

DEPARTMENT OF HUMAN RESOURCES INCOME MAINTENANCE ADMINISTRATION 11 W. Saratoga Street Baltimore, Maryland 21201	IMA ACTION TRANSMITTAL
ISSUANCE DATE: August 21, 1995	EFFECTIVE DATE: October 1, 1995
	CONTROL NUMBER: IMA OPA #96-04

TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR INCOME MAINTENANCE
INCOME MAINTENANCE SUPERVISORS

FROM: *Katherine L. Cook*
KATHERINE L. COOK, ACTING EXECUTIVE DIRECTOR, INCOME
MAINTENANCE ADMINISTRATION
THEODORE MARTIN, ACTING EXECUTIVE DIRECTOR, BUDGET AND
FINANCE

RE: AFDC OVERPAYMENTS - ATMS

PROGRAMS AFFECTED: AFDC

ORIGINATING OFFICE: OFFICE OF POLICY ADMINISTRATION

SUMMARY:

At times an ATM will make an error which allows the recipient to receive too much cash. When this happens, there is an AFDC overpayment.

This transmittal outlines the procedures for handling these overpayments.

ATM misdispense:

The malfunction in the ATM which allows the recipient to receive too much money is called a misdispense. The system debits the recipient's account when a withdrawal is made and within the same minute credits the account again with the amount of the withdrawal. The client has the funds to withdraw again.

Example: \$300 is put into EBT. The client withdraws \$100 which is re-credited to the account. The client still has \$300 plus the \$100 withdrawn. There is a \$100 overpayment.

GENERAL PROCEDURES:

- The EBT office at DHR is notified of the misdispense by Deluxe.
- The EBT office will send each local department a log with the case/AU names, case/AU numbers, date of the misdispense and amount. (sample attached)
- The local department will send the recipient a notice of adverse action.

- If the client appeals, contact Dale Brown at (410) 767-7692 or Joseph May at (410) 767-7987 in the EBT office. A member of that staff will provide the local department with the ATM transaction logs to support the claim and will appear as a witness at the hearing. The ATM transaction logs will be retained for three years.
- If the case is active and the client does not appeal, the misdispense is recouped.
- If the case is closed, send the client the required demand notices and if no response, forward to CCU.
- Misdispense overpayments do not affect Food Stamps. There is no resulting Food Stamp overissuance.

Client Recognizes and Reports the Error - Local Option

- When the client contacts the local department to report the excess funds, inform the recipient that he can avoid the overpayment by withdrawing the cash for the amount of the misdispense and bringing it to the fiscal office.
- Client should be referred to the local department's finance officer.
- Local departments should also decide whether a worker or supervisor will handle the explanation and referral to fiscal.

Fiscal Procedures For Handling Cash Returns of Misdispenses

- The local department finance office should post cash receipts for EBT misdispensed transactions as they do for regular overpayment cases.
- The finance office should write "EBT" on the receipt and forward a copy of the receipt to the DHR CARES Fiscal Unit.

AIMS Recoupment/Recovery

- Send the 733R
 - Use COMAR 07.03.14
 - Use the following language:
"Your cash account on EBT was not correctly reduced when withdrawals were made."
- Enter the amount of the misdispense in the appropriate field on the AIMS 2.

CARES Recoupment/Recovery

The IM worker will:

- Go to "R" from the CARES Main Menu
- Select Option E on the Benefit Error Submenu to set up the BEG for the amount owed
- Type in the issuance month, OP/UP, Amount and Reason on the Benefit Error Month/Group Screen
- Notice will go out automatically
- Use code "Administrative Error". A request is being made for a special code. You will be notified when it is available.

Action Required by: All Local Departments

Action Due Date: October 1, 1995

No logs will be sent until October 1, 1995.

DHR contacts for questions and issues:

AFDC policy - Beth Boyd (410) 767-7925
EBT - Dale Brown (410) 767-7692
CARES Fiscal Unit - Aaron Von Moore (410) 767-7643

cc: DHR Executive Staff
IMA Management Staff
Arnold Dixon

