



SNAP 1504-2 Under Issuance

References:	7 CFR 273.17; 7 CFR 273.18(b)(2)
Overview:	<p>GENERAL RULE: When it is determined additional benefits are owed to the household, the OPA Case Manager must take action to locate the household and restore/supplement benefits as appropriate.</p> <p>A restoration is an additional benefit issued for a past month to compensate for an under issuance.</p> <p>A supplement is an additional benefit issued for the current month to compensate for an under issuance.</p>
Policy:	<p>BENEFITS NOT SUPPLEMENTED/RESTORED</p> <p>Benefits are not restored or supplemented to households for unreported changes. The only actions required for <u>household-caused</u> under issuance errors are to correct the case for future months, document using case notes, and send appropriate notices. If Program Compliance establishes a household-caused under issuance error, the OPA Case Manager should not adjust the month of review, but instead update the case for future months, and document the Program Compliance review findings using case notes.</p> <p>NOTE: Due to differing requirements, it cannot be assumed the amount of under issuance determined by Program Compliance is the amount for restoration.</p>
	<p>OFFSETTING CLAIMS</p> <p>In cases when an initial allotment is received within 60 days of the date the application is filed and is paid retroactive to the date of the application; the allotment cannot be reduced to offset prior claims. is currently programmed to meet this requirement by not offsetting initial allotments. If an over issuance claim has not yet been established and there is also an under issuance that needs to be authorized, both actions must be taken. If there is an open over issuance claim for months prior to the under issuance month, the entire restoration will be applied to the oldest outstanding claim up to the total amount needed to satisfy the overpayment claim. If a household is entitled to a supplement and there is an open over issuance claim for months prior to the under issuance month, the amount recouped will be \$10.00 or 10% of the supplement, whichever is greater, up to the outstanding over issuance amount. Households determined to have committed an IPV must have an allotment reduction of \$20.00 or 20% whichever is greater.</p>
	<p>TIME LIMITS FOR RESTORING</p> <p>Benefits must be restored if the loss occurred no more than 12 months from the most recent of the following events:</p> <ol style="list-style-type: none">1. The date the household, another person or agency notifies the OPA of the possible loss to that specific household. The notification to the OPA can be oral or written.2. The date the OPA is notified or otherwise discovers that a loss to a specific household has occurred.3. Benefits were found by any judicial action to have been wrongfully withheld. If the judicial action is the first action the recipient took to receive restored benefits, they shall be restored for no more than 12 months from the date the court action

	<p>was initiated.</p> <p>If the judicial action is a review of an action taken by the OPA, benefits are restored for a period of no more than 12 months from whichever of the following dates occurred first:</p> <ul style="list-style-type: none"> a. The date the OPA receives the request for restoration; or, b. If no request is received, the date the fair hearing action was initiated.
	<p>COMPUTING BENEFITS TO BE RESTORED</p> <p>A household is entitled to restored benefits even if it is not currently receiving SNAP benefits. Restore benefits only in those months that the household actually received SNAP benefits not to exceed 12 months.</p> <p>EXCEPTION: Restored benefits may be issued for months a household was not actually receiving SNAP benefits if the household was incorrectly denied.</p> <p>If, due to an <u>agency-caused error</u>, an eligible household's application was denied or the OPA Case Manager delayed benefits to an eligible household, the month of the application is considered the first month the loss occurred. The OPA Case Manager must provide benefits retroactive to the date of application. If an eligible household made timely application for continued benefits and was not provided an opportunity to participate in the month following the expiration of its certification period, the month following the end of the certification period is considered the first month the loss occurred. If a household's benefits were erroneously terminated, the first month that benefits were not received as a result of the erroneous action is considered the month the loss initially occurred.</p> <p>After determining the date the loss initially occurred, the loss is calculated for each month after the initial month until either:</p> <ul style="list-style-type: none"> 1. The first month the error is corrected; 2. The first month the household is found ineligible; or, 3. The first month the household reapplied. <p>Occasionally the household composition changes from the time the error occurred and the time the restoration is issued, (e.g., household splits into two different SNAP cases). When this occurs, the under issuance is calculated using the facts of the household situation and composition at the time the underpayment occurred. Benefits are restored to the SNAP household containing the majority of the original household members at the time the error occurred.</p> <p>NOTE: If the household with the majority of members cannot be identified, located or determined, benefits will be restored to the household containing the Primary Information person at the time the error occurred. This would also occur when the number of original household members is exactly the same.</p> <p>If an Intentional Program Violation (IPV) is reversed, the household is entitled to lost benefits during the months the individual was disqualified, not to exceed 12 months before the date of OPA notification. The amount restored is determined by comparing the benefit the household received with the benefit the household would have received had the disqualified member been eligible for each month the individual was disqualified, not to exceed 12-month limit. HHS QAD CLAIMS must be emailed to delete the claim and put the claim in no recovery status. The OPA Case Manager restores the benefits and must email HHS QAD CLAIMS when the benefits are restored. Household participation in an administrative disqualification hearing in which the household contests the OPA's assertion of IPV shall be considered</p>

	notification that the household is requesting restored benefits. Individuals are not entitled to restored benefits while disqualified solely because a criminal conviction is not obtained, unless they also successfully challenge the disqualification imposed by the administrative hearing decision in a separate court action.
	<p>CORRECTIONS ACCORDING TO REPORTING REQUIREMENTS</p> <p>The first month of overpayment/underpayment is determined according to the reporting requirements the household was given for household and agency caused errors. If an under issuance occurs and the household is a change reporting household, the correction is made using the actual circumstance that caused the under issuance. If an under issuance occurs and the household is a six month reporting household, the amount of the under issuance is based on the corrected circumstances that should have been used at certification, six month report period, recertification, or when a change was reported/discovered that required action.</p>
	<p>DISPUTED BENEFITS</p> <p>If the household does not agree with the amount or any other action taken by the OPA Case Manager to pay lost benefits, the household may request a fair hearing within 90 days of the date of the notification of entitlement to the benefits. If a fair hearing is requested before or during the time the lost benefits are being issued, the household will continue to receive the under issued benefits as determined by the OPA Case Manager pending the fair hearing decision. If the fair hearing decision is favorable to the household, the OPA Case Manager will restore benefits in accordance with that decision. In addition, if a household believes it is entitled to under issued benefits, but the OPA Case Manager does not agree, the household may request a fair hearing on that issue. The OPA Case Manager should document on case notes requests for under issued benefits, including justification for the OPA Case Manager's decision and date of the decision. Households should receive a notice of the OPA Case Manager's decision.</p>
Date Revised	April 2010