Disability Assistance (OTDA) last ran an automated termination of SNAP claims in November 2008. At that time, a large volume of outdated and small claims were removed from the Cash Management System (CAMS), and those remaining were subjected to automated collection through the Treasury Offset Program (TOP).

Since that last mass termination, a significant volume of outdated SNAP claims again has accumulated in CAMS. During a recent SNAP claims administration review, USDA cited this large volume of claims that have had no collection activity for more than three years as a finding and directed the state to take action to reduce the volume of outdated claims.

On December 1, 2017, the state will run another automatic, mass termination of Supplemental Nutrition Assistance Program claims. If no payment has been made on the claim and the date of establishment is 37 months or more prior to the run date, the claim will be terminated. In cases

where payment has been made, the last payment must be at least 36 months prior to the run date. The balance of the claim will be terminated. This action has the effect of improving our debt to collection ratio while targeting collection activities on current, and more likely collectible, claims. Policy allowing collection incentives such as the ability to offer compromises to debtors remain available as inducements to settle debts.

### III. Program Implications:

All SNAP claims against closed cases currently on CAMS that meet the rules for auto-terminating a claim will be terminated as of the run date. Cases removed from the inventory, will **only** include Agency Errors (AEs) and Inadvertent Household Errors (IHEs). Claims established as the result of Intentional Program Violations (IPVs) will **not** be included in the mass termination.

The rules that will be applied to selecting claims for the mass termination are as follows:

- SNAP cases must be closed, and all associated recoupment cases must be closed.
- Claim status must be Active, Suspended or Reactivated.
- Overpayment code must be AE or IHE.
- In cases where payment has been made, the last payment must be at least 36 months prior to the run date. The balance of the claim will be terminated.
- If there are multiple claims within the case, the last payment made on **any** of the claims, must be at least 36 months prior to the run date.
- If no payment has been made on the claim and the date of establishment is 37 months or more prior to the run date, the claim will be terminated.
- Treasury Offset Program (TOP) collections are considered payments; “Expungements” are not.
- Payment reversals will not be considered payments.

### IV. Required Action:

Districts are under no obligation to take any action on the terminated claims unless the household again becomes active on SNAP at which point the claim becomes collectible through benefit reduction. Reactivation offers the opportunity to review the case and determine that the case record contains all required documentation. If this is not the case, the household must be noticed and the claim re-established. If anyone who was a responsible adult member of the household at the time the claim was established becomes active on SNAP, the district has the option of re-establishing the claim and resuming recoupment for that individual.

Terminated claims should not be re-established against households participating in the Working Families Supplemental Nutrition Assistance Program Initiative (WFSNAPI). For currently active SNAP households that meet the requirements to participate in WFSNAPI, any amount of existing claims that cannot be collected within three (3) years at the current rate of recoupment can be compromised. (Ref. 07 ADM-10, The Working Families Food Stamp Initiative (WFFSI)).

**V. System/CAMS Implications:**

These cases will be terminated by the system on the weekend of December 1, 2017 and as of December 4, 2017, will appear on a CAMS inquiry with a system termination status of 30. They will no longer be counted as outstanding claims for statistical purposes and will not appear on the DSS-3214, Supplemental Nutrition Assistance Program – Claims Against Households, report.

The Accounts Receivable Turnaround Document (TAD) that is created on Monday, December 4, 2017 will contain information about the claims that have been terminated by the system. The terminated claims will appear on the monthly DSS-3214, Supplemental Nutrition Assistance Program – Claims Against Household, report in the terminated section.

The report “CAMS REPORT OF SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM CLAIMS SYSTEMATICALLY TERMINATED ON DECEMBER 4, 2017. (FTTERMREPT00) will be sent via the normal BICS print queue.

**VI. Effective Date: December 4, 2017**

**Issued By**

**Name:** Nancy P. Maney  
**Title:** Deputy Commissioner  
**Division/Office:** Integrated Family Assistance Programs