



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

FIA INFORMATION MEMO

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**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS/CASE MANAGERS**

FROM: KEVIN M. MCGUIRE, EXECUTIVE DIRECTOR

RE: OVERPAYMENT TIPS

**PROGRAM AFFECTED: TEMPORARY CASH ASSISTANCE (TCA), FOOD
STAMPS, TEMPORARY DISABILITY ASSISTANCE
PROGRAM (TDAP), PURCHASE OF CARE (POC),
PUBLIC ASSISTANCE TO ADULTS (PAA)**

ORIGINATING OFFICE: OFFICE OF PROGRAMS

SUMMARY:

The FIA Office of Programs, working with a work group of central and local department staff, is in the process of developing a new Overpayment desk guide that will contain the policy and procedures for all FIA program overpayments. Training is also being developed on overpayment procedures. In the meantime, we have developed an information sheet for local departments to use to help in preventing overpayments from occurring and as a guide to help determine if an overpayment actually exists. Re-reviewing existing overpayment referrals and BEGs in each local may eliminate those that are not actual overpayments.

INQUIRIES

Please direct TCA overpayment inquiries to Marilyn Lorenzo at 410-767-7333 or Gretchen Simpson at 410-767-7937 and Food Stamp overpayment inquiries to Kay Finegan at 410-767-7939 or Rick McClendon at 410-767-7307. TDAP and PAA inquiries should be directed to Cynthia Carpenter at 410-767-7495. POC inquiries should be directed to Betsy Blair at 410-767-7845. CARES system inquiries should be directed to Gina Roberts at 410-238-1299.

cc: FIA Management Staff DHR Help Desk

OVERPAYMENT TIPS

The following guidelines will assist with determining when an overpayment exists or when a referral to the Office of the Inspector General (OIG) for a Fraud investigation is appropriate.

1. Read the case record thoroughly and look at the information the customer submitted.
2. It is not fraud and it is not customer error if the customer reported a change and the case manager did not act on it.
3. Reduce a TCA overpayment by the amount (if any) of child support collected and kept by Child Support.
4. The only type of overpayment that exists in FS simplified reporting is if the customer fails to report when the income in the household exceeds 130% of the federal poverty level.
5. If the local department can obtain the information to determine whether there is an overpayment, there is no need for the OIG's office to get involved.
6. An Intentional Program Violation (IPV) means the customer committed fraud in order to receive benefits to which the customer was not entitled. An IPV must be established before an overpayment BEG is coded as FR (fraud).
 - a. An IPV determination may be obtained in three ways: an Administrative Disqualification Hearing, an ADH waiver, or a regular court decision. The case manager can obtain an ADH waiver from the customer or refer to the OIG's office.
 - b. If an IPV decision is pending an investigation, code any overpayment BEGs as customer error (CE) and begin recoupment/recovery, as long as the recoupment/recovery does not interfere with the IPV investigation. If the determination is an IPV, change the BEG reason code from CE to FR using the transfer process.
 - c. Calculate Medical Assistance (MA), Purchase of Care (POC) and Temporary Disability Assistance Programs (TDAP) overpayments outside of CARES.
 - Complete Medical Assistance overpayment referrals on the DHMH 1169 Notice of Potential MA Payment Recovery and forward to:

Department of Health and Mental Hygiene
Division of Recovery
201 W. Preston Street, Room 204
Baltimore MD 21201

Medical Assistance and Maryland Children's Health Program cases which do not include a TCA, FS, POC or TDAP case are referred on the DHMH 4243 (Maryland Medical Assistance Investigation Referral) to the:

Department of Health and Mental Hygiene,
Program Integrity Unit,
201 W. Preston Street, Room 205
Baltimore, MD 21201

REMEMBER: CARES makes eligibility calculations based on the information that is entered into it. If information is entered incorrectly, the result will be incorrect.

Example: Customer goes to work on June 25. She receives her first pay on July 15 and reports timely. The 10 day adverse action period expired on July 25. The customer has earnings in July, but there is no overpayment. However, if you enter earnings in the month of July on CARES, CARES will calculate an overpayment.

Purchase of Child Care

1. POC overpayments can exist for either a recipient or a child care provider.
2. Determine the difference in the amount between what the provider received and what the customer was entitled to, for each month of overpayment.
3. The date from which the overpayment is counted is determined by the:
 - Error cause,
 - Requirement to report changes within 10 days, and
 - Need to allow 5 days adverse action before reducing or terminating a subsidy.
4. The customer must repay the owed amount.
5. The child care provider can opt to either repay the overpayment or have it deducted from the subsequent child care payments.
6. There is a series of three overpayment letters sent customers or providers (depending on who was overpaid) requesting repayment.
 - If the customer or provider does not cooperate with the local department, refer the overpayment to the Central Collections Unit (CCU).

Referrals to The Office of the Inspector General (OIG)

An Application or Reconsideration for Food Stamp (FS), Temporary Cash Assistance (TCA) or Purchase of Care (POC) can be referred to the Office of the Inspector General (OIG), Program Fraud Unit for investigation. A referral to the OIG for investigation must be for one of the following reasons:

Note: Fraud hotline and system matches have priority

1. Questionable household composition, (i.e. children not in the home or other unreported persons in the home).
2. Receiving assistance in another jurisdiction while applying or receiving assistance in Maryland.
3. Receiving assistance using fraudulent or stolen identity.
4. Applicant has zero income (does not work, no pensions, retirement or other resources) and all bills are being paid.
5. Applicant provides agency with altered documents.

NOTE: The OIG's office only accepts requests for investigations if there is an identifiable reason. Referrals that are unmarked or marked "Routine Investigation" or "Application" will not be accepted. There must be a suspicion or a questionable situation.