

TO BE RESCINDED

5101:4-7-09

Food stamps: state income and eligibility verification system (IEVS).

(A) Ohio department of job and family services (ODJFS) and county agencies shall maintain and use an income and eligibility verification system (IEVS) as specified in this rule. By means of IEVS, ODJFS and county agencies shall request wage and benefit information from the agencies identified in paragraph (B) of this rule and use that information in verifying eligibility for and the amount of food stamp benefits due to eligible assistance groups (AGs). Such information shall be requested and used with respect to all AG members, including any considered excluded AG members, whenever the social security numbers (SSNs) of such excluded AG members are available to the county agency.

(B) Wage and benefits information and agencies

As referred to in paragraph (A) of this rule, the wage and benefit information and agencies are:

- (1) Wage information maintained by ODJFS the state wage information collection agency (SWICA);
- (2) Information about net earnings from self-employment, wages, and payments of retirement income maintained by the social security administration (SSA) from employers on an annual basis and available pursuant to Section 6103 (l)(7)(A) of the Internal Revenue Service (IRS) Code of 1954; and federal retirement, and survivors, disability, supplement security income (SSI) and related benefit information available from SSA.
 - (a) Twice a month ODJFS transmits a request through the SSA's benefit earnings exchange record (BEER) for all medicaid, Ohio works first (OWF), and food stamp applicants and AG members. This data is included in the master file at that agency. Whenever information is added to the master file, it is matched against all other data in the file. The SSA processes the BEER request twice a month and returns the matched file information to ODJFS for review.
 - (b) The BEER match includes out-of-state and federal employers and is expected to duplicate most of the information provided by SWICA. However, the federal wage records match will include employers who do not report to SWICA. Matches from this source will be displayed to the county agency as soon as they are received and are to be considered as a lead that must be verified before benefits may be affected.

- (c) The ODJFS state verification and exchange system (SVES) provides electronic interface with the SSA. The interface allows the transfer of social security (SS) and SSI benefit information from the SSA
- (3) Unearned income information from the IRS available pursuant to Section 6103 (l)(7)(B) of the IRS Code of 1954; and
- (4) Claim information about unemployment compensation (UC) benefits, and any information in addition to information about wages and UC available which is useful for verifying eligibility and benefits, subject to the provisions and limitations of Section 303 (D) of the Social Security Act of 1935.

(C) Data exchange agreements

ODJFS and the county agency shall exchange with other state agencies administering other programs in the IEVS information about the food stamp AG's circumstances which may be of use in establishing or verifying eligibility or benefit amounts under the food stamp program and those programs.

Prior to requesting or exchanging information with other agencies, ODJFS must execute data exchange agreements with those agencies. The agreements must specify the information to be exchanged and the procedures which will be used in exchange of information. Policy regarding data exchange agreements is the responsibility of the office of fiscal services.

- (D) ODJFS and the county agency may exchange such information with these agencies in other states when it is determined that the same objectives are likely to be met. These programs are:

- (1) Temporary assistance for needy families;
- (2) Medicaid;
- (3) Unemployment compensation;
- (4) Food stamps;
- (5) Any state program administered under a plan approved under title I, X, or XIV adult categories, or title XVI of the Social Security Act of 1935; and
- (6) Agencies administering the child support program (title IV-D of the Social

Security Act) and titles II (federal old age, survivors, and disability insurance benefits) and title XVI (supplemental security income for the aged, blind and disabled of the Social Security Act of 1935.)

- (7) ODJFS may continue to use income information from an alternate source or sources to meet the requirements specified in this rule.

(E) Uses of data

County agencies shall use information obtained by means of IEVS for the purposes of:

- (1) Verifying an AG's eligibility;
- (2) Verifying the proper amount of benefits;
- (3) Investigating to determine whether participating AGs received benefits to which they were not entitled; and
- (4) Obtaining information which will be used in conducting criminal or civil prosecutions based on receipt of food stamp benefits to which participating AGs were not entitled.

(F) Timeframes for requesting and processing information

County agencies shall request and use income and eligibility verification information about members of all applicant AGs as specified in this paragraph.

Information shall be requested at the next available opportunity after the date of application even if the applicant AG has been determined eligible by that time. Information about members of applicant AGs who cannot provide SSNs at application shall be requested at the next available opportunity after the county agency is notified of their SSNs. Information received within the thirty-day application period shall be used to determine AG eligibility and benefits, if the information is received timely enough that it can be used for that determination. However, county agencies shall make eligibility and benefit determinations without waiting for receipt of IEVS data so as to comply with the promptness standard of rule 5101:4-2-11 of the Administrative Code. Information received from a source after an eligibility determination has been made shall be used as specified in paragraphs (P) to (T) of this rule. Information from SWICA, SSA and IRS, and UC claim information shall be requested and used as specified in this paragraph.

(G) Time periods of the IEVS matches

Time periods of when income/benefits were received must be considered when evaluating matches. Ohio employers report earnings information to SWICA quarterly. SWICA information indicates the quarter of employment. Older information may be available for new applicants. Private employers earnings information is received by SSA once per year. Thus, state wage information is generally more current than federal wage information. Neither SWICA information nor wage information received through SSA are considered verified upon receipt. IRS information is a year old upon receipt. It is considered unverified upon receipt. The information is based on 1099 data sent to IRS. Weekly UC benefits are listed on the state unemployment compensation (DEUC) screen as they are rendered to recipients. Earnings information from IEVS matches may be eighteen months old or older, due to the reporting requirements for employers and the time needed for SSA to process the information. Thus, there is a lag time from the source to the reporting agency to ODJFS. Only the year of employment can be determined from the match. Only by supplementing correct matches with employer verification can a determination be made of earnings received during an active certification period. This information may be useful as a potential basis for determining current eligibility. However, it can be used to check past eligibility and because of the age of the match information it may also be considered as a possible lead to current employment.

(H) Safeguarding of IEVS match records

Because of the confidential nature of IEVS match information, county agencies must ensure that it is safeguarded as required in rule 5101:4-1-13 of the Administrative Code. The data must be stored in an area that is physically safe from access by unauthorized persons. Records must be retained as specified in paragraph (D) of rule 5101:4-1-05 and rule 5101-9-211 of the Administrative Code. Records destruction is addressed in rule 5101-9-21 of the Administrative Code. Chapter 5101-9 of the Administrative Code speaks to access and safeguarding provisions for systems data. IRS, SSA and food and nutrition service (FNS) shall be permitted to make onsite inspections to ensure that adequate safeguards are being maintained and that proper procedures are followed.

(I) Proper disclosure

The IEVS match information may only be disclosed as discussed in rule 5101:4-1-13 of the Administrative Code and used as discussed in paragraph (E) of this rule.

(J) Records of disclosure

IRS and SSA require ODJFS and county agencies to keep a record of any disclosure of confidential information, including SSA match information, to any

person or agency who is not an employee of ODJFS or the county agency. The record of the disclosure must be retained for five years or the active life of the application, whichever is longer. The eligibility worker (EW) shall document in the case file any disclosure to any person, agency, or official who is not an employee of a county agency or ODJFS. In addition, the county agency shall record all such disclosures in its central file of beneficiary and earnings data exchange (BENDEX) disclosures. The record of disclosure shall contain:

- (1) A description of the information disclosed;
- (2) The date of the disclosure;
- (3) The identity of the persons or agencies to whom the information was disclosed;
and
- (4) The purpose of the disclosure.

(K) Penalties for improper disclosure

Reference rule 5101:9-9-25 of the Administrative Code for employee awareness requirements for unauthorized disclosure of IEVS and federal tax return information.

(L) Possibility of erroneous matches

The validity of the IEVS match information is dependent upon the accuracy of the social security number supplied by ODJFS and the number contained in SSA's earnings file, and IRS's file. The accuracy of the social security number supplied by ODJFS is dependent upon the accuracy of the number provided by the county agency. ODJFS and SSA accuracy is dependent upon the accuracy of the reporting employer and the employee who supplies his social security number. Accuracy of the IRS information is dependent on the institution providing the information. An error from any one of these financial sources may cause the IEVS match to attribute earnings, benefits, or resources to an AG member which belongs to another person. Therefore, the county agency shall determine each match is valid prior to taking any further steps.

(M) Detecting a match error

When the name of the recipient differs, the match may be an error or it may be an indication of intentional program violation. The EW shall make this decision based upon all of the information from the appropriate match source and the case file. The following are examples of possible decisions about conflicting information.

- (1) If the name does not match, there is a possibility that the match is in error.
- (2) At times the surnames do not match, but the given names match or are similar. Sometimes a maiden name is used for one activity and a married name for the other.
- (3) The name and address of the employer may also give an indication about whether a discrepancy is a match error. For example, the name and address of an out-of-state employee often indicates that the match is in error. However, because this could indicate the corporate office of a local business, this information should not be considered conclusive.

(N) Validation of the social security number

Since an incorrect social security number that is undetected could cause erroneous overpayment charges, the county agency must review the case file to determine how the number was verified at the time it was obtained. If there is no copy of the social security card in the case file, the county agency shall request the AG to provide it at that time. If the AG member no longer has his card, the county agency shall complete an JFS 07355 "Notice of Application for a Social Security Number" (rev. 4/01) in order to verify the social security number with SSA files. The requirement of verification of social security numbers is the responsibility of the county agency and not the AG. The county agency must take the initiative to verify social security numbers provided by the AG. Independent verification policy is found in paragraph (N) of this rule. All social security numbers within IEVS are verified through SSA.

(O) Match is not verification of earnings/dividends or benefits

An IEVS match is not verification of earnings/dividends or benefits. It is only an indication that an AG member may have had income while receiving food stamps or that an AG member may have withheld income information. The match is an opportunity for the county agency to confirm an AG's previous statement of fact. If there appears to have been unreported income, the county agency shall obtain actual verification from a third party to check previous eligibility. The IEVS match information reveals previous income, which is sometimes a lead as to the possibility of current income.

(P) Actions to obtain independent verification of unverified information

If unverified information is received through IEVS, the county agency may obtain verification from a third party as specified in paragraphs (P)(1) to (P)(3) of this rule.

(1) Information verified upon receipt

The county agency shall take action, including proper notices to AGs, to terminate, deny, or reduce benefits based on information obtained through IEVS which is considered verified upon receipt. This information is social security and SSI benefit information obtained from SSA and UC information. If the county agency has information that the IEVS-obtained information about a particular AG is questionable, this information shall be considered unverified upon receipt and the county agency shall take action as specified in paragraph (P)(2) of this rule.

(2) Unverified information

Except as noted in this paragraph, prior to taking action to terminate, deny, or reduce benefits based on information obtained through IEVS which is considered unverified upon receipt, county agencies shall independently verify the information. Such unverified information is unearned income information from IRS, wage information from SSA and SWICA, and questionable IEVS information discussed in paragraph (P)(1) of this rule. Independent verification shall include verification of the amount of the asset or income involved, whether the AG actually has or had access to such asset or income such that it would be countable income or resources for food stamp purposes, and the period during which such access occurred. If a county agency has information which indicates that independent verification is not needed, such verification is not required. Unearned income from IRS would be the exception to this policy.

(3) Independent verification of unverified information

The county agency shall obtain independent verification of unverified information obtained from IEVS by means of contacting the AG and/or the appropriate income, resource or benefit source. If the county agency chooses to contact the AG, it must do so in writing, informing the AG of the information which it has received, and requesting that the AG respond within ten days. If the AG fails to respond within ten days of the request, the county agency shall send a notice of adverse action as specified in Chapter 5101:6-2 of the Administrative Code. The county agency may contact the appropriate source by the means best suited to the situation. When the AG or appropriate source provides the independent verification, the county agency shall properly notify the AG of the action it intends to take and provide the AG with an opportunity to request a state hearing prior to any adverse action.

(Q) Actions on recipient AGs

With respect to information received as a result of data exchange agreements, county agencies must initiate and pursue the action on recipient AGs. County agency action on information items about recipient AGs shall include:

- (1) Review of the information and comparison of it to case record information;
 - (2) For all new or previously unverified information received, contact the AGs and/or collateral contacts to resolve discrepancies as specified in rule 5101:4-2-09 of the Administrative Code and paragraphs (P)(1) and (P)(2) of this rule; and
 - (3) If discrepancies warrant reducing benefits or terminating eligibility, notices of adverse action.
 - (4) County agencies shall initiate and pursue the actions specified in this paragraph of this rule so that the actions are completed within ninety days from receipt of the information. Actions may be completed later than ninety days from the match if the only reason that the actions cannot be completed is the nonreceipt of verification requests from the collateral contacts and the actions are completed as specified in rule 5101:4-7-01 of the Administrative Code when verification from a collateral contact is received or in conjunction with the next AG action when such verification is not received, whichever is earlier. The results of these actions should be documented on the compliance tracking selection (DESL) and compliance tracking results (DEEV) screens.
 - (5) When the actions of this rule substantiate an overpayment, county agencies shall establish and take actions on claims as specified in Chapter 5101:4-8 of the Administrative Code.
 - (6) County agencies must use appropriate procedures and shall monitor the timeliness requirements in paragraph (Q)(4) of this rule.
- (R) Except for the claim actions specified in paragraph (Q)(5) of this rule, county agencies may exclude from actions required in paragraphs (Q)(1) to (Q)(4) of this rule information items pertaining to AG members who are participating in one of the other programs listed in paragraph (D) of this rule.
- (S) The requirements of this rule do not relieve the state agency of its responsibility of determining erroneous payments and/or its liability for such payments as specified in part 275 of the federal register (which pertains to quality control) and in guidelines on quality control established under that part.

- (T) The county agency must document as required by rule 5101:4-2-09 of the Administrative Code, information obtained through the IEVS both when adverse action is and is not instituted.

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Certification

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