

SNAP/TANF Program Policy Manual	
<b>CHAPTER: 3600</b> <b>BENEFIT ISSUANCE</b>	<b>SECTION: 3600</b> <b>TABLE OF CONTENTS</b>

## TABLE OF CONTENTS

3600.00.00	BENEFIT ISSUANCE .....	3
3605.00.00	REPRESENTATIVES AND PROTECTIVE PAYEES.....	3
3605.05.00	AUTHORIZED REPRESENTATIVES (S) .....	3
3605.05.05	WITHDRAWAL OF AUTHORIZATION (S) .....	3
3605.05.10	RESTRICTIONS ON REPRESENTATIVES (S) .....	4
3605.05.15	DOCUMENTATION AND CONTROL OF REPRESENTATIVES (S) .....	4
3605.15.05	EVIDENCE OF MISREPRESENTATION (S).....	4
3605.15.00	SPECIAL REPRESENTATIVE CIRCUMSTANCES (S).....	5
3605.15.05	DRUG/ALCOHOL TREATMENT CENTER REPRESENTATIVE (S) .....	5
3605.15.05.05	WHEN THE ag LEAVES THE FACILITY (S) .....	5
3605.15.05.10	LIABILITIES AND PENALTIES OF FACILITIES (S).....	5
3605.15.05.15	GROUP LIVING ARRANGEMENT (S) .....	6
3605.15.05.20	SNAP BENEFITS USED IN SHELTERS FOR BATTERED PERSONS (S) .....	6
3605.25.00	PROTECTIVE PAYMENTS (C) .....	6
3605.25.05	MONEY MISMANAGEMENT (C).....	7
3605.25.05.05	CRITERIA FOR DETERMINING MISMANAGEMENT TO EXIST (C) .....	7
3605.25.15	STANDARDS FOR SELECTION OF THE PROTECTIVE PAYEE (C).....	7
3605.25.20	RESPONSIBILITIES OF THE PROTECTIVE PAYEE (C).....	8
3605.25.25	PROTECTIVE PAYMENT REVIEW PERIOD (C) .....	9
3605.25.30	PROTECTIVE PAYMENT TIME LIMITATION (C) .....	9
3605.25.35	PROTECTIVE PAYEE AUTHORIZATION PROCEDURES (C) .....	9
3605.25.40	CHANGE OF PROTECTIVE PAYEE (C).....	10
3610.00.00	SNAP ISSUANCE/BENEFITS .....	10
3610.05.00	ISSUANCE TYPES (S).....	10
3610.05.25	STAGGERED ISSUANCE (S).....	10
3610.05.30	VALIDITY PERIODS .....	10
3610.05.35	COMBINED ISSUANCE (S) .....	11
3610.05.40	MAXIMUM TIME BETWEEN ISSUANCES (S) .....	11
3610.10.00	MANUAL ISSUANCE.....	11

3610.10.05	LOST, STOLEN, DESTROYED WARRENTS (C) .....	12
3610.10.10	LOST OR STOLEN EBT CARD .....	12
3610.10.15	STOLEN BENEFITS.....	12
3610.15.00	RESTORING BENEFITS (S).....	12
3610.15.05	PAYMENTS OF BENEFITS WRONGLY WITHHELD (S).....	13
3610.15.10	ERRORS DISCOVERED BY THE LOCAL OFFICE .....	13
3610.15.15	DISPUTED RESTORATIONS (S) .....	13
3610.15.20	COMPUTING THE AMOUNT TO BE RESTORED (S).....	14
3610.15.20.05	dETERMINING THE MONTHS AFFECTED (S) .....	14
3610.15.20.10	CALCULATION OF UNDER ISSUED BENEFITS (S) .....	14
3610.15.20.15	DETERMINING AMOUNT TO BE RESTORED (S) .....	14
3610.15.20.20	RESERVED .....	15
3610.15.25	LOST BENEFITS – IPV (S) .....	15
3610.15.30	METHOD OF RESTORATION (S) .....	15
3610.15.35	REPLACEMENT OF FOOD DESTROYED (S) .....	15
3610.20.00	CASH BENEFIT ISSUANCE (C) .....	16
3610.20.10	UNRESTRICTED MONEY PAYMENT (C) .....	17
3610.20.15	CASH BENEFITS AND THE EBT HOOSIER WORKS CARD (C) .....	17
3615.00.00	SNAP EBT (HOOSIER WORKS) CARDS (S).....	18
3620.00.00	SNAP ACCOUNTABILITY (S) .....	18
3620.10.05	RETENTION OF ISSUANCE MATERIALS (S).....	18
3620.15.10	other returned snap benefits (s) .....	18
3699.00.00	FOOTNOTES FOR CHAPTER 3600 .....	20

<b>SNAP/TANF Program Policy Manual</b>	
<b>CHAPTER: 3600 BENEFIT ISSUANCE</b>	<b>SECTION: 3600.00.00 BENEFIT ISSUANCE</b>

## **3600.00.00 BENEFIT ISSUANCE**

This chapter presents policy regarding benefit issuance. The chapter covers:

- Representatives and Protective Payees (Section 3605);
- SNAP Issuance/Benefits, Cash Benefits/Issuance (Section 3610);
- SNAP and MA Identification Cards (Section 3615);
- SNAP Issuance/Accountability (Section 3620); and
- Footnotes for Chapter 3600 (Section 3699).

## **3605.00.00 REPRESENTATIVES AND PROTECTIVE PAYEES**

An AG may designate an authorized representative to receive SNAP benefits, use SNAP benefits, or present medical expense verification for Medicaid spend-down eligibility purposes. Additionally, in certain defined circumstances a protective payee may be assigned by the Local Office to receive the TANF payment.

### **3605.05.00 AUTHORIZED REPRESENTATIVES (S)**

The SNAP AG may designate an authorized representative to receive SNAP and/or use the SNAP on behalf of the AG. The authorized representative is named on in the eligibility system and the name appears on the EBT card if the person is authorized to access the SNAP.

There is no limit on the number of individuals that may be designated as authorized representatives by the AG; however, only one representative can be on the EBT card. The authorized representative must not be an AG member.

Authorized representatives designated for application processing purposes for SNAP may also carry out other household responsibilities during the certification period such as reporting changes for the household. State agency employees who are involved in the certification or issuance processes, contract employees and retailers who are authorized to accept SNAP benefits may not act as authorized representatives.

### **3605.05.05 WITHDRAWAL OF AUTHORIZATION (S)**

The authorized representative authorization is valid only for the current entitlement period. The payee or another responsible AG member may withdraw the authorization at any time. Withdrawal of authorization will be made upon request in person, by telephone, or in writing. Requests made in person or by telephone must be entered into the eligibility system. Written requests will be placed in the case record.

State employees and SNAP retailers authorized to accept SNAP benefits cannot act as authorized representatives.

### **3605.05.10            RESTRICTIONS ON REPRESENTATIVES (S)**

The following restrictions apply to authorized representatives:

- State employees, contract employees, and SNAP retailers authorized to accept SNAP benefits cannot act as authorized representatives.
- Individuals disqualified for fraud cannot act as authorized representatives during the period of disqualification, unless the disqualified individual is the only adult member of the AG able to act on the AG's behalf; and
- Providers of meals for the homeless may not act as authorized representatives for homeless individuals.

### **3605.05.15            DOCUMENTATION AND CONTROL OF REPRESENTATIVES (S)**

There is no limit placed on the number of individuals a representative may represent. When employers such as those employing migrant/seasonal farm workers are named as representatives, or when a single representative has access to a large number of EBT cards or SNAP benefits, caution should be exercised to ensure the following:

- that the payee or another responsible AG member freely requested the representative
- that the individual's situation is correctly represented
- that the representative is receiving the correct amount of benefits; and
- that the representative is using the SNAP benefits properly.

### **3605.15.05            EVIDENCE OF MISREPRESENTATION (S)**

When evidence is obtained that an authorized representative has misrepresented an individual's circumstances and has knowingly provided false information or has improperly used SNAP benefits, the representative may be disqualified from participating as an authorized representative. This disqualification may be for a period of up to one year.

A written notice must be sent to the affected AG and the authorized representative 30 days prior to the date of disqualification. This notification will include:

- the proposed action
- the reason for the action
- the AG's right to request a fair hearing
- the telephone number of the Local Office
- the name of the caseworker to contact for more information

Disqualification of representatives does not apply in the case of drug/alcohol treatment centers and those group facilities which act as authorized representatives for their residents. In these instances, the facility is liable for any over issuance which may occur.

## **3605.15.00 SPECIAL REPRESENTATIVE CIRCUMSTANCES (S)**

Special provisions exist for authorized representatives for residents of drug/alcohol rehabilitation centers, residents of facilities for the blind and disabled, and residents of shelters for battered persons. These situations are discussed in the following sections.

### **3605.15.05 DRUG/ALCOHOL TREATMENT CENTER REPRESENTATIVE (S)**

The resident in the facility is prohibited from applying on his own behalf. The residents of drug/alcohol treatment centers shall apply and be certified through the use of an authorized representative who shall be an employee. The employee of the facility will apply for as well as receive and spend benefits on behalf of the residents.

#### **3605.15.05.05 WHEN THE AG LEAVES THE FACILITY (S)**

Once the AG leaves, the center is no longer allowed to act as that AG's authorized representative. The center shall, if possible, provide the AG with a change report form to report to the Local Office the individual's new address and other circumstances after leaving the center, and shall advise the AG to return the form to the Local Office within 10 days.

When the AG leaves the center, the center shall provide the resident AG with the client's EBT card. The departing AG shall also receive its full allotment if benefits have been spent on behalf of that individual AG. These procedures are applicable any time during the month. However, if the SNAP benefits have already been issued and any portion spent on behalf of the individual, and the AG leaves the treatment and rehabilitation program prior to the 16th day of the month, the treatment center shall provide the AG with one-half of its monthly SNAP benefit allotment. If the AG leaves after the 16th day of the month and the allotment has already been issued and used, the AG's allotment is gone for the month.

#### **3605.15.05.10 LIABILITIES AND PENALTIES OF FACILITIES (S)**

Facilities will be held responsible for any misrepresentation or fraud it commits in the certification of facility residents. As an authorized representative, the facility must be knowledgeable about the individual's circumstances and should carefully review those circumstances with residents prior to applying on their behalf.

In addition, facilities will be held liable for all losses or misuse of SNAP benefits held on behalf of residents and for any over issuances which occur while the individual is a resident of the facility. A benefit recovery referral will be filed against the facility for any over-issuance of SNAP benefits.

If there is reason to believe a facility has misappropriated or used SNAP benefits for purchases that did not contribute to an entitled individual's meals, the Local Office will promptly notify the Central Office, who will notify the United States Department of Agriculture (USDA). USDA may disqualify a facility as an authorized retail food store and may suspend the facility's authorized representative status for the same period.

If the facility loses its authorization from USDA (whereby the facility can no longer act as the authorized representative) or, if the facility loses its certification from USDA, the facility is no longer an eligible institution. As a result, residents of the center are no longer eligible to participate.

### **3605.15.05.15                      GROUP LIVING ARRANGEMENT (S)**

Residents in these facilities may apply on their own behalf or through an authorized representative. The group facility must ensure that each resident's SNAP benefits are used for meals intended for that resident, regardless of whether the facility purchases and prepares food consumed by eligible residents or if the residents purchase and prepare food for their own consumption.

If the resident applies with the facility as the authorized representative, the facility may obtain and use the SNAP benefit allotment for food prepared by and/or served to the residents, or the facility may allow the resident to use all or any portion of the allotment on his own behalf.

If the resident is certified on his own behalf, the SNAP benefit allotment may be:

- returned to the facility to be used to purchase food for meals served either communally or individually.
- used by eligible residents to purchase and prepare food for their own consumption.
- used to purchase meals prepared and served by the facility.

### **3605.15.05.20                      SNAP BENEFITS USED IN SHELTERS FOR BATTERED PERSONS (S)**

SNAP benefits may be used by shelter residents in any one of the following ways:

- Shelter residents may use the SNAP benefits to purchase meals prepared specifically for them at the shelter.
- A shelter resident may designate the shelter as an authorized representative so that the shelter can purchase food for meals served to the resident.
- Shelter residents may use the SNAP benefits to purchase food for their own consumption.

### **3605.25.00                      PROTECTIVE PAYMENTS (C)**

The protective payment system is a procedure by which a non-AG member is appointed by the Local Office to receive and manage the TANF payments. Protective payments are to be utilized when:

- The TANF payee has demonstrated such an inability to manage funds that the TANF payments have not been used in the best interest of the child.
- The parent is a minor required to live with a supervisory adult who receives the minor's TANF benefit in the form of protective payments.

The protective payment procedure enables the Local Office, without the intervention of the court, to select and appoint another individual to receive the TANF payment. The protective payee is

expected to manage or supervise the expenditure of the TANF payment so as to protect the best interest of the child until discharged from such responsibility by the Local Office.

### 3605.25.05 MONEY MISMANAGEMENT (C)

Protective payments may be made when the payee mismanages funds deliberately or because of inexperience or lack of training in money management. They are intended for caretaker relatives who have the capacity to learn to manage their funds. They are not intended for caretaker relatives whose mental or physical limitations would prevent them from learning how to manage their own affairs.

### 3605.25.05.05 CRITERIA FOR DETERMINING MISMANAGEMENT TO EXIST (C)

Consideration is to be given to the appointment of a protective payee when it is clearly established that the caretaker relative persistently mismanages the TANF payments to the detriment of the child. Evidence of such mismanagement must be clear and specific. Examples of such evidence include, but are not limited to:

- Continued refusal or inability to properly feed or clothe the dependent child.
- Continued expenditures made for nonessentials or for other items so as to threaten the child's chances for healthy growth and development.
- Continued, persistent, and deliberate failure to meet obligations for rent, food, or other essentials.
- Repeated evictions or incurring of debts with attachments or levies made against current income.
- Continued inability to plan and spread necessary expenditures over the usual period between assistance checks;

Documentation is to be entered in the case record of the evidence that demonstrates the need for protective payments.

Before steps are taken to appoint a protective payee, the Local Office must first undertake special efforts to develop greater ability on the part of the caretaker relative to manage funds. Specialized services are to be given on family budgeting and purchasing, meeting financial obligations, debt management, and so forth. The individual must be notified that continued misuse of the TANF payments will result in protective payments. If there is then continued evidence of persistent mismanagement of the TANF payments, protective payments are to be arranged.

### 3605.25.15 STANDARDS FOR SELECTION OF THE PROTECTIVE PAYEE (C)

The selection and appointment of the individual designated to receive the TANF payment on behalf of the AG is to be made by the Local Office in accordance with the following standards:

- Interest in and concern with the well-being of the AG members. This interest may have been demonstrated by regular and frequent visits to the AG or past efforts to help the AG at time of crisis.

- Ability in ordinary household budgeting, experience in purchasing food, clothing, and household supplies within a restricted income, and knowledge of effective household money management practices.
- Willingness to serve as a protective payee without remuneration.
- Geographical proximity or means of transportation to the AG to be accessible for frequent consultation on budgeting and other money payment problems.
- Ability to establish and maintain positive relationships with members of the AG. The protective payee must assume a teaching role to facilitate the acquisition of new money management skills in money mismanagement cases.
- Capacity to handle highly confidential AG information.

The protective payee may be:

- A relative, friend, or neighbor
- A member of the clergy
- A member of a church or community service group
- A staff member of the Local Office or another social service agency
- A home economist with a public or voluntary organization.

The protective payee may not be:

- The Director of a Local Office
- The caseworker/supervisor determining financial eligibility for the AG.
- Special investigative or resource staff
- Staff handling fiscal processes related to the AG.
- A landlord, grocer, or other vendor of goods or services dealing directly with the AG.

To the extent feasible, the TANF AG is to participate in and consent to the selection of the person designated as the protective payee.

The Local Office should make a potential protective payee aware of his responsibilities by:

- Reviewing the responsibilities listed on Form SF 49884/FI0024 Protective Payee for Hoosier Works Card; and
- Supplementing the agreement by an oral discussion of said responsibilities, the objectives of protective payments, and the nature and frequency of the reporting expected by the Local Office.

## 3605.25.20 RESPONSIBILITIES OF THE PROTECTIVE PAYEE (C)

Responsibilities of the protective payee include:

- Paying maintenance needs (such as rent, utilities, food, clothing, and so forth) from the cash benefit.
- Explaining to the TANF AG how the cash benefit will be spent.
- Keeping records of payments received and disbursements made and providing the Local Office with a general report of the disbursements every six months; and
- Treating confidentially all personal information concerning the AG.



For money mismanagement situations, helping the caretaker relative to appropriately handle and manage the AG's funds. It is recommended that the protective payee allow the caretaker relative to participate in decisions or at least have the opportunity to discuss expenditures before they are made. As the caretaker relative demonstrates the ability to use the funds appropriately, the protective payee is to gradually increase self-management until the caretaker relative is able to manage the entire TANF payment.

### **3605.25.25            PROTECTIVE PAYMENT REVIEW PERIOD (C)**

The Local Office is responsible for reviewing and evaluating each protective payment case at least every six months to determine if the protective payee is carrying out these responsibilities in the best interest of the child. In addition, for cases involving money mismanagement, the situation is to be reviewed to determine if progress is being made by the AG in overcoming money mismanagement problems. A decision is to be made to:

- Restore the AG to regular money payment status;
- Continue the AG under protective payment status; or
- Arrange for the appointment of a legal guardian when it appears that the AG is unable to respond to the beneficial effects of the protective payment plan or progress is so slow as to require continuation of the plan beyond the 24-month limitation on protective payments. (f1)

### **3605.25.30            PROTECTIVE PAYMENT TIME LIMITATION (C)**

A protective payment arrangement in money mismanagement cases is limited to 24 months. (f2) The protective payee and caseworker are to make every effort to eliminate the money mismanagement problem sooner than the 24-month limitation.

There is no specific time limitation on the protective payment arrangement in minor parent cases.

For TANF AGs headed by minor parents, protective payments are discontinued if the minor parent:

- reaches the age of 18; or
- becomes exempt from the requirement (See Section 3215.05.25.05)

### **3605.25.35            PROTECTIVE PAYEE AUTHORIZATION PROCEDURES (C)**

The following procedures are to be used in authorizing a protective payee:

- The new payee must acknowledge acceptance of protective payee responsibilities in writing. Both the new payee and the Director of the Local Office are to sign Form SF 49884/FI0024 Protective Payee for Hoosier Works Card, one copy of which is sent to the AG. The protective payee receives the original while a third copy is retained in the case file.
- A system-generated notice advises the protective payee and the AG that the protective payee will be receiving the TANF warrant directly for use in providing for the needs of the

AG. The protective payee will also receive copies of all TANF eligibility notices sent to the AG.

### 3605.25.40 CHANGE OF PROTECTIVE PAYEE (C)

In the event that it is necessary to change the protective payee, the authorization procedures contained in the previous section are to be followed in authorizing a new protective payee.

### 3610.00.00 SNAP ISSUANCE/BENEFITS

Sections 3610.05.00 through 3610.30.20 discuss SNAP issuance and benefits.

### 3610.05.00 ISSUANCE TYPES (S)

Issuance of SNAP is performed by Electronic Benefit Transfer (EBT) where the client uses a debit card at the store to make food purchases.

### 3610.05.25 STAGGERED ISSUANCE (S)

AGs that access SNAP benefits on the normal issuance cycle have their issuance days staggered from the 5th through the 23rd of each month. The EBT issuance cycle is as follows:

<b>1<sup>st</sup> Letter</b>	<b>Day</b>	<b>1<sup>st</sup> Letter</b>	<b>Day</b>
A, B	5 <sup>th</sup>	M, N	15 <sup>th</sup>
C, D	7 <sup>th</sup>	O, P, G, R	17 <sup>th</sup>
E, F, G	9 <sup>th</sup>	S	19 <sup>th</sup>
H, I	11 <sup>th</sup>	T, U, V	21 <sup>st</sup>
J, K, L	13 <sup>th</sup>	W, X, Y, Z	23 <sup>rd</sup>

Exceptions to Staggered Issuance requirements are:

- AGs that are receiving their initial month's benefits; and
- AGs that meet expedited criteria.

### 3610.05.30 VALIDITY PERIODS

SNAP allotments have a validity period of nine (9) months from the month the benefits are authorized. If not used within the nine (9) month time period, the benefits are expunged. (f3)

Assistance groups whose benefits are pending expungement will be mailed a notice 30 days prior to the expungement date. (f4)

Deceased participants validity period ends the following month after death all benefits will be expunged unless there is another payee in the SNAP assistance group.

Cash allotments have a validity period of 180 days from the month the benefits are authorized. If not used within the 180-day time period, the benefits are expunged.

### **3610.05.35 COMBINED ISSUANCE (S)**

An AG must receive the prorated allotment for the month of application and the first full month at the same time when the following situation exists:

- The AG is not eligible for expedited service, and
- The application is made after the 15th day of the month, and
- All required information/verification is provided, and
- All necessary activities to determine eligibility are completed by the 30th day from application, and
- The AG is determined eligible for the month of application and the following month.

The AG must also receive a combined issuance if the AG applies after the 15th of the month and is eligible for expedited service.

The following are exceptions to this rule:

- The combined issuance rule does not apply to migrant and seasonal farm worker AGs unless there were more than 30 days during which the AG did not participate. This would mean that the initial month's benefits would not be prorated. Therefore, if there is no proration for the migrant/seasonal farm worker AGs, the first month they do not receive combined allotments.
- If the first month's allotment of less than \$10 is prorated to zero, the issuances are not to be combined; however, the AG must receive benefits by the eighth day of the first full month, if eligible.

### **3610.05.40 MAXIMUM TIME BETWEEN ISSUANCES (S)**

AGs that participate longer than two consecutive, complete months should have no more than 40 days elapse between any two issuance dates. Since each AG is placed on an issuance schedule that will allow it to receive benefits on the same date each month, this will not be a problem.

### **3610.10.00 MANUAL ISSUANCE**

The system automatically generates benefits for current and future months once they have been authorized. However, it is necessary to manually issue benefits whenever the recurring SNAP or Cash Assistance benefit must be augmented or replaced. When an underpayment occurs for a month prior to the recurring month, procedures should be followed to restore benefits. (Refer to Section 3610.15.00)

Examples of situations requiring manual issuance include:

- Verified SNAP and TANF changes after cut-off which will increase benefits for the following month.
- The replacement of lost, stolen, or destroyed benefits (TANF only)

- A warrant has been cashed, as shown on the State Auditor's Recon File
- The refund of SNAP and TANF claim overpayments.
- Timely fair hearing requests necessitating an increase in SNAP or TANF benefits after cut-off.
- Fair hearing results requiring the issuance of retroactively higher SNAP or TANF benefits.
- Changes in agency policy which require SNAP or TANF retroactive benefit increases or next month increases after cut-off.

### **3610.10.05            LOST, STOLEN, DESTROYED WARRENTS (C)**

A manually issued benefit is never authorized for a lost, stolen or destroyed warrant. An affidavit is signed and sent to the State Auditor's Office for a rewrite warrant.

Only if a warrant has been cashed, as shown on the State Auditor's Recon File, and the client certified that the signature is not their own, would a manually issued benefit be authorized.

### **3610.10.10            LOST OR STOLEN EBT CARD**

Individuals whose EBT card is lost, damaged or stolen, must request a replacement card via EBT Customer Service: 877-768-5098.

### **3610.10.15            STOLEN BENEFITS**

EBT benefits that are reported stolen cannot be replaced, except in a specific circumstance in accordance with Consolidated Appropriations Act 2023 Pub Law 117, which applies to benefits that are stolen via electronic methods such as cloning and skimming.

Benefits that are reported stolen via electronic methods must be reported by the SNAP recipient. DFR staff will request an affidavit regarding the reported theft and will investigate to determine if the loss fits the conditions of P.L. 117. If so, a replacement will be provided. Replacements under these conditions are restricted to two replacements per year for a maximum of 2 months of benefits per replacement.

Only benefits that are validated as stolen will be replaced. The requestor will receive a notice regarding approval or denial of the request, and if there was a replacement, the amount of the replacement. The recipient may appeal if there is a disagreement with the decision.

### **3610.15.00            RESTORING BENEFITS (S)**

The Local Office must restore benefits when a determination is made that benefits were under issued because all or part of the AG's benefits were denied, delayed, or terminated due to administrative error. Benefits must be restored even if the AG is currently ineligible.

For SNAP only:

- Benefits will be restored to the AG for not more than 12 months prior to whichever of the following occurred first:
  - The date the Local Office was notified by the AG or by another individual or agency in writing or orally of the possibility of lost benefits; or
  - The date the Local Office discovered in the normal course of business that a loss of AG benefits occurred.

**EXCEPTION:** Benefits must be restored when the collections on a claim exceed the amount owed, without regard of the 12-month time frame.

### 3610.15.05 PAYMENTS OF BENEFITS WRONGLY WITHHELD (S)

An AG's benefits which were found to have been wrongfully withheld will be restored.

Benefits will be restored for a period of not more than 12 months from whichever of the following dates occurred first:

- The date the Local Office receives a request for restoration; or
- The date fair hearing action was initiated.

Benefits will not be restored for any period more than one year from the date the Local Office is notified of, or discovers, the loss.

### 3610.15.10 ERRORS DISCOVERED BY THE LOCAL OFFICE

If the Local Office determines that an AG is entitled to additional SNAP benefits as a result of an under issuance, appropriate action must be taken to issue the difference in benefits. It is the responsibility of the eligibility worker to determine the difference for current and/or recurring months. Any previous month(s) under-issuance(s) should be referred to Benefit Recovery.

If the eligibility worker determines the AG is entitled to additional SNAP benefits for the current and recurring months, the eligibility worker must complete a manual issuance.

### 3610.15.15 DISPUTED RESTORATIONS (S)

If an AG believes it is entitled to restoration of under issued benefits but the Local Office, after reviewing the case information, does not agree, the AG has 90 days from the date of the determination by the Local Office to request a fair hearing. The Local Office must restore under issued benefits to the AG only if the fair hearing decision is favorable to the AG.

Benefits lost more than 12 months prior to the date the Local Office was initially informed of the AG's possible entitlement will not be restored.

If the AG disagrees with the amount to be restored as calculated by the Local Office or any other action taken by the Local Office to restore under issued benefits, the AG may request a fair hearing within 90 days of the date the AG is notified of its entitlement.

If the fair hearing decision is favorable to the AG, the Local Office must restore any under issued benefits in addition to those previously restored, in accordance with that decision.

## **3610.15.20            COMPUTING THE AMOUNT TO BE RESTORED (S)**

To prevent future losses, correct the error and then determine the months affected (excluding those months for which benefits may have been lost prior to the 12-month limit) and calculate the amount to be restored.

### **3610.15.20.05            DETERMINING THE MONTHS AFFECTED (S)**

If the AG was eligible but received an incorrect allotment, the under issuance of benefits must be calculated only for those months the AG participated.

If the under issuance was caused by an incorrect delay, denial, or termination of benefits, the months affected by the under issuance must be calculated as follows:

- For an under issuance due to erroneous denial, the month the under issuance initially occurred will be the month of application;
- For an eligible AG filing a timely reapplication, the month following the expiration of its entitlement period will be the month of application;
- For an under issuance due to erroneous delay, the months for which benefits may have been lost due to the Local Office's delay must be calculated; and for an under issuance due to erroneous termination, the month the under issuance initially occurred will be the first month benefits were not received as a result of the erroneous action.

### **3610.15.20.10            CALCULATION OF UNDER ISSUED BENEFITS (S)**

The caseworker must then calculate the amount of the restoration for each month subsequent to the date the under issuance initially occurred until either the first month the error was corrected, or the first month the AG is found ineligible.

Documentation must establish the AG's eligibility for each month affected by the loss. If information is not available that verifies the AG's eligibility, the Local Office must advise the AG of the information that must be provided to determine eligibility for those months. For each month the AG cannot provide the necessary information to demonstrate its eligibility, the AG must be considered ineligible.

### **3610.15.20.15            DETERMINING AMOUNT TO BE RESTORED (S)**

The amount of the restoration due to an AG is to be based on the issuance tables that were in effect at the time of the incorrect issuance. If the AG received a smaller allotment than it was eligible to receive, the difference between the actual and correct allotment equals the amount to be restored.

3610.15.20.20

RESERVED

### 3610.15.25 LOST BENEFITS – IPV (S)

If the decision of disqualification for Intentional Program Violation (IPV) is subsequently reversed, the individual is entitled to restoration of benefits lost during the period of disqualification not to exceed 12 months prior to the date of Local Office notification.

The amount to be restored must be determined by comparing the allotment the AG received with the allotment the AG would have received had the disqualified member been allowed to participate.

### 3610.15.30 METHOD OF RESTORATION (S)

Regardless of current eligibility, benefits must be restored by issuing an allotment equal to the amount of benefits that were under issued minus any offset when an outstanding benefit recovery claim exists.

For eligible AGs, the total amount to be restored must be issued in addition to the current amount. For ineligible AGs, the amount to be restored must be issued in a lump sum.

The Local Office must honor reasonable requests by AGs to restore benefits in monthly installments if, for example, the AG fears that the amount restored is more than it can use in a reasonable amount of time.

Whenever a restoration of benefits is due an AG and the AG's composition has changed, lost benefits must be restored to the AG containing the majority of individuals who were AG members at the time the loss occurred. If the Local Office cannot locate or determine the AG which contains the majority, benefits must be restored to the AG containing the payee at the time the under issuance occurred.

### 3610.15.35 REPLACEMENT OF FOOD DESTROYED (S)

An Assistance Group (AG) may request replacements for any food purchased with SNAP benefits which has been destroyed in a household misfortune. A misfortune occurs as a result of circumstances over which the household has no control such as weather-related issues or power outages. Appliance malfunction or human error is not considered as a misfortune.

The AG may be eligible for a replacement issuance provided in the amount of the loss, up to a maximum of one month's allotment, unless the issuance included restored benefits, which shall be replaced up to their full value.

To qualify for a replacement the AG must report the destruction to the Local Office within 10 days of the incident and sign an Affidavit for Replacement of Supplemental Nutrition Assistance

Program form attesting to the destruction of the AG's food. If mailed, the Affidavit for Replacement must be sent to the client within one business day of the client's report of food loss due to the household misfortune. If the Affidavit for Replacement is not returned within 12 days of mailing, no replacement shall be made.

A replacement shall be considered invalid if it is processed without having a properly completed Affidavit for Replacement.

Upon receiving an Affidavit for Replacement, the Local Office must:

- Speak personally with the client regarding the nature of the misfortune and the amount of the loss. If the client submits the affidavit in person, the client should be interviewed at that time, if the client submits the affidavit via fax or mail, the client must be contacted via telephone to discuss the nature of misfortune and the amount of the loss. In order to help the client, determine the amount of SNAP lost, verify the amount of benefits which have been spent since the last allotment via the EBT system.
- Verify the misfortune through a collateral contact.
- If loss is due to a power outage, verification must be obtained that the power outage was a minimum of 4 hours. Outages lasting less than 4 hours do not qualify for a replacement. If a loss (including a power outage) is verified via collateral contact, the name and telephone number of the individual providing the verification must be documented in case notes.

If loss is due to a power outage, discuss with client what amount of food was refrigerated/frozen and was therefore lost. Food items unaffected by the power outage (dry goods, canned goods, etc.) are not eligible for replacement.

There is no limit to the number of replacement issuance for food purchased with SNAP benefits which was destroyed in an AG misfortune; however, each replacement must be validated individually and per policy.

The replacement issuance shall be provided to the AG within 10 days after the report of the loss or within two working days of receiving the Affidavit for Replacement, whichever date is later.

When the request for a replacement for food lost in a misfortune is approved or denied, a manual notice must be sent to the Assistance Group.

When a major disaster occurs affecting an extended area, the State may implement a State Disaster SNAP Program. Under these circumstances a household may receive both a replacement and disaster benefits. Instructions will always be sent from Central Office when a Disaster Program is operational.

## **3610.20.00            CASH BENEFIT ISSUANCE (C)**

When cash benefits have been authorized in the system, all relevant benefit information is sent through an interface to the Electronic Benefit Transfer (EBT) system.



Benefits which have been approved are generated automatically from month to month until a change is put into the system. This type of issuance is known as the recurring cash payment and is made available to the payee on (or as near as possible to) the first business day of the month.

The issuance of non-recurring (manually issued) benefits, unlike the automatically generated monthly payment, requires on-line intervention. When the monthly benefit must be augmented or replaced, a manual issuance request is made in the system. (See Section 3610.10.00 for a discussion of manual issuance.)

### **3610.20.10 UNRESTRICTED MONEY PAYMENT (C)**

The TANF benefit is delivered without restriction to the payee. This means that the TANF benefit is for the sole use and benefit of the AG in whose behalf the award has been made.

See 3610.20.15 for those locations where EBT use is prohibited.

When the TANF benefit is issued, the AG is responsible for handling the funds. The Local Office may assist in planning expenditures, but such service is to be provided in such manner that the expenditures are not controlled.

A payee may find it necessary to delegate the actual expenditure of the AG's money to relatives and friends, but such an arrangement is not considered a restrictive action. If the Local Office determines that the payee is unable to handle the funds in the best interest of the child(ren), steps are to be taken to appoint a protective payee. (f5) (See Section 3605.25.00)

### **3610.20.15 CASH BENEFITS AND THE EBT HOOSIER WORKS CARD (C)**

In order to access benefits, an AG must obtain an EBT Hoosier Works Card. The card is used at participating retailers and automated teller machines (ATM's). Access to EBT cards is restricted to authorized individuals.

The EBT card will contain:

- The name of the payee; and
- The 16-digit card number;

If there is a Protective Payee, the card will be issued to that individual. The Protective Payee will sign the card.

The AG must immediately report the loss or theft of the EBT card to Customer Service or liability for its misuse is solely the responsibility of the AG. The client must request a new card be sent. When a new card is issued, the old card is no longer valid for transactions.

Use of the EBT card is prohibited at the following locations:

- Liquor stores
- Gambling establishments
- Horse racing facilities

- Gun stores
- Adult entertainment establishments

The use of the EBT card at any of these locations is a Class C misdemeanor which can involve jail time for up to sixty (60) days and a fine of up to five hundred dollars (\$500).

## **3615.00.00            SNAP EBT (HOOSIER WORKS) CARDS (S)**

To participate in SNAP, an AG must obtain an EBT Hoosier Works card. The card is used at participating retailers where food items may be purchased. When an eligible AG purchases a Specialty Meal (Communal Dining or Meal Delivery Service), see Section 1460.10.05 - 1460.10.10).

Any EBT Hoosier Works card delivered to the Local Office on behalf of an Assistance Group (AG) must be handled and secured by State employees only and tracking and the delivery of EBT Hoosier Works card to the AG should be monitored by State employees.

EBT cards may be released to any of the individuals named on the card. Access to EBT cards is restricted to authorized individuals. The EBT card will contain:

- The name of the payee and the 16-digit card number.
- If there is an authorized representative, this person has their own card.
- The authorized representative will sign their own card.

The AG must immediately report loss or theft of the EBT card to customer service or liability for its misuse is solely the responsibility of the AG. The client must request a new card be sent. When a new card is issued, the old card is no longer valid for transactions.

## **3620.00.00            SNAP ACCOUNTABILITY (S)**

This section provides guidelines for accountability of SNAP records.

### **3620.10.05            RETENTION OF ISSUANCE MATERIALS (S)**

All issuance related materials like the Affidavit for Replacement of Food Benefits (SNAP 48) forms must be retained for three years and six months after the report or activity month. See the EBT Policy Guide for additional instructions for issuance materials maintenance.

### **3620.15.10            OTHER RETURNED SNAP BENEFITS (S)**

Occasionally AGs will request that SNAP benefits be applied to a repayment on a claim. The benefits are paid back in the EBT Admin system.

Other reasons for repayments in EBT Admin system are as follows:

- The AG voluntarily withdraws;
- The AG moves out of state;
- Death of all AG members;

- The client requests that the benefits be returned in order to avoid a claim.

## 3699.00.00      FOOTNOTES FOR CHAPTER 3600

Following are footnotes for Chapter 3600:

- (f1)    45 CFR 234.60
- (f2)    45 CFR 234.60
- (f3)    7 CFR 274.2(i)(1)(ii)
- (f4)    7 CFR 274.2(i)(2)
- (f5)    45 CFR 234.60