

# Bulletin

October 20, 2006

Minnesota Department of Human Services □ P.O. Box 64941 □ St. Paul, MN 55164-0941

**OF INTEREST TO**

- County Directors
- Income Maintenance Supervisors and Staff
- Fiscal Supervisors

**ACTION/DUE DATE**

Please read and alter procedures accordingly

**EXPIRATION DATE**

This bulletin expires September 30, 2007.

## SSI Interim Assistance Reimbursement and County SSI Advocacy

**TOPIC**

Changes in DHS and county procedures for:

- General Assistance (GA) and Group Residential Housing (GRH) Supplemental Security Income (SSI) interim assistance reimbursements, and
- County payment for providing SSI advocacy.

**PURPOSE**

To confirm earlier communications and to provide the latest information and instructions to county staff.

**CONTACT**

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**SIGNED**

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## **1.0 Background**

1.1 The DHS Financial Operations Division is now responsible for processing Supplemental Security Income (SSI) interim assistance reimbursements (IAR). Since shortly after the creation of the federal SSI program in 1974, counties had processed requests for reimbursement of interim assistance provided through the state General Assistance (GA) and, later, the state Group Residential Housing (GRH) programs. Beginning in March, 2006, various units at DHS began performing this work which has been consolidated in the Financial Operations Division.

The Social Security Administration (SSA) reimburses states for state funded interim aid that states provide to clients while their applications for SSI are pending. The reimbursement monies come from SSI payments that date back to a person's application date for SSI. The program has grown to involve over 3,000 reimbursements annually and more than \$10 million. DHS assumed the processing of interim assistance reimbursements after considering the growth of the program, that GA and GRH are 100% state funded, and that central processing would permit more timely and efficient service.

1.2 Counties that provide "special assistance" to SSI applicants may be reimbursed for this through a contract with DHS. As part of the DHS priority effort to transition people from GA to SSI, several counties provide special assistance or outreach and advocacy help to clients to pursue applications for SSI. SSI disability applications are especially complex and exacting, and this help has proved to be essential for many people. In the past, counties could "claim" reimbursement for special assistance costs from the IAR cash flow on the DHS county abstracts. With the change in cash flow and the recent elimination of county abstracts, those counties that now wish to provide this service can be reimbursed for this activity through a contract with DHS.

## **2.0 SSI Interim Assistance Reimbursement**

### **2.1 DHS Responsibilities**

DHS processing of SSI IAR includes performing the following:

- Compute the amount of the IAR due to the state based on MAXIS information and return the basic SSA IAR certification document, the **SSA-L8125** form, to SSA as they arrive by mail and fax.
- Process and deposit all IAR checks in the appropriate state general fund account.
- Notify clients of what actions DHS has taken regarding IAR by completing and mailing the **Client Notice** form (formerly DHS-2993) to clients.

- In cases where SSA has issued the entire back payment to DHS, issue state warrants to clients for any balances due them.
- Alert the county financial workers via **MAXIS e-mail**.
- Enter a **MAXIS CASE / NOTE** that summarizes each SSA-L8125 DHS has completed.
- Respond to client inquiries for those clients for whom DHS has completed an SSA-L8125.

## 2.2 County Responsibilities:

Counties continue to be responsible for other closely related activities involving GA and/or GRH clientele:

- Screen and refer clients to apply for SSI.
- Obtain clients' signatures on the **SSI Interim Assistance Agreement** (DHS-1795) form. Promptly update the **MAXIS / STAT / PBEN** panel to indicate a signed agreement is in effect. Retain a paper copy in the case file.
- Refer clients to an SSI advocate should the client need help with the SSI application or if an appeal of a denial is warranted. The advocate may be a county advocate (if your county has one), a DHS contractor, a private attorney, or a person or agency of the client's choice.
- Forward to DHS any **SSA-L8125** forms and/or SSI back payment checks that SSA may mistakenly send to the county. Forward forms and checks to:  
DHS Financial Operations  
MAXIS Support Unit  
PO Box 64940  
St. Paul, MN 55164-0940.

You may also fax the SSA forms to DHS at:  
651.431.7506.

- Once SSI begins, open or close cash and medical programs as appropriate, adjust budgets, and review for retro Minnesota Supplemental Aid (MSA) and Medical Assistance (MA) eligibility.
- Respond to client questions regarding the IAR the state has claimed by providing the IAR information in CASE / NOTE. If the note does not resolve the question, suggest the client call DHS. Clients (and county staff) may use two interim assistance hot lines:

651.431.2427 (metro)

1.888.702.9975 (statewide)

- Respond to client inquiries for those clients for whom the county had completed an SSA-L8125 in the past.
- Continue to recover interim assistance from clients for programs other than SSI (and Workers Compensation for which DHS is also responsible for recoveries). This would primarily involve seeking voluntary client reimbursement of SSA Retirement, Survivors, and Disability Insurance (RSDI) back payments. Counties may request the state's 50% recovery incentive for this activity.
- Pursue voluntary or civil recovery in those instances where SSA has released the entire SSI back payment to the client and interim assistance repayment is due. Counties may request the incentive for this activity as well.

### **3.0 IAR Emerging Practices**

As DHS gains experience, it will develop emerging practices or guidelines that it will use for processing SSI IAR. Counties should be aware of these changes.

- A recent change in federal law means the majority of back payment checks will be sent directly to clients from the U.S. Treasury. A small number will be sent as state warrants from the Minnesota Department of Finance.
  - Either way, clients should be mindful that it will take from two weeks to a month (and sometimes longer) from when they receive notice of SSI eligibility until a back payment check arrives in their mail box.
  - State warrants come as white computer generated mailers similar to state tax refunds and may be easily overlooked or confused as "junk mail."
  - Currently, it is not feasible to direct-deposit the state warrants into client accounts.
- When it is late in the month, federal IAR rules permit states to recover additional GA/GRH beyond the back payment period if the payment for the following month has already been made or is in process and cannot be stopped. DHS will do so unless:
  - It is clear on MAXIS that cash assistance has been terminated for the next month, or
  - The SSA L8125 form does **not** indicate a "recurring" (regular ongoing monthly) SSI payment for the following month.
- Occasionally, SSA will issue a "post eligibility" SSI payment. DHS will process these in one of two ways depending on the time period to which the SSI post eligibility payment applies.

- If the client has been receiving **GA** or **GA/GRH**, DHS will process the payment as it will for IAR or “initial claim” back payments. Typically these payments involve larger amounts of money for occasions when SSA had difficulty determining retro eligibility before recurring SSI payments began.
- If the client has been SSI eligible **and** receiving **MSA or GRH** based on SSI eligibility, DHS will not claim any of the payment. Typically these are small payments SSA makes from time to time due to income fluctuations that MSA and GRH disregard.
- For persons who receive both **GA and GRH**:
  - DHS first claims the GA a client received and secondly the GRH rate 1 payment up to the total of the SSI available for a given month.
  - When it is both the end of the month and the interim period, DHS will claim reimbursement only through the end of the last interim month SSA cited.
  - As of the month when the recurring SSI payment begins, it becomes the county’s responsibility to adjust the client’s GRH budget for the SSI income and to recover any excess GRH payments that may have been made since the recurring SSI began.
  - GRH payments as shown on MAXIS / MONY often include a “supplementary service rate” beyond room and board. Federal IAR law only permits states to recover room and board payments, so DHS recovers only from the “GRH base rate” (or “GRH rate 1”). For SFY 07, the base rate is \$737, for SFY 06 it was \$713, for SFY 05 \$692, for SFY 04 \$680.

#### **4.0 SSI Advocacy**

As of Jan. 1, 2006, county SSI outreach and advocacy costs (formerly known as special assistance costs) may be reimbursed through a contract between DHS and the county.

- The new contracts provide payment for SSI outreach and advocacy on behalf of GA / GRH / MSA program participants.
- The contracts also extend payment for SSI advocacy service to MFIP (and DWP), GAMC, and Title IV-E foster care participants.
- Payment is made for each client successfully placed on SSI, or upon referral to another agency with a DHS SSI advocacy contract to handle an appeal.
- DHS has developed a relatively simple standard contract to offer interested counties. The contract format and terms are similar to those we have with private agencies that provide SSI advocacy.

## **5.0     Contacts**

- For policy questions: DHS Policy Quest
- For IAR claims, reimbursements and to forward SSA L8125 forms and checks:

Shawn Tobias  
DHS Financial Operations  
MAXIS Support Unit  
PO Box 64940  
St. Paul, MN 55164-0940  
651.431.2427 (metro)  
1.888.702.9975 (statewide)  
651.431.7506 (fax)

- County inquiries regarding SSI advocacy contracts:

Greg Taylor  
Community Partnerships Division  
Minnesota Dept. of Human Services  
PO Box 64962  
St. Paul, MN 55164-0962  
651.431.3839

## **6.0     Legal References**

Minnesota Statutes, Section 256.01  
Minnesota Statutes, Section 256D.06, subdivision 5  
20 Code of Federal Regulations 416.1901 (Subpart S)

## **7.0     Special Needs**

This information is available in other forms to people with disabilities by contacting us at 651-431-3809 (voice), toll free at 1-888-702-9975 or through the Minnesota Relay Service at 1-800-627-3529 (TDD), 7-1-1 or 1-877-627-3848 (speech to speech relay service).