

**CalWORKs and FOOD STAMP DATA SYSTEMS DESIGN  
TASKFORCE  
Systems Maintenance Unit (SMU)**

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**TRANSMITTAL NUMBER: 01-04 (FS)**

**May 31, 2001**

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**TO: All Field Operations Bureau Staff and Performance  
Measurement Counties**

**SUBJECT/PURPOSE: Negative Case Review Procedures**

**RELATED REFERENCE: FNS Handbook 310 Chapter 13**

**SUPERSEDES: Transmittal 97-49 (P) and Field Operations Bureau Memos  
dated January 2, 2000 and February 20, 2001**

**EFFECTIVE DATE: Upon Receipt**

**BACKGROUND:**

Discussions with Field Operations Bureau (FOB) managers, staff, and staff of the Food and Nutrition Service (FNS) have revealed that clarification is needed concerning the review procedures for negative action cases, particularly in the area of case reviewability. This transmittal, which has been reviewed and approved by FNS, provides quality control (QC) review guidelines for these cases.

Note: This transmittal is to be used in conjunction with chapter 13 of the FNS Handbook 310.

Case Reviewability

Negative case actions now consist of denials, terminations, and suspensions. The case is considered terminated when the household does not receive a full month's allotment authorized in the sample month for the sample month or the household receives a prorated allotment in the sample month because of deliberate county action. The household is suspended when it is eligible for zero dollar benefits, receives benefits because it has requested a fair hearing, or it is ineligible for benefits but the case has not been terminated.

When determining if a case has been terminated or suspended, remember that the review date (the date the decision is made by the county) can determine the first month the action is effective. For example, if the review date is April 13<sup>th</sup>, the suspension or termination is effective May 1<sup>st</sup>. However, if the review date is April 23<sup>rd</sup>, benefits must be issued May 1<sup>st</sup> because of the ten day notice requirement (see M.S. 63-504.26). Therefore, even though the review date is in April and the effective month is June, the case is still subject to review.

The case is not subject to review when:

1. the household has withdrawn its application;
2. the household at the time of sampling is under active investigation for an intentional program violation (IPV), is pending an IPV hearing, or is scheduled for an IPV investigation in the next five months;
3. the household is not receiving benefits because the certification/recertification period has expired and there is no new application;
4. oversampling;
5. the negative action has been reversed (see FNS Handbook 310 section 1320 for related criteria);
6. the case is an active case;
7. the household was sent a notice of pending status but continues to receive benefits;
8. the case is a disaster case per M.S. 63-900;
9. the household is terminated for no CA-7 received by the extended filing date, but is reinstated because the CA-7 is filed by the end of the issuance month;
10. benefits are not received because of a computer malfunction that is not a deliberate county action; or
11. the sample month is later than the initial month of a multi-month suspension.

### Error Analysis

The decision to deny, suspend, or terminate the household is correct (valid) as long as it is based on any correct reason. Therefore, when the stated reason is invalid, the reviewer should determine if there is any other correct reason for the action. The decision is invalid only if no correct reason can be found.

Examples:

1. Valid Suspension. The household is suspended because it received an additional paycheck. The reviewer confirms and documents that the income makes the household temporarily ineligible. The county's decision is correct, so this is a valid suspension.
2. Invalid Suspension. Same situation as above except the reviewer determines that there was a calculation error and the household is still eligible. The reviewer finds no other correct reason for the negative action. The suspension is invalid.

3. Invalid suspension, Valid Case. Same situation as in example 2 (the household appears to be eligible), but the reviewer discovers and verifies that all household members were correctly disqualified for the period that included the sample month. Even though the suspension is invalid, there is no error because there is a valid reason for the negative action.
4. Invalid Denial. The household applied March 21<sup>st</sup> and the application was denied April 16<sup>th</sup>. This is an invalid denial because the denial cannot occur until the 30<sup>th</sup> day from the date of application.

## **INSTRUCTIONS:**

Use the preceding information along with the attached flow chart to determine if the case is reviewable and, if so, the validity of the county's decision.

All QC case files shall include the following documentation:

- A printed copy of the Q5i Profile
- County budget documents showing the continuance/discontinuance of benefits (as appropriate) in the sample month
- County notice(s) of action or other documentation reflecting the negative action (the notice need not be timely for the action to still be valid)
- Where appropriate other official documents or reports such as IEVS or the signed application, pay stubs, receipts and/or chron notes so long as such documentation clearly shows the basis for the negative action
- Any other documentation that supports the reviewer's conclusion

If there is no documentation supporting the negative action and the validity of the action cannot be established through a collateral contact, the decision is invalid. (A collateral contact is not required see FNS Handbook 310 Section 1350.)

## **ATTACHMENT**

**INQUIRIES:** Michael Bowman-Jones,  
Systems Maintenance Unit.

***Original Signed by Joeana Carpenter***

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**JOEANA CARPENTER, CHIEF  
CalWORKs and FOOD STAMP DATA SYSTEMS**

