

	Agency Name	Office of Family Support (OFS)		
	Chapter No./Name	00 – Miscellaneous Issuances Manual		
	Part No./Name	E. Executive Bulletins		
	Section No./Name	E – 2000 – Executive Bulletins		
	Document No./Name	E – 2208 Social Security-SSI Corrective Payment		
	Dates	Issue	July 13, 2001	Effective

Most Social Security and SSI recipients have been underpaid since January 2000. The underpayment was due to a software error in the computation of the Consumer Price Index (CPI) which is used by the Social Security Administration (SSA) to calculate the annual cost of living adjustment. The shortfall for most recipients was \$1.00 per month. During July 2001, a corrective payment is being issued by SSA to all affected individuals. Couples receiving SSI benefits will not receive any payment for the shortfall because the couple rate was unaffected by the CPI error. Corrections have been made and regular monthly benefits beginning August 2001 will be correct. Prior to the end of July, all individuals receiving corrective payments will also receive a notice from SSA explaining the lump sum payment and the adjusted benefits effective August 2001.

The corrective payment is a non-recurring lump sum which is excluded as income and considered a resource in the month of receipt. Clients receiving the corrective payment appear on the July SIEVS discrepancy list. If the discrepancy is due solely to the corrective payment, the discrepancy should be cleared with result code "0". There will be no automated mass change on L'AMI. As required by policy, Social Security and SSI benefit amounts must be verified as redeterminations and interim changes are completed. Verification should be through current award letters or SIEVS queries. Staff should be aware that queries during July will reflect a current pay amount that includes the corrective payment; therefore, the entitlement amount should be budgeted rather than the current pay amount. If recoupment is being withheld, the recoupment should be subtracted from the entitlement prior to budgeting on L'AMI.

Questions should be directed to the appropriate Regional AP/FS Program Specialist.