Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance
600 Washington Street • Boston MA 02111

Argeo Paul Cellucci
Governor

William D. O'Leary
Secretary

Claire McIntire
Commissioner

Field Operations Memo 98-6
February 9, 1998

TO: **Transitional Assistance Office Staff**

FROM: **Joyce Sampson, Assistant Commissioner for Field Operations**

RE: **Centralizing Recoupment Procedures for the Food Stamp (FS) and State Supplemental Food Stamp (SSFSP) Programs**

Background

The recoupment process is being centralized for all programs, including **FS** and **SSFSP**, to streamline operations in preparation for BEACON. All overpayments and Bureau of Special Investigation (BSI) referrals will be processed at Central Office.

Recoupment Procedures

Overpayments may occur due to department error, payments pending a fair hearing decision, recipient error or recipient misrepresentation or withholding of information. In **all** instances of FS & SSFSP overpayments, fill out the new Fraud/Overpayment Referral form (RFI-OP-1) (see Attachment A). Workers should have their supervisors sign the form. Retain a copy of this form for the case record and send the original form to:

DTA/BSI Central Office Unit
Attn: Chris DeVries
600 Washington St. 2nd Floor
Boston, MA. 02111

Once the DTA/BSI Central Office unit receives the RFI-OP-1, they will determine whether the overpayment was caused by fraudulent or nonfraudulent actions documented on the RFI-OP-1. Fraudulent overpayments will be forwarded to BSI for follow up and possible recoupment. Nonfraudulent overpayments will be processed in the following manner:

Recoupment Procedures (cont.)

The DTA/BSI unit will complete the Notice of Overpayment/Food Stamp Benefits form (ORN-C/FS)(Attachment B). This form will record the type, amount, time period and reason for the overpayment as well as serve as notice to the recipient of repayment options.

The ORN-C/FS form will be mailed to the recipient along with the Contracts and Recoveries Unit's Food Stamp Benefits Repayment Obligation form (CRU-OP-1A/FS) (Attachment C) which will be partially completed by the DTA/BSI Unit. The recipient must then complete the CRU-OP-1A/FS form, indicating his or her choice for the method of repayment, and return both the ORN-C/FS and CRU-OP-1A/FS forms to:

Contracts and Recoveries Unit
PO BOX 48
Essex Station
Boston, MA 02112.

Contracts and Recoveries will institute recovery procedures by sending a transaction to PACES to institute recoupment. Transitional Assistance workers should check the Daily Caseload Report (DCR) for pending recoupment transactions. Transitional Assistance workers will no longer have the capability to data-enter recoupment information. **Also if the case reopens with recoupment on file, the Transitional Assistance worker should fax the Notice of Reopened Case with Recoupment on File form (NCRU-R) (Attachment D) to Contracts and Recoveries at fax number: (617) 423-1526. Contracts and Recoveries will reinstate recoupment.**

Appeals

The Division of Hearings will notify the Contracts and Recoveries unit and the appropriate Transitional Assistance Office in writing if a recipient appeals the recoupment decision. The Transitional Assistance worker will represent the Department at the hearing and will contact the Contracts and Recoveries Unit by phone at 1-(617)-348-5020 for the paperwork needed for the appeal. The Contracts and Recoveries unit as well as the DTA/BSI unit, as needed, will be available via the telephone to assist the worker.

Closed Cases

If a recipient on recoupment subsequently has his or her FS or SSFSP case closed, Contracts and Recoveries will bill the former recipient or place him or her on wage assignment, if appropriate.

PRISM II

For PRISM II matches, Transitional Assistance workers may still use the automated PRISM II BSI referral form. A screen print of the completed form should be sent to the DTA/BSI unit.

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline at (617) 348-8478. Systems questions should be directed to Customer Support Services at (617) 348-5290.

98-6
Attachment A

Massachusetts Department of Transitional Assistance

Date ____/____/____

Fraud/Overpayment Referral

1. Case/Program/Office Data ☐ Fraud Referral ☐ Overpayment Referral

Grantee (Last Name)	(First Name)	SSN	CAN

Current Address	City/Town	ZIP	Telephone ( )

Program/Benefit TAFDC ☐ FS ☐ SSFSP ☐ EA ☐ EAEDC ☐

TA O#	TAO Address	Worker Name	Telephone ( )

2. Sources of Information/Reason for Overpayment

☐ **Computer Match(es)** ***Attach copies of any relevant documentation.***

☐ DOR ☐ New Hire ☐ Bank ☐ Wage ☐ Child Support ☐ SSA/Federal ☐ BENDEX ☐ SVES ☐ IRS ☐ SDX ☐ BEERS ☐ Location ☐ Interstate ☐ Prison ☐ DYS ☐ DSS

☐ Other ☐ DET ☐ NH Registry ☐ DIA ☐ Lottery

Other _____

Name of matched individual _____ Relationship to grantee _____

☐ Other(s) (Non-Computer) _____

Date information became known to worker ____/____/____

Did the recipient report the change(s)? ☐ Yes ☐ No If yes, when? ____/____/____

Reason for Overpayment Key

A = Department Error
B = Lump Sum
C = Computer Error
D = Vendor Payments
E = Aid Paid pending appeal (include appeal #)
F = Over Asset
G = Unreported Income
H = Changes in Household Size
I = Duplicate Benefit (include Benefit Dates)
J = Calculation Error
K = BSI Case # _____
L = Other _____ (specify)

Explain reason for overpayment (include dates, appeal # check numbers and EBT authorization number if applicable)_____

Overpayment

Key	Date From	Date To	Program:TAFDC, EAEDC,FS, SSFSP	Amount Received	Correct Amount	Overpayment Amount

3. Area(s) of Investigation

A. ***Financial Circumstances in Question***

☐ ***Earned income***

Employee Name #1_____
Employer Name_____
Employer Address_____
_____
Type of Income _____
Amount of Earnings $_____per_____

☐ ***Earned income***

Employee Name #2_____
Employer Name_____
Employer Address_____
_____
Type of Income _____
Amount of Earnings $_____per_____

Area(s) of Investigation (cont.)

Attachment A

☐ ***Unearned Income***	☐ ***Unearned Income***
Recipient of Income #1_____	Recipient of Income #2_____
Type of Income _____	Type of Income _____
Amount of Income $_____per_____	Amount of Income $_____per_____
☐ ***Assets***	☐ ***Assets***
Owner of Asset(s)_____	Owner of Asset(s)_____
_____	_____
_____	_____
Type of Asset(s)_____	Type of Asset(s)_____
_____	_____
Value of Asset(s)_____	Value of Asset(s)_____
_____	_____
Financial Institution_____	Financial Institution_____
_____	_____
_____	_____
Account #1_____	Account #1_____
Account #2_____	Account #2_____

B. *Categorical Circumstances in Question*

Absent Parent (A.P.) in Home_____
Specify Name(s)of A.P. SSN(s)

_____
Specify Name(s) of A.P.'s child(ren) *Employer of A.P.(if known)*

_____

Source of A.P. info (check all that apply) ☐ Registry ☐ Postal Verification ☐ Landlord

Suspected Living Above Means (S.L.A.M.)_____
Specify

_____

Dependent(s) Not in Home_____
Specify Name(s) Location

_____

Recipient(s) Not Living in Massachusetts_____
Specify Name(s)

_____
Date *State moved to*

Other_____
Specify

4. Additional Information

_____

_____

Worker Signature _____ Supervisor Signature _____

Date____/____/____ Date____/____/____

Massachusetts Department of Transitional Assistance

Notice of Overpayment/Food Stamp Benefits

Last Name _____ First _____ Mi _____ Date _____

Street Address _____ Social Security Number _____

City/Town _____ State _____ ZIP _____ Telephone _____

The Department of Transitional Assistance has determined that you have been overpaid food stamp benefits for the period of _____ in the amount(s) of $ _____.

The reason for this overpayment is _____

Your household is now required to pay back this overpayment. Enclosed is a **Food Stamp Repayment Obligation** form which explains the repayment options available to you to repay this debt. Please review this form, select a repayment plan and sign and date this form. Make a copy of these forms for your records and return the original forms by _____ in the enclosed self-addressed envelope to:

Contracts & Recoveries Unit
PO Box 48
Essex Station
Boston, MA 02112

If you are a current recipient and fail to sign and return the repayment obligation forms, your household's food stamp benefits will automatically be reduced to repay the Department.

If you are a former recipient and fail to sign and return the repayment obligation forms, the Department will begin action to recover this overpayment by any method legally available to the Department, such as wage garnishment or state and federal tax refund intercepts.

If you do not agree that you were overpaid or you do not agree with the amount of the overpayment, you may appeal this determination by requesting a fair hearing within 90 days. The enclosed notice explains how to request a hearing. You may wish to contact a local legal services office or community agency for assistance or advice. These agencies may provide advice or representation at no cost. Your local Transitional Assistance Office (TAO) can provide you with information on legal aid.

Failure to appeal this notice will result in:

(1) the establishment of an overpayment in the amount set above;
(2) the determination that you agree you owe the established amount and agree to repay the Department in full;
(3) the determination that you understand that your failure to repay the Department will result in an assignment of a portion of your wages in a reasonable amount as determined by the Department if you are or become employed;
(4) a reduction of your food stamp benefits if you are, or at some time in the future become, a recipient of public assistance;
(5) the right of the Department to intercept your tax refund(s); and/or
(6) the determination that you understand that your failure to repay the Department will result in an assignment of a portion of your unemployment benefits in a reasonable amount as determined by the Department.

If you have any questions about this notice or about the enclosed repayment obligation forms, please call 1-800-462-2607 to speak to a recoupment specialist.

ORN-C/FS (2/98)
18-602-0298-05

Massachusetts Department of Transitional Assistance

Food Stamp Benefits Repayment Obligation

Last Name First MI Date

Street Address Social Security Number

City/Town State ZIP Telephone

I acknowledge that I received an overpayment in the amount of $_____. This overpayment occurred from _____ to _____ because _____

Your household is required to repay this overpayment. Below are the following options you have to repay this overpayment. You must make a minimum monthly payment of $_____ to repay this overpayment. You must select a repayment option, sign and date this form and return it to the Contracts & Recoveries Unit (CRU) by_____. If your household is currently receiving food stamp benefits, your household's food stamp benefits will be reduced by 10 percent or $10.00, whichever is greater.

If you do not complete this form and return it to CRU by the due date, or if you do not file an appeal, the Department will begin action to recover this overpayment.Your rights and responsibilities are explained on the back side of this form.

To Repay Benefits: Food Stamp $_____

Please review and select one of the following options by placing a check mark in the box.
If you are currently receiving food stamp benefits, you may select any of the following options. (Do not send cash)

1. ☐ Deduct minimum monthly payments from food stamp benefits of $_____,or make a higher payment of $_____. This amount is 10 percent of your food stamp benefits or $10.00, whichever is greater.

If you are not currently receiving food stamp benefits, you may select only options 2 through 4.

2. ☐ Total lump sum of $_____ payment enclosed.
3. ☐ Partial lump sum of $_____ payment enclosed and monthly payments of $_____ . You will receive a bill every month for your payment.
4. ☐ Monthly payments of $_____You will receive a bill every month for your payment.

I have read and I understand the terms of this repayment agreement and my rights and responsibilities as explained on the reverse side of this form.

Signature Date

CRU-OP-1A/FS (2/98)
18-610-0298-05

See reverse side.

I understand:

- the amount I owe must be paid in full.
- *I must notify the CRU of a change in my address.*
- signing this agreement waives my rights to a hearing to challenge the overpayment and the amount of the overpayment.
- I have the right to access information compiled at the time this overpayment is established and once a year thereafter.
- if my household circumstances change, I have the right to renegotiate the terms of this agreement.
- if the overpayment involves food stamp benefits received because the Department believes I withheld information or made an intentional misrepresentation, a Department hearing will be held to determine whether I will be disqualified for a period of time from the appropriate program(s). This hearing will be held unless I sign a waiver of the hearing or sign an agreement in which I voluntarily agree to be disqualified from the TAFDC/EAEDC or Food Stamp Program.
- the amount of the claim shall be offset by lost benefits which are owed to the household until the time the claim is terminated.
- if I am no longer eligible for food stamp benefits, I must repay the amount of money I still owe. I can repay this money to the Department by either lump sum, by making monthly payments or by wage assignment.
- if I have chosen **option three** or **four** and I fail to repay as agreed, I will lose my option for this payment method. The Department will take the necessary action to recover this overpayment.
- if I become eligible for food stamp benefits, the Department will deduct monthly payments from my *household's food stamp benefits in an amount determined by the Department. I will receive a separate* notice from the Department if this action is taken.
- if I get a job, the Department will take action to recover this overpayment by wage garnishment. A wage assignment will become effective if I fail to repay as agreed. The Department will contact my employer to have a reasonable amount deducted from my paycheck. I will receive a separate notice from the Department if this action is taken. I have the right to a hearing within 15 days of my request, but only to challenge the existence of the amount of the arrears.
- if I have chosen wage assignment or if my wages are assigned in the future because I failed to repay,

  I must:

  1. notify the Department of the name and address of my employer;
  2. notify the Department of any change in my employment within three days of beginning employment; and
  3. notify my employer or new employer of the existence of a wage assignment.

- that the Department may recover the overpayment by intercepting my tax refund(s) in accordance with state and/or federal laws.
- that the Department may recover the overpayment by any other method allowed under Massachusetts General Laws.
- that failure to make payment may result in civil and/or criminal action by the Department and/or the district attorney for the county I live in.

If you have any questions please call 1-800-462-2607.
Return this completed form in the enclosed envelope to:

Contracts & Recoveries Unit
PO Box 48
Essex Station
Boston, MA 02112

Do Not Write Below This Line

Preparer (please print) _____ Title _____ Date _____

BSI Signature _____ Decision _____

REFERRAL # OR BSI CASE #_____ CAT_____ STATUS_____ REG_____ TAO#_____

Cash OVP Attached? ☐ yes ☐ no Return Date_____

Massachusetts Department of Transitional Assistance

Notice of Reopened Case with Recoupment on File

Prior to closing, the following case was subject to recoupment:

Case Name _____ Category _____

Social Security Number _____

Date case closed ____/____/____

Date case reopened ____/____/____

_____ ____/____/____
Worker Signature **Date**

_____ ____/____/____
Supervisor Signature **Date**

Fax to Contracts & Recoveries Unit at (617) 423-1526