

DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF SOCIAL SERVICES

Statutory Authority: 31 Delaware Code, Section 512 (31 **Del.C.** § 512)

FINAL

ORDER

FOOD SUPPLEMENT PROGRAM

Electronic Benefit Transfer

Nature of the Proceedings:

Delaware Health and Social Services ("Department") / Division of Social Services initiated proceedings to amend Food Supplement Program policies in the Division of Social Services Manual (DSSM) regarding Electronic Benefit Transfer. The Department's proceedings to amend its regulations were initiated pursuant to 29 **Delaware Code** Section 10114 and its authority as prescribed by 31 **Delaware Code** Section 512.

The Department published its notice of proposed regulation changes pursuant to 29 **Delaware Code** Section 10115 in the December 2008 *Delaware Register of Regulations*, requiring written materials and suggestions from the public concerning the proposed regulations to be produced by December 31, 2008 at which time the Department would receive information, factual evidence and public comment to the said proposed changes to the regulations.

Summary of Proposed Changes

The proposed changes described below amend Food Supplement Program policies in the Division of Social Services Manual (DSSM) regarding Electronic Benefit Transfer.

Statutory Authority

Food, Conservation, and Energy Act of 2008, Title IV, Part III, Section 4114, Accrual of Benefits

Summary of Proposed Changes

Effective October 1, 2008, the Food Supplement Program (FSP) is the new name for Delaware's food program.

The proposed changes amend the Food Supplement Program (FSP) rules to implement the federally mandated provisions of Section 4114 of the Food, Conservation, and Energy Act of 2008 (the Farm Bill), effective October 1, 2008. The change requires states to only expunge stale benefits if the benefits have not been accessed for 12 months. Therefore, the only policy manual change being made is to remove all references to 270 days and replace with 365 days.

Summary of Comments Received With Agency Response

No public comments were received.

Findings of Fact:

The Department finds that the proposed changes as set forth in the December 2008 *Register of Regulations* should be adopted.

THEREFORE, IT IS ORDERED, that the proposed regulation to amend the Division of Social Services Manual (DSSM) as it relates to the Food Supplement Program regarding Electronic Benefit Transfer is adopted and shall be final effective February 10, 2009.

Vincent P. Meconi, Secretary, DHSS

9093.1 Definitions/Acronyms

Administrative Terminal: This is the eFunds system through which DSS staff can obtain EBT card and account information.

Authorized Representative: This is an individual outside the household designated to have access to the household's benefit account. This can also be a household member, for example, a spouse, who is a secondary card holder.

Benefit Status: This is a code which indicates the current status of the benefit in the Administrative Terminal.

Card Number: The card number is printed on the front of the EBT card. The first six digits are the same for all of Delaware's cards. This is known as the Primary Account Number (PAN).

Card Status: An EBT card may be active or inactive. The card status for a replacement card can indicate stolen, lost, payee changed, name changed, damaged, undelivered, deactivated/cancelled or bad address.

Date Available: Benefits are available at 6:00 a.m. on the date specified in the Administrative Terminal. Regular monthly food ~~stamp~~ **supplement** benefits are available according to a seven day staggered schedule based on the last name. Benefits start staggering on the fifth calendar day of each month.

eFunds Customer Support: The Customer Support Unit receives phone calls from participants to check balances, report lost or stolen cards, report problems with a retailer, and request new PINs. The CSU number is 1-800-526-9099.

Expunged Benefits: Benefits in client accounts not used for ~~270~~ 365 days are expunged (removed) from the account forever.

FNS Number: A unique number is assigned to retailers by FNS indicating that the retailer is eligible to accept food stamp benefits.

Hold Amount: When a food stamp manual voucher transaction is used, an authorization number must be obtained by phoning eFunds. A hold is put on the participant's food stamp benefits balance equal to the amount of the transaction until the voucher is cleared by the retailer. Once an accept reason is assigned to the voucher, the hold amount is deducted from the participant's benefit balance and this field becomes blank.

Manual Entries: If a card or POS machine is damaged, the card number can be keyed manually to complete the transaction.

Manual Voucher: Retailers use paper vouchers when the eFunds system is not available. Retailers who are not eligible to have POS terminals also use these vouchers. A voucher has a unique number which identifies the voucher. This field is completed only if the transaction displayed in the Administrative Terminal is an off-line voucher.

PAN: The Primary Account Number is the 16 digit number on the card. This is also called the card number.

PIN (Personal Identification Number): A PIN is a four number secret code that must be used when the EBT card is used. No one can use the card but the participant as long as the participant does not give the PIN out to anyone.

PIN Info: The Card Maintenance screen in the Administrative Terminal displays whether or not a PIN has been selected and the method. Yes indicates that a PIN has been selected. Fails is the number of times the PIN entered has failed that day. Chg Count is the number of times the PIN has been changed. Method is how the PIN was selected.

Point-of-Sale (POS) Terminal: A POS is a device on which transactions are made by the food stamp participant. The POS machine reads the card and allows the participant to buy food with the food stamp benefits.

Stale Benefits: Benefits not used by a household within 60, 90 or 230 days are called stale benefits.

(Break in Continuity of Sections)

9093.8 EBT Benefits and Claim Issues

When eFunds posts the EBT benefits to the household's account, the household is considered in receipt of those benefits. If the household receives benefits they were not entitled to, DSS/ARMS will establish a claim. DSS/ARMS establishes a claim even if the household has not used the benefits in the EBT account. As long as the benefits are in the account, the household has access to those benefits and owes the State the amount of the claim.

ARMS must allow a household to pay its claim using benefits from its EBT benefit account according to DSSM 7004.3.

Benefits not used for 230 days are stale and ARMS can use the stale benefits to credit a household's claim with the consent of the household.

eFunds will expunge benefits not used for ~~270~~ 365 days from the household's account and credit the amount to a household's outstanding claim.

9093.9 Aging Periods and Expungement Process

Benefits remain available to the household for ~~270~~ 365 days from the date of availability. eFunds sends reports to DSS that show accounts with no activity.

eFunds provides DSS with a report for the following periods of time:

- Period 1: 60 days
- Period 2: 90 days
- Period 3: 230 days
- Period 4: ~~270~~ 365 days

A household will get a notice at Periods 1, 2 and 3 if the household has not used benefits for 60, 90 or 230 days. Stale benefits are benefits not used by these time periods. The notice will tell the household the following information:

- The account has not been used in the past 60, 90 or 230 days;
- To call the eFunds customer service unit to get the balance on the account;
- Stale food ~~[stamp]~~ benefits not used for 230 days can be applied to any existing claim with the client's permission;
- Food ~~[stamp]~~ benefits that are not used by day ~~270~~ 365 will be removed from the account forever; and
- Food ~~[stamp]~~ benefits removed from the account on day ~~270~~ 365 will be applied to any remaining food ~~[stamp benefit]~~ claim."

On day 230, DSS will generate notices to clients with outstanding claims. The notice tells the household that ARMS will apply benefits not used for 230 days to the outstanding claim unless the household contacts ARMS within ten days.

On day 250, households who do not contact ARMS to stop the repayment will have their stale benefits applied to the outstanding claim. On day ~~270~~ 365, the eFunds system will expunge (remove from the account) any remaining stale benefits and send DSS a report of those benefits expunged.

DCIS II and ARMS accounting systems will credit any expunged benefits to household accounts with an outstanding claim. ARMS and the Payments Unit will receive a report of benefits posted to household's claims so ARMS can update the benefit recovery screens. ARMS will send the client a credit slip indicating the credit made on their claim and the existing balance.

12 DE Reg. 1092 (02/01/09) (Final)