

NOTICE OF INTENT

Department of Children and Family Services

Economic Stability

**Recovery of Overpayments, Standard Medical Deduction, Claims
Against Households, and Simplified Reporting
(LAC 67:III.1503, 1962, 2005, 2013, 5383, and 5741)**

In accordance with the provisions of the Administrative Procedure Act R.S. 49:961, the Department of Children and Family Services (DCFS) proposes to amend the Louisiana Administrative Code (LAC), Title 67, Part III Economic Stability.

Pursuant to the authority granted to the department by the Food and Nutrition Act of 2008 in accordance with federal regulations for the Supplemental Nutrition Assistance Program (SNAP) in 7 CFR, the department considers this amendment necessary to clarify or adopt rules that govern the SNAP. The department finds the adoption of the Standard Medical Deduction to streamline the process, improve the client experience, and ensure accurate benefit amounts for elderly/disabled households. The department finds the amendment to the claims threshold necessary in order to decrease the administrative burden of eligibility workers and to increase and align the claims threshold for participating and non-participating households. The department finds this amendment to Simplified Reporting necessary in order to allow certain SNAP households included in Simplified Reporting to be certified for 36 months.

Pursuant to Louisiana's Temporary Assistance for Needy Families (TANF) Block Grant, the department considers amendments to Section 1503 and 5383, and adoption of Section 5741 necessary to facilitate the expenditure of TANF funds for Family Independence Temporary Assistance Program (FITAP), Kinship Care Subsidy Program (KCSP), and Strategies to Empower People (STEP). The department finds these amendments necessary to govern the

recovery of overpaid benefits to align with SNAP programmatic rules.

Title 67

SOCIAL SERVICES

Part III. Family Support

Subpart 2. Family Independence Temporary Assistance Program

Chapter 15. General Program Administration

§1503. Recovery of Overpayments

A. All FITAP overpayments shall be subject to collection either by recoupment or recovery with the exception of inadvertent household error claims and administrative error claims of less than ~~\$125~~\$350 for participating and nonparticipating households.

B. Action will be taken to recover all ~~claims for participating households~~ and claims which are determined to be the result of intentional program violation.

AUTHORITY NOTE: Promulgated in accordance with P.L. 104-193.

HISTORICAL NOTE: Promulgated by the Department of Health and Human Resources, Office of Family Security, LR 10:1030 (December 1984), amended by the Department of Social Services, Office of Family Support, LR 24:353 (February 1998), LR 27:428 (March 2001), LR 34:2678 (December 2008), amended by the Department of Children and Family Services, Economic Stability Section, LR 39:2192 (August 2013), amended by the Department of Children and Family Services, Economic Stability Section, LR 45:1440 (October 2019), LR 49:

Subpart 3. Supplemental Nutrition Assistance Program (SNAP)

Chapter 17. Certification of Eligible Households

Subchapter I. Income and Deductions

§1962. Standard Medical Deduction

A. Effective April 1, 2023, elderly/disabled households with verified medical expenses of \$35.01 or more may receive a Standard Medical Deduction.

AUTHORITY NOTE: Promulgated in accordance with applicable Sections of 7 CFR and R.S. 36:474, P.L. 110-246.

HISTORICAL NOTE: Promulgated by the Department of Children and Family Services, Economic Stability, LR 49:

Subchapter P. Recovery of Over-Issued SNAP Benefits

§2005. Claims Against Household

A. All adult household members are jointly and severally liable for the value of any over-issuance of benefits to the household. This is true regardless of whether the over-issuance resulted from inadvertent error, an administrative error or an intentional program violation.

B. Action will not be taken to recover claims which are less than ~~\$125~~ \$350 for inadvertent household error or an administrative error for participating and nonparticipating households.

C. This threshold does not apply to claims ~~for participating households, to claims~~ which are determined to be the result of intentional program violation, or to errors which are discovered in a quality control review.

D. The threshold for claims discovered in a quality control review is claims that meet or exceed the QC error threshold.

AUTHORITY NOTE: Promulgated in accordance with F.R. 48:6837 et seq., P.L. ~~97-35~~, 97-253, 101-624 §1746, and 102-237 §911, 7 CFR 272, 273, 276 and 277, P.L. 103-66, P.L. 104-193, P.L. 104-134, 7 CFR 3 Subpart B, and P.L. 110-246.

HISTORICAL NOTE: Promulgated by the Department of Health and Human Resources, Office of Family Security, LR 9:323 (May 1983), amended by the Department of Social Services, Office of

Family Support, LR 18:1133 (October 1992), LR 20:899 (August 1994), LR 21:189 (February 1995), LR 22:584 (July 1996), LR 23:83 (January 1997), LR 23:1710 (December 1997), LR 24:2326 (December 1998), LR 27:1017 (July 2001), amended by the Department of Children and Family Services, Economic Stability and Self-Sufficiency Section, LR 36:2533 (November 2010), amended by the Department of Children and Family Services, Economic Stability Section, LR 39:2192 (August 2013), amended by the Department of Children and Family Services, Economic Stability Section, LR 45:1442 (October 2019), LR 49:

Subchapter R. Simplified Reporting

§2013. Simplified Reporting

A. - B.3. ...

C. Households included in simplified reporting will be assigned a certification period of 12 or 36 months.

D. All households in simplified reporting with the exception of those households eligible under the Elderly Simplified Application Project rules are required to:

1. - H. ...

AUTHORITY NOTE: Promulgated in accordance with 7 CFR 273.12(a), P.L. 107-171.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 27:867 (June 2001), amended LR 28:103 (January 2002), LR 29:607 (April 2003), LR 35:689 (April 2009), amended by the Department of Children and Family Services, Economic Stability and Self-Sufficiency Section, LR 36:2534 (November 2010), LR 46:1222 (September 2020), LR 49:

Subpart 13. Kinship Care Subsidy Program (KCSP)

Chapter 53. Application, Eligibility, and Furnishing Assistance

Subchapter C. Recovery

§5383. Recovery of Overpayments

A. All KCSP overpayments shall be subject to collection either by recoupment or recovery with the exception of inadvertent household error claims and administrative error claims of less than ~~\$125~~\$350 for participating and nonparticipating households.

B. Action will be taken to recover all ~~claims for participating households~~ and claims which are determined to be the result of intentional program violation.

AUTHORITY NOTE: Promulgated in accordance with P.L. 104-193.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 27:429 (March 2001), amended LR: 34:2678 (December 2008), amended by the Department for Children and Family Services, Economic Stability Section, LR 39:2193 (August 2013), amended by the Department of Children and Family Services, Economic Stability Section, LR 45:1443 (October 2019), LR 49:

Subpart 16. Strategies to Empower People (STEP) Program

Chapter 57. Strategies to Empower People (STEP) Program

Subchapter D. Recovery

§5741. Recovery of Overpayments

A. All Kinship Care Subsidy Program (KCSP) overpayments shall be subject to collection, either by recoupment or recovery, with the exception of inadvertent household error claims and administrative error claims of less than \$350 for participating and nonparticipating households.

B. Action will be taken to recover all claims which are determined to be the result of intentional program violation.

AUTHORITY NOTE: Promulgated in accordance with P.L. 104-193.

HISTORICAL NOTE: Promulgated by the Department of
Children and Family Services, Economic Stability Section, LR 49:

Family Impact Statement

The proposed rule is not anticipated to have an adverse impact on family formation, stability, and autonomy as described in R.S. 49:972. The proposed rule is anticipated to have a positive impact on earnings and family budgeting as lengthening certification periods should result in households having access to SNAP benefits for longer time periods. The proposed rule is anticipated to increase the ability of families to participate in SNAP. The proposed rule is expected to reduce barriers that elderly and disabled households encounter when participating in SNAP due to the complexity of the application process and issues associated with age, transportation, mobility, and disability. This population is the most vulnerable, and they have the least access and ability to keep up with current technology. Applicants will be able to take advantage of the program for a longer period because of the reduced administrative burden. By extending the certification period, eligibility workers at DCFS will have a reduced burden as recertification will not occur as often.

Poverty Impact Statement

The proposed rule is not anticipated to have a significant negative impact on poverty as described in R.S. 49:973. The proposed rule is anticipated to increase access to SNAP for an extended period of time. Increased access to SNAP allows households the opportunity to purchase nutritious foods which may lead to an improved diet resulting in healthier Louisianans and decreased health care costs.

Small Business Impact Statement

The proposed rule is not anticipated to have an adverse impact on small businesses as defined in the Regulatory Flexibility Act.

Provider Impact Statement

The proposed rule is not anticipated to have an impact on providers of services funded by the state as described in HCR 170 of the 2014 Regular Legislative Session.

Public Comments

All interested persons may submit written comments through, October 26, 2023, to Ashley Sias, Assistant Secretary of Family Support, Department of Children and Family Services, P.O. Box 94065, Baton Rouge, LA 70804.

Public Hearing

A virtual public hearing on the proposed Rule will be held at 9:00 a.m. on October 26, 2023, by the Department of Children and Family Services. All interested persons will be afforded an opportunity to submit data, views, or arguments via PC, Mac, Linux, iOS or Android at <https://stateofladcfs.zoom.us/j/81921020562>; via telephone by dialing (713) 353-0212 and entering conference code 1430033. To find local AT&T numbers visit <https://www.teleconference.att.com/servlet/glbAccess?process=1&accessNumber=USA7133530212&accessCode=430033>. Individuals with disabilities who require special services should contact the DCFS Appeals Unit at least seven working days in advance of the hearing. For assistance, call (225) 342-4120 (Voice and TDD).


Terri Porche Ricks
Secretary

08/12/2023 | 6:26 AM CDT



FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

Person Preparing Statement: Allison Rigsby Department: Children and Family Services
Phone: (225) 342-2530 Office: Economic Stability
Return Address: 627 N. 4th Street, P.O. Box 94065 Baton Rouge, LA 70804 Rule Title: Recovery of Overpayments, Standard Medical Deduction, Claims Against Households, and Simplified Reporting
Date Rule Takes Effect: January 1, 2024

SUMMARY (Use complete sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Other than publication costs associated with the proposed rule changes, which are estimated to be \$1,491, it is not anticipated that state or local governmental units will incur any costs or savings as a result of this rule.

Pursuant to Louisiana's Temporary Assistance for Needy Families (TANF) Block Grant, DCFS proposes to amend LAC 67:III, Family Support, Sections 1503 and 5383 and adopt Section 5741 related to TANF, Family Independence Temporary Assistance Program (FITAP), Kinship Care Subsidy Program (KCSP), and Strategies to Empower People (STEP).

Specifically, the proposed rule does the following: (1) increases the threshold from \$125 to \$350 for certain FITAP, SNAP, KCSP, and STEP overpayments that shall be subject to recovery, (2) provides that certain SNAP households with medical expenses of at least \$35.01 may receive a standard medical deduction, and (3) extends the certification period from 12 months to 36 months for certain SNAP households.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no effect on revenue collections of state or local governmental units as a result of this proposed rule.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

Implementation of this proposed rule may impact benefit recipients that received certain overpayments. If the overpayment is less than \$350, it will not be subject to collection by DCFS. Collectively, this rule is anticipated improve the application process and provide better customer service to applicants and benefit recipients.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

Implementation of this proposed rule is not expected to have an effect on competition and employment.

Ashley Sias 09/07/2023 | 12:29 PM CDT
Signature of Agency Head or Designee Date

Ashley Sias, Assistant Secretary of Family Support
Typed Name and Title of Agency Head or Designee

Eric Horent
DCFS Undersecretary

Debra M. ... Deputy Fiscal Officer
LEGISLATIVE FISCAL OFFICER OR DESIGNEE
9/07/2023
DATE OF SIGNATURE

Handwritten initials 'ER'

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed rule (1) increases the threshold from \$125 to \$350 for certain FITAP, SNAP, KCSP, and STEP overpayments that shall be subject to recovery, (2) provides that certain SNAP households with medical expenses of at least \$35.01 may receive a standard medical deduction, and (3) extends the certification period from 12 months to 36 months for certain SNAP households.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The Department of Children and Family Services believes increasing the claim threshold from \$125 to \$350 is equitable and allows the department to use its limited staff resources where they will be most beneficial.

The Department of Children and Family Services believes that adopting a standard medical deduction will streamline the application process, improve the client experience, and ensures accurate benefit amounts for elderly and disabled households applying for SNAP.

The Department of Children and Family Services has adopted an Elderly Simplified Application Project (ESAP) for the SNAP which allows certain SNAP households participating in Simplified Reporting to be assigned a certification period of 36 months instead of the regular 12-month certification period.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule result in any increase in the expenditure of funds? If so, specify amount and source of funding.

The proposed rule change is not anticipated to increase expenditures.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ Yes. If yes, attach documentation.

(b) X NO. If no, provide justification as to why this rule change should be published at this time

This rule should be published to allow the Department of Children and Family Services to better utilize department resources, improve the application process for clients, and provide better customer service to applicants.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 24	FY 25	FY 26
Personal Services	\$0	\$0	\$0
Operating Expenses	\$1491 (rulemaking)	\$0	\$0
Professional Services	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0
Equipment	\$0	\$0	\$0
Major Repair & Constr.	\$0	\$0	\$0
Total	\$1491	\$0	\$0
Positions (#)			

2. Provide a narrative explanation of the costs or savings shown in "A.1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The proposed rule change is anticipated to increase Department of Children and Family Services (DCFS) expenditures by approximately by \$1,491 associated with publication costs.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 24	FY 25	FY 26
State General Fund	\$373	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Dedicated	\$0	\$0	\$0
Federal Funds	\$1,118	\$0	\$0
Other (Specify)	\$0	\$0	\$0
Total	\$1,491	\$0	\$0

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

The department has sufficient funds to implement the cost for publishing the rule. This is a one-time cost that is routinely covered in the agency's annual budget.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There are no estimated costs or savings to local governmental units resulting from this rule.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

There will be no impact on local governmental units.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

Revenue Increase/Decrease	FY 24	FY 25	FY 26
State General Fund	\$0	\$0	\$0
Agency Self-Generated	\$0	\$0	\$0
Dedicated Funds *	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0
Total	\$0	\$0	\$0

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

Implementation of this rule will have no effect on state or local revenue collections.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS

A. What persons, small businesses, or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

Implementation of this proposed rule may impact benefit recipients that received certain overpayments. If the overpayment is less than \$350, it will not be subject to collection by DCFS.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

This rule will not have a significant impact on receipts and/or income.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

This rule will not have a significant impact on competition for employment in the public and private sectors.