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GENERAL LETTER NO. 14-B-39

ISSUED BY: Bureau of Financial, Health and Work Supports
Division of Adult, Children and Family Services

SUBJECT: Employees' Manual, Title 14, Chapter B, ***AUTOMATED BENEFIT CALCULATION SYSTEM***, Contents (pages 1 and 2), revised; and pages 1, 5 through 11, 13, 14, 20, 21, 32, and 37, revised.

Summary

Chapter 14-B is revised to:

- ◆ Remove references to Transitional Medicaid, IowaCare, and FMAP-related Medicaid.
- ◆ Update the example of form RC-0052 with the 2017 version of the ABC system dates.

Effective Date

Immediately.

Material Superseded

This material replaces the following pages from Employees' Manual, Title 14, Chapter B:

<u>Page</u>	<u>Date</u>
Contents (page 1)	April 2, 2010
Contents (page 2)	March 11, 2011
1, 5, 6	April 2, 2010
7, 8	October 2, 2015
9	December 10, 2010
10, 11, 13, 14, 20, 21, 32, 37	April 2, 2010

Additional Information

Refer questions about this general letter to your area income maintenance administrator.

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Overview

The Automated Benefit Calculation (ABC) system is a computer system designed to:

- ◆ Gather and store information about the Department's income maintenance programs clients.
- ◆ Calculate benefit levels.
- ◆ Enable issuance of benefits.
- ◆ Issue client notices and forms.
- ◆ Generate various management reports to assist in program administration.
- ◆ Pass information to other systems.

The ABC system stores information about individuals and cases as separate records. The system uses a unique number to identify an individual. This number is called the state identification number (SID). The system uses another unique number to identify the case. The SID number and case number connect the record of the individual to the record of the case.

DHS income maintenance staff enter source information into the system. Staff are then able to update most information using "real time processing" of data input into the system. This means that data that is input and confirmed into the system is processed at the time the data is confirmed and a *Notice of Decision* or a calculation result preview is available immediately after confirmation of input data.

However, certain data does require the use of "batch processing." This means data input will be processed at night. Updated information appears the next day on screen as well as on notices and other documents. When information is not updated, Worker Action Report screens (WARs) display this and other information. If fatal WARs are not corrected and transactions confirmed, the transactions will be purged after three days.

Once information is in the system, it is usually not necessary to resubmit the same information. The screens display data as updated by the system. Some documents are printed and delivered to the local offices by a courier service. Others are stored electronically.

"Prior month" is a month before the current system month. Prior months' data is entered on certain applications and some retroactive Medicaid requests. See program policy chapters for specific coding by programs.

"Public assistance" refers to Family Investment Program (FIP) and Refugee Cash Assistance (RCA).

"Real time processing" is the process that provides immediate feedback to the IM worker as a result of case actions and, when appropriate, a *Notice of Decision* and calculation is immediately available to preview to verify expected results from those actions.

"Report form" is the form required by a particular program for periodic reporting. This includes the *Review/Recertification Eligibility Document (RRED)*.

"RRED" is the *Review/Recertification Eligibility Document*, form 470-2881 or its manual or Spanish-language versions.

"Rolling" refers to entries in program sections of the "turnaround document" (TD) screens that generate duplicate or related entries in the program section on TD03. "Rolling" is also used to describe the way in which income and deduction records are maintained from one system month to the next.

"Serial number" means the first group of six characters in a case number.

"State ID" or **"SID"** is the unique state identification number DHS assigns to each person.

"System month" means the period used for processing. A system month begins after ABC cutoff in one month and ends with ABC cutoff in the next month.

"Tickler" is a system-generated or worker-recorded reminder. ABC ticklers are displayed on ABC's Worker Action Report (WAR) screens.

"Timely notice" is the adequate notice sent to a participant at least ten calendar days before the effective date of adverse action. See program policy chapters for specific information on timely notice by program.

"TD" means a turnaround document or screen.

“Transaction” is the set of entries from one screen or screen section. Transactions waiting for processing are listed on the TXNS screen.

“Update” means to modify a master file with entries according to a specified procedure.

“User ID” is the name or code assigned to each user for accountability and security purposes.

“WAR” means Worker Action Report sent by the ABC system. See [14-B-Appendix](#), [WORKER ACTION MESSAGES](#), for additional information and a listing of current ABC WAR messages.

“WIFS” means warnings, informational, fatal, and summary messages. WIFS are email messages sent by the MEPD billing system, the Medicaid eligibility system, and the ABC system to inform the IM worker that action may be needed to be taken on the designated system.

ABC System’s Cyclical Month

Although transactions are processed daily, the ABC system operates according to the dates of the monthly cycle. The cyclical month begins after ABC cutoff of one calendar month and ends, except for some calendar month-end processes, with ABC cutoff of the following month.

Critical days in the cyclical month and the system-generated forms are discussed in the remainder of this section. The subheadings in this section are arranged in order that these system dates occur.

The ABC System Dates chart is distributed annually with the dates of the cycle. ABC users refer to the chart daily to make appropriate entries, be aware of system-generated runs, and meet system deadlines. Example:

2017 ABC SYSTEM DATES

IFPN Review Mail (1)

November 28, 2016
 December 29, 2016
 January 27, 2017
 February 24, 2017
 March 29, 2017
 April 27, 2017
 May 26, 2017
 June 28, 2017
 July 27, 2017
 August 29, 2017
 September 28, 2017
 October 27, 2017
 November 28, 2017
 December 28, 2017
 January 29, 2018

RRED Mail (2)

November 29, 2016
 December 30, 2016
 January 30, 2017
 February 27, 2017
 March 29, 2017
 April 28, 2017
 May 30, 2017
 June 29, 2017
 July 28, 2017
 August 30, 2017
 September 29, 2017
 October 30, 2017
 November 29, 2017
 December 29, 2017
 January 30, 2018

RRED Due Date (3)

December 5, 2016
 January 5, 2017
 February 6, 2017
 March 6, 2017
 April 5, 2017
 May 5, 2017
 June 5, 2017
 July 5, 2017
 August 7, 2017
 September 5, 2017
 October 5, 2017
 November 6, 2017
 December 5, 2017
 January 5, 2018
 February 5, 2018

Recoupment (4)

December 19, 2016
 January 19, 2017
 February 16, 2017
 March 17, 2017
 April 18, 2017
 May 18, 2017
 June 16, 2017
 July 19, 2017
 August 17, 2017
 September 18, 2017
 October 19, 2017
 November 16, 2017
 December 19, 2017
 January 18, 2018
 February 15, 2018

Timely Notice (5)

December 20, 2016
 January 20, 2017 *
 February 17, 2017 *
 March 20, 2017
 April 19, 2017
 May 19, 2017 *
 June 19, 2017
 July 20, 2017
 August 18, 2017
 September 19, 2017
 October 20, 2017 *
 November 17, 2017
 December 20, 2017
 January 19, 2018 *
 February 16, 2018 *

MN/SSI-Related Med Review Mail (6)

December 21, 2016
 January 21, 2017 *
 February 18, 2017
 March 21, 2017
 April 20, 2017
 May 20, 2017 *
 June 20, 2017
 July 21, 2017
 August 21, 2017
 September 20, 2017
 October 21, 2017 *
 November 20, 2017
 December 21, 2017
 January 20, 2018 *
 February 17, 2018 *

ABC Cut-off (7)

December 22, 2016
 January 24, 2017
 February 21, 2017
 March 24, 2017
 April 21, 2017
 May 23, 2017
 June 23, 2017
 July 24, 2017
 August 24, 2017
 September 22, 2017
 October 24, 2017
 November 21, 2017
 December 21, 2017
 January 24, 2018
 February 21, 2018

Pending Release and Check Write (8)

December 23, 2016
 January 25, 2017
 February 22, 2017
 March 27, 2017
 April 24, 2017
 May 24, 2017
 June 26, 2017
 July 25, 2017
 August 25, 2017
 September 25, 2017
 October 25, 2017
 November 22, 2017
 December 22, 2017
 January 25, 2018
 February 22, 2018

Check Mail (9) ***

December 31, 2016 **
 February 1, 2017
 March 1, 2017
 March 31, 2017
 May 1, 2017
 June 1, 2017
 June 30, 2017
 August 1, 2017
 September 1, 2017
 September 30, 2017 **
 November 1, 2017
 December 1, 2017
 December 30, 2017 **
 February 1, 2018
 March 1, 2018

- * Denotes a Saturday mailing of documents created in Friday night's processing.
- ** Denotes a Saturday mailing of documents created before Friday night that must be held and mailed on Saturday so clients receive them at the right time.
- *** Direct Deposit FIP is available on the first working day of the month; EAC FIP is available by noon on the first calendar day of the month.

RC-0052 (Rev. 11/16)

ABC SYSTEM USERS

SUBJECT: ABC SYSTEM DATES

1. The date IFPN reviews are mailed.
2. The date in-cycle RREDs are mailed.
3. The due date for in-cycle RREDs.
4. Recoupment transactions are processed.
5. The last day to enter transactions requiring timely notice without having them pend until after ABC cutoff, to be effective for the second future calendar month. This includes medical cancellations and transactions entered with these actions.
6. The date zero spenddown MN/SSI-related Medicaid reviews are mailed.
7. The cutoff date for regular transactions to affect the next month. Automatic cancellations due to expiration of FA or MN are processed to be effective for the next calendar month. Income and resource records are "rolled forward." Automatic changes (ending sanction and disqualification periods, cancellations for FIP age 19) are processed right after cutoff to be effective for the second future calendar month.
8. The date transactions that were pended for timely notice are released to be effective for the second future calendar month (the new "next" system month). This date is the first of the new system month in which data are both entered and processed. Date checks are written.
9. The date regular monthly FIP and State Supplementary Assistance checks other than RCF (and Medicaid cards) are mailed.

RC-0052 (Rev. 11/16)

For the current year's version of the chart *ABC SYSTEM DATES*, RC-0052, see the DHS Intranet eForms web page.

IFPN and RRED Form Mailing

For cases active after ABC cutoff, the following forms are printed based on system master file data as of ABC cutoff:

- ◆ *Family Planning Medicaid Review*, which is used for the annual recertification of the Iowa Family Planning Network. (See the DHS Intranet eForms web page for a sample of this form.)
- ◆ *Review/Recertification Eligibility Document (RRED)*, which is the review form for public assistance and the Food Assistance recertification form. See [Review/Recertification Eligibility Document, Form 470-2881 or 470-2881\(S\)](#) for more information.

The *Family Planning Medical Review*, form 470-4071, is mailed the first day before RRED mail. The RRED form is mailed on the second day before the end of the calendar month.

EXCEPTION: If this date is a holiday or a Sunday, the mailing date is the first workday before this date.

RRED Due Date

RREDs sent in the regular cycle are to be returned by the fifth calendar date of the month following the month of mailing. If this date falls on a weekend or a state or federal holiday, the due date is the next workday.

Recoupment Day

"Recoupment day" is usually the last workday before timely notice day. The automatic processes on recoupment are ABC actions to:

- ◆ Begin or change reductions in benefits for recoupment of overpayments or overissuances.
- ◆ Generate Food Assistance calculations that have not yet been done for child support income records.

Notices of Decision are generated and mailed after recoupment for cases with benefits affected by these processes. Forms generated from the recoupment run are identified with "RECP" printed on the forms.

Timely Notice Day

"Timely notice day" is the last workday that entries can be made in order for timely notice to be given before the first day of the next calendar month. Timely notice day is the workday immediately before the last mailing date for notices in the month that allows for the timely notice period. It allows ten calendar days to pass between that mailing date and the first day of the next calendar month.

Cancellations are system-generated for FIP cases that were required to return a complete RRED and failed to do so by timely notice.

Coding on each worker-entered transaction indicates whether timely notice is required if the data entered result in an adverse action. If timely notice is indicated, the system determines if timely notice can be given for the next calendar month.

If timely notice day has passed and policy requires timely notice, the entire transaction is pended to become effective for the second following month. Messages on the WAR1 and WAR2 screens alert you that the transaction was pended. The transactions that are pended are processed on pending release day.

You may change a pended transaction by deleting ALL transactions on the case and creating all appropriate transactions. This may require two steps if you need to enter the negative Medicaid transaction.

Medicaid Review Mailing

The *Medicaid Review*, form 470-3118 or 470-3118(S), is generated for Medically Needy cases with zero spenddown and SSI-related Medicaid cases that have reviews due the following month and is mailed the day following "timely notice day." See [Medicaid Review, 470-3118 or 470-3118\(S\)](#) for more information.

ABC Cutoff Day

"ABC cutoff day" is the sixth working day before the end of the calendar month. After ABC cutoff and before the end of the calendar month, system entries to change benefits on ongoing cases affect the second future calendar month.

ABC cutoff allows time for preparation and mailing of benefits, RREDs, and identification cards. Various reports and printouts are processed and distributed after ABC cutoff.

At ABC cutoff, the system performs these actions that affect cases:

- ◆ Food Assistance cancellation when the certification period expires with the current calendar month.
- ◆ Medicaid cancellation when system-tracked extended medical eligibility period or Medically Needy certification period ends with the current calendar month.
- ◆ "Rolling" of income and resource data to the working area of the system for the new "next system month."
- ◆ Transfer of summary income data from the previous system month to the history area of the system. (This history area is not accessible to system users.)
- ◆ Change of the person's status code when a Food Assistance disqualification period will expire with the coming month. This causes recalculation of benefits for the new "next system month."
- ◆ FIP cancellation for the new "next system month" of children who will be 19 years old on or after the second day of the coming month and before the second day of the new "next system month."

OUTPUT OF SYSTEM-GENERATED ACTIONS	
Job Run	Output From Job Run
Daily Run	<p><i>Notices of Decision</i> generated from the daily run are printed with "DALY" on the lower left portion of the form. The three-digit notice reason codes are printed by the word "DALY."</p> <p>CALC results sheets from the daily run are printed with "DALY" on the upper RIGHT portion of the sheet.</p> <p>CASE *</p> <p>Earnings Letters</p> <p>IND *</p> <p>RREDS: "DALY" is printed on these.</p> <p>SSI Reminder Letters</p> <p>TD *</p> <p>TXNS</p> <p>WARs</p>
Buy-In Run	<p><i>Notices of Decision</i> generated from the system-generated run are printed with "BUYIN" on the lower LEFT portion of the form (for facility cases or if Food Assistance benefits change).</p> <p>TDs</p>
LBP Run	<p><i>Notices of Decision</i> generated from the limited benefit plan run are printed with "LBP" on the lower LEFT portion of the form. The three-digit notice reason codes are printed by the word "LBP."</p>
Month-End Run (with ABC cutoff)	<p><i>Notices of Decision</i> generated from the month end run are printed with "MEND" on the lower LEFT portion of the form. The three-digit notice reason codes are printed by the word "MEND."</p> <p>Certification expirations</p> <p>Food Assistance</p> <p>Medically Needy</p> <p>WARs</p>

Job Run	Output From Job Run
Recalculation for Mass Program Changes	<p><i>Notices of Decision</i> generated from the system-generated run are printed with "MASS" on the lower LEFT portion of the form. The three-digit notice reason codes are printed by the word "MASS."</p> <p>CALC results sheets</p>
Recoupment Run	<p><i>Notices of Decision</i> generated from the recoupment run are printed with "RECP" on the lower LEFT portion of the form. The three-digit notice reason codes are printed by the word "RECP."</p> <p>CALC result sheets CASE & IND * IND * TD * TXNS WARs</p>
SANC Run (after month end but before the next daily processing)	<p>Activation people whose disqualification is over Annual issuance history report Automatic cancellation Cancellation of extended Medicaid Cancellation of FIP "over-age" child Removal of person records due to death Resetting of good cause for the next month</p> <p><i>Notices of Decision</i> generated right after the month-end run but before the next daily processing are printed with "SANC" on the lower LEFT portion of the NOD. The three digit notice reason codes are printed by the word "SANC."</p> <p>CALC results sheets CASE IND * TD * TXNS WARs</p>

- ◆ Do the Food Assistance 165% test to determine household composition when an elderly and disabled person buys and fixes food with others. See [7-C, Elderly Members Who Are Disabled](#).
- ◆ Re-examine the work transition period for Medicaid eligibility.

Except as noted above, the ABC system determines financial eligibility, benefit level, and client participation using countable income, countable resources, household members' status codes, and fund codes.

The individual's program status code and the unborn code on TD03 determine household size for some Medicaid coverage groups. When the system completes the financial eligibility determination, it changes the worker-entered active status code to a denied or canceled status if countable income or resources exceed program limits.

Coding may also indicate that the worker's approval decision is to be accepted without calculation. Worker entry to deny eligibility usually reflects worker decisions on nonfinancial eligibility factors.

The following sections explain:

- ◆ [What individuals are considered for ABC calculations](#)
- ◆ [What months are affected by system calculations](#)
- ◆ [System calculations related to resources](#)
- ◆ [System calculations related to income](#)
- ◆ [System outputs for calculation results](#)

Individuals Considered

To calculate financial eligibility, benefit level, and client participation, the ABC system requires information on individuals. Every person whose income or presence is considered and every person who is counted as part of the assistance unit must have an individual record for the program.

The program indicator determines for which program the income and deductions are to be used. The program indicators are:

- A FIP
- B Food Assistance
- C Medical Assistance
- D Facility, State Supplementary Assistance, or Waiver

The person's status codes for all programs and the person's fund code for Medicaid, State Supplementary Assistance, facility, and waiver services are used when determining whether the person is:

- ◆ Part of the assistance unit or
- ◆ Part of the unit which has income and deductions considered for eligibility determination or benefit calculations.

Months Affected by Entries

Different months are affected by entries for an application than for an ongoing case. NOTE: For Food Assistance, financial calculations are not done for months past the Food Assistance end certification month or the Food Assistance limit date.

Case Approvals

The first month for which an application is processed is determined by the worker-entered eligibility date in the program section of the TD screens. BCW1 Food Assistance deduction entries are required for each month in the application process that includes Food Assistance. BCW2 screens are required for each month with income.

BCW, RSCF, RSCA, RSCM, and RSCS screens may be entered for two prior system months, the current system month, and the next system month. For facility cases, only one prior system month entry is allowed.

BCW1 special allowance entries are not attached to a particular benefit month and affect the months in the application process as appropriate to their one-time or ongoing designation.

When entry reason "G" (change requiring timely notice) is used after timely notice day, the system holds all changes entered with the transaction until the first day of the next system month. At that time, a notice regarding the pending action is generated with the applicable effective date.

The system will not accept most changes during this pending period. It will accept an address change, or a phone number change on TD01. Workers can delete all transactions pending for timely notice.

Medicaid cancellations are always pending for timely notice when entered after timely notice day and before ABC cutoff, regardless of the entry reason used. See [Pending Release Day](#) for additional information.

When Medicaid cancellations would result from other actions entered after timely notice day, the system generates a notice regarding all the changes other than medical cancellations, effective for the first of the following month. A Worker Action Report (WAR) message informs the worker of the pending medical action.

The system holds Medicaid changes to be effective the first of the second following month until the first day of the next system month. Once the first working day of the next system month has passed, a notice regarding the pending Medicaid action is generated.

Quality Assurance

The Quality Assurance Unit is part of the Division of Data Management. Its function is to provide support for users of automated systems. Quality Assurance works closely with the Systems and Programming Bureaus and the Operations Unit in ensuring use of correct operating procedures in day-to-day use of the system. Quality Assurance staff:

- ◆ Process user identification actions
- ◆ Handle microfiche
- ◆ Work with electronic benefit transfer transactions
- ◆ Cross-reference state identification numbers
- ◆ Handle returned warrants
- ◆ Work with for Medicaid for employed people with disabilities premiums

NOTE: For Food Assistance cases, the Division of Fiscal Management performs many of these functions instead of Quality Assurance.

See [Automated Notices](#) for more information about how the notice is generated and its contents. For samples and instructions, see [6-Appendix, Notice of Decision, Form 470-0485, 470-0485\(S\), 470-0486 or 470-0486\(S\)](#).

Review/Recertification Eligibility Document, 470-2881 or 470-2881(S)

The ABC system generates form 470-2881 or 470-2881(S), *Review/Recertification Eligibility Document (RRED)*, for use as:

- ◆ An application for subsequent certification for Food Assistance, and
- ◆ The review document for participants of FIP and Refugee Cash Assistance.

You may also prompt the system to issue the form or issue it manually. The form contains instructions for completion and informs clients of their rights and responsibilities. For samples and instructions, see [6-Appendix, Review/Recertification Eligibility Document, Form 470-2881, 470-2881\(S\), 470-2881\(M\), or 470-2881\(MS\)](#).