

Office of Inspector General  
***Fraud Prevention and Recovery Unit (FPRU)***


2024-10-28

# Table of Contents

|  |    |
|--|----|
| 1850 Claim Disposition Options for Fraud Claims .....        | 1  |
| Policy .....   | 1  |
| Authority .....  | 1  |
| References .....   | 1  |
| Applicability .....  | 2  |
| Definitions .....  | 2  |
| Responsibilities .....                                       | 2  |
| History .....  | 2  |
| Evaluation .....   | 2  |
| 1852 Criteria for Identifying Cases of Suspected Fraud ..... | 3  |
| Policy .....   | 3  |
| Authority .....  | 4  |
| References .....   | 4  |
| Applicability .....  | 4  |
| Definitions .....  | 4  |
| Responsibilities .....                                       | 5  |
| History .....  | 5  |
| Evaluation .....   | 5  |
| 1853 Disqualification Penalties .....                        | 6  |
| Policy .....   | 6  |
| Authority .....  | 7  |
| References .....   | 7  |
| Applicability .....  | 7  |
| Definitions .....  | 7  |
| Responsibilities .....                                       | 7  |
| History .....  | 7  |
| Evaluation .....   | 7  |
| 1855 Requests for Investigation .....                        | 8  |
| Policy .....   | 8  |
| Authority .....  | 8  |
| References .....   | 8  |
| Applicability .....  | 8  |
| Definitions .....  | 8  |
| Responsibilities .....                                       | 8  |
| History .....  | 9  |
| Evaluation .....   | 9  |
| 3450 Fraud Prevention and Recovery Unit .....                | 10 |
| Policy .....   | 10 |

|  |    |
|--|----|
| Authority .....  | 10 |
| References .....   | 10 |
| Applicability .....  | 11 |
| Definitions .....  | 11 |
| Responsibilities .....                                     | 11 |
| History .....  | 11 |
| Evaluation .....   | 11 |
| MAN 3450 Benefit Recovery Policy Manual .....              | 12 |
| 4000 General Overview .....                                | 12 |
| 4005 Claim Types .....                                     | 15 |
| 4010 Intentional Program Violations .....                  | 18 |
| 4015 Electronic Disqualified Recipient System (eDRS) ..... | 19 |
| 4020 Collection Methods .....                              | 20 |
| 4025 State Tax Offset .....                                | 25 |
| 4030 Treasury Offset Program .....                         | 28 |
| 4035 Over-Collection of Claims .....                       | 31 |
| 4040 Bankruptcy .....                                      | 32 |
| 4045 Transferring Claims .....                             | 33 |
| 4050 Termination of Uncollectible Claims .....             | 33 |
| 4055 Special Considerations .....                          | 34 |
| Appendix A Claim Forms .....                               | 35 |
| Appendix B Manual Transmittal Cover Letters .....          | 36 |

# 1850 Claim Disposition Options for Fraud Claims

|   |   |                                |
|---|---|--------------------------------|
|  | <b>Department of Human Services<br/>Policy and Manual Management System</b> | <b>Index:</b> POL 1850         |
|   |   | <b>Revised:</b> 01/27/2023     |
|   |   | <b>Next Review:</b> 01/26/2025 |

## Policy

One of the primary goals of the Office of Inspector General (OIG) is to seek final adjudication and disposition of intentional program violation claims by judicial or administrative means.

Options for adjudication through the judicial process:

- Criminal prosecution
- Consent Agreement

Options for adjudication through the administrative process:

Adjudication through administrative processes allows recipients who have intentionally obtained excess benefits to be administratively adjudicated and make restitution without going through the court system. Currently, there are two mechanisms for administrative adjudications:

- Administrative disqualification hearing
- Waiver of disqualification hearing

Non-adjudications:

Recovery of overpayments through administrative means allows recipients who have obtained excess benefits to make restitution without adjudication. Currently, there is one mechanism:

- Non-fraud claim

## Authority

O.C.G.A. § 49-4-15

## References

7 U.S.C. §§ 2011, et seq.

7 C.F.R. § 273.16

# Applicability

This policy applies to the legal adjudication of a claim.

## Definitions

A claim is a debt that the state must collect regardless of the claim type. Claims are created when an assistance unit receives more benefits than it is eligible for or does not receive all the benefits it is entitled to. A claim is not considered complete until it is brought to a final claim disposition and the claim is authorized.

## Responsibilities

1. The OIG Fraud Prevention and Recovery Unit Director (FPRU) oversees POL 1850.
2. The FPRU State Operations Unit updates procedures to implement this policy.


## History

## Evaluation

The OIG/FPRU evaluates this policy by:

1. Monitoring and completing an annual review to confirm the accuracy of claim disposition options.
2. Passing any audit(s) with no findings.

# 1852 Criteria for Identifying Cases of Suspected Fraud

|   |   |                                |
|---|---|--------------------------------|
|  | <b>Department of Human Services<br/>Policy and Manual Management System</b> | <b>Index:</b> POL 1852         |
|   |   | <b>Revised:</b> 01/27/2023     |
|   |   | <b>Next Review:</b> 01/26/2025 |

## Policy

An intentional program violation (IPV) cannot be the result of an accidental omission or error by the recipient. There must be a knowing and willful act, oral or written, usually in the form of a statement of fact. According to the federal regulations 7 CFR § 273.16 (ecfr.gov), the definition of an IPV is:

IPVs shall consist of having intentionally:

1. Made a false or misleading statement, or misrepresented, concealed or withheld facts; or
2. Committed any act that constitutes a violation of SNAP, SNAP regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing, or trafficking of SNAP benefits or EBT cards.

The most common offenses that constitute fraudulent actions are as follows:

- Failure to report earned or unearned income, e.g. (not all-inclusive):
  - Employment
  - Direct child support
  - Unemployment insurance
  - Veterans benefit
  - Retirement/Pension
  - Worker’s compensation
  - Social Security benefits
- Failure to report available resources, e.g. (not all-inclusive):
  - Bank accounts
  - Legal interest in an estate
  - Certificates of deposit
  - Non-exempt real estate
  - Stocks and bonds
  - Insurance settlement

- Failure to report the correct household composition, relevant information about household members or changes in the household
- Misuse/trafficking of electronic benefit transfer (EBT) card

Georgia EBT became operational statewide in November 1998. Soon after implementation, patterns of trafficking and misuse began to be identified. The United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), and Department of Human Services Office of Inspector General (DHS OIG) have joined together to develop a policy and procedures to establish claims and enforce the penalties regarding trafficking and misuse of EBT by both recipient and retailer. The USDA FNS is responsible for investigating retailer fraud, while OIG is responsible for pursuing recipient fraud.

All determinations of IPV should be based on the correct policy as determined by the program manual for the regulation in effect at the time of the suspected overpayment.

## **State Law Enforcement Bureau (SLEB)**

An agreement is set forth between the Administrator of the Southeast Regional Office of the Food and Nutrition Service to grant authority to the Georgia Department of Human Services Office of Inspector General, referred to as State Law Enforcement Bureau (SLEB), to acquire Electronic Benefits Transfer (EBT) SNAP benefit information from the Food and Nutrition Service for law enforcement and investigative activities. The SLEB shall determine that such EBT SNAP benefits are utilized exclusively within that state for law enforcement or investigation purposes as approved by the Administrator of the Southeast Region Office.

All SLEB requests must be made through the OIG SLEB Coordinator.

## **Authority**

O.C.G.A. § 49-4-15

## **References**

Benefit Recovery Manual 3450 Volume IV  
Food Stamp Program Manual 3420 Volume III  
TANF Program Volume 1 Manual 3390  
Federal Code of Regulations 7 C.F.R. § 273.16

## **Applicability**

An IPV should be based on the correct policy, as issued by the Office of Family Independence (OFI) manual for the regulation in effect at the time of the suspected overpayment and cannot be the result of an accidental omission or error by the recipient.

## **Definitions**

Common offenses and IPV are defined within the policy and outline the criteria for identifying

cases of suspected fraud.

## **Responsibilities**

1. The OIG/FPRU Director is responsible for oversight of POL 1852.
2. The FPRU State Operations Unit updates procedures to implement this policy.

## **History**

Removed POL 1854 EBT Trafficking and Misuse SLEB, combined with POL 1852 effective October 2, 2019.


## **Evaluation**

The OIG/FPRU evaluates this policy by:

1. Monitoring and completing an annual review to confirm the accuracy of identifying cases of suspected fraud.
2. Passing any audit(s) with no findings.



# 1853 Disqualification Penalties

|   |   |                                |
|---|---|--------------------------------|
|  | <b>Department of Human Services<br/>Policy and Manual Management System</b> | <b>Index:</b> POL 1853         |
|   |   | <b>Revised:</b> 01/27/2023     |
|   |   | <b>Next Review:</b> 01/26/2025 |

## Policy

### Supplemental Nutrition Assistance Program (SNAP)

Disqualification from participation in the Supplemental Nutrition Assistance Program, commonly known as SNAP, occurs when a recipient admits guilt or is found guilty of a SNAP intentional program violation (IPV). Pursuant to U.S. Code, Title 7, Section 2015(b) (1), Agriculture, Supplemental Nutrition Assistance Program, the disqualification penalties are as follows:

- First-time offenders are disqualified for 12 months.
- Second-time offenders are disqualified for 24 months.
- Third-time offenders are disqualified permanently.

A recipient shall be ineligible to participate in SNAP for 10 years if the recipient has made a fraudulent statement or representation of identity or residence to receive multiple benefits simultaneously.

SNAP disqualification penalties have been increased for recipients found guilty in a federal, state, or local court of trading or receiving SNAP benefits for firearms, ammunition, explosives, or controlled substances. The penalties are as follows:

- In cases where benefits are traded for controlled substances, a 24-month disqualification will be imposed for a first violation and permanent disqualification for a second violation.
- A permanent disqualification will be imposed for a first violation where benefits were traded for guns, ammunition, or explosives.
- Recipients convicted of selling \$500 or more of SNAP benefits will be permanently disqualified.

### Temporary Assistance to Needy Families (TANF)

Disqualification from participation in the TANF Program occurs when a recipient admits guilt or is found guilty of TANF IPV. The recipient is disqualified from participation in the TANF Program for a prescribed period. Pursuant to U.S. Code, Title 42, Section 616 (b) Public Health and Welfare, Social Security Act, effective 05/1992 in Georgia, the disqualification penalties are as follows:

- First-time offenders are disqualified for 6 months.
- Second-time offenders are disqualified for 12 months.

- Third-time offenders are disqualified permanently.

A recipient shall be ineligible to participate in the TANF Program for 10 years if the recipient has made a fraudulent statement or representation of residence to receive multiple benefits in two or more states simultaneously.

## Authority

O.C.G.A. § 49-4-15

## References

Benefit Recovery Manual 3450 Volume IV  
Food Stamp Program Manual 3420 Volume III  
TANF Program Manual 3390 Volume 1  
U.S. Code 7 U.S.C § 2015 (b)  
Code of Federal Regulations 7 C.F.R § 273.16

## Applicability

The disqualification period will be imposed against an individual who admits guilt or is found guilty of an IPV in the SNAP and TANF programs.

## Definitions

Persons found guilty of intentional program violations through an administrative disqualification hearing, by a court, or who signed a waiver of the right to an administrative disqualification hearing are ineligible to participate in SNAP and TANF.

## Responsibilities

1. The OIG Fraud Prevention and Recovery Unit (FPRU) Director is responsible for the oversight of POL 1853.
2. The FPRU State Operations Unit updates procedures to implement this policy.


## History

## Evaluation

The OIG/FPRU evaluates this policy by:

1. Monitoring and completing an annual review to confirm the accuracy of disqualification penalties.
2. Passing any audit(s) with no findings.

# 1855 Requests for Investigation

|   |   |                                |
|---|---|--------------------------------|
|  | <b>Department of Human Services<br/>Policy and Manual Management System</b> | <b>Index:</b> POL 1855         |
|   |   | <b>Revised:</b> 01/27/2023     |
|   |   | <b>Next Review:</b> 01/26/2025 |

## Policy

Requests for investigation of suspected fraud and intentional program violations on the part of a Supplemental Nutrition Assistance Program or Temporary Assistance for Needy Families recipient must be submitted to the Department of Human Services (DHS) Office of Inspector General (OIG). The Fraud Prevention and Recovery Unit (FPRU) will review referrals and investigate cases of suspected fraud and abuse in a timely manner.

The DHS has established a toll-free fraud hotline (1-844-694-2347) that is available 24 hours a day, seven days a week. All calls are reviewed and if appropriate, documented on a DHS OIG Fraud and Abuse Reporting Form, which is subsequently routed to the appropriate Division of Family and Children Services office for investigation and follow-up.

## Authority

O.C.G.A. 49-4-15

## References

Benefit Recovery Manual (Vol. IV) MAN3450  
Code of Federal Regulations 7 C.F.R. § 273.18

## Applicability

Suspected intentional program violations are reported to the OIG/FPRU for investigation.

## Definitions

Suspected intentional program violations are allegations of suspected fraud, misuse, and trafficking of public assistance benefits.

## Responsibilities

1. The OIG/FPRU Director is responsible for oversight of POL 1855.
2. The FPRU State Operations Unit updates procedures to implement this policy.


# History

## Evaluation

The OIG/FPRU evaluates this policy by:

1. Monitoring and completing an annual review to confirm the accuracy of suspected intentional program violation referrals.
2. Passing any audit(s) with no findings.

# 3450 Fraud Prevention and Recovery Unit

|   |   |                                |
|---|---|--------------------------------|
|  | <b>Department of Human Services<br/>Policy and Manual Management System</b> | <b>Index:</b> POL 3450         |
|   |   | <b>Revised:</b> 11/26/2019     |
|   |   | <b>Next Review:</b> 11/26/2025 |

## Policy

The Department of Human Services policy is to promote the health and well-being of families, focusing primarily on children, seniors, people with disabilities and low-income working families. Two Benefit Assistance programs (Food Stamps and TANF) are administered by the Department of Human Services (DHS), the Division of Family and Children Services (DFCS) and its 159 local county offices. To protect the integrity of these financial assistance programs and in the interest of the public, the Fraud Prevention and Recovery Unit recovers benefits erroneously issued as mandated by federal and state policies.

## Authority

In 2008, the Food Stamp (FS) Act of 1977 was renamed the Food and Nutrition Act of 2008. The Act renamed the Food Stamp Program the Supplemental Nutrition Assistance Program (SNAP), which contains certain claims and collection provisions regarding the SNAP program. The Food Stamp (SNAP) claims regulations were revised in 1983 and mandated in 1996 with the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA): Pub. L. 104-193. The Recovery provisions of the SNAP program were further developed in Title 7; “Electronic Code of Federal Regulations”, Part 272 through 273.

The Temporary Assistance for Needy Families (TANF) Program in PRWORA replaced the Former Aid to Families with Dependent Children (AFDC) program. Recovery provisions for TANF were issued by the U.S. Department of Health and Human Services through Program Instruction Transmittal No: TANF-ACF-PL- 99-2 (revised).

## References

The Electronic Code of Federal Regulations, Title 7-Agriculture, Subtitle B Regulations of the Department of Agriculture, Chapter II-Food and Nutrition Service, Department of Agriculture, Parts 271-299.

[gov.ecfr.io/cgi-bin/text-idx?SID=010cf3332b2acee3e52a756915e21285&mc=true&tpl=/ecfrbrowse/Title07/7cfrv4\\_02.tpl#0](http://gov.ecfr.io/cgi-bin/text-idx?SID=010cf3332b2acee3e52a756915e21285&mc=true&tpl=/ecfrbrowse/Title07/7cfrv4_02.tpl#0)

The Electronic Code of Federal Regulations, Title 45-Public Assistance, Chapter II-Office of Family Assistance, Administration for Children and Families, Department of Health and Human Services, Parts 201-299.

## Applicability

All local County Departments of Family and Children Services (DFCS)

## Definitions

None

## Responsibilities

The State Operations Director of the Office of Family Independence, Division of Family and Children Services is responsible for the development and administration of the Benefit Recovery Policy Manual Volume IV ([MAN3450](#)). The manual is issued by the Director of the Division of Family and Children Services.

## History


None

## Evaluation

The outcomes of this directive are evaluated by:

- Case Accuracy Reviews (monthly)
- Quality Control Reviews (monthly)
- Management Evaluation Reviews (annually)
- Federal Audits and Reviews (annually and as needed)

# MAN 3450 Benefit Recovery Policy Manual

|   |   |                                |
|---|---|--------------------------------|
|  | Department of Human Services<br>Policy and Manual Management System | <b>Index:</b> MAN 3450         |
|   |   | <b>Revised:</b> 04/01/2023     |
|   |   | <b>Next Review:</b> 04/01/2025 |

## 4000 General Overview

|   |  |                  |                                |               |
|---|--|------------------|--------------------------------|---------------|
|  | GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br>BENEFIT RECOVERY POLICY MANUAL |                  |                                |               |
|   | <b>Chapter:</b>  | 4000             | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>   | General Overview | <b>Reviewed or Updated in:</b> | MT-11         |
|   | <b>Policy Number:</b>  | 4000             | <b>Previous Update:</b>        | MT-10         |

### Requirements

Benefit errors must be corrected either by recovering valid overpayments or issuing benefits for valid underpayments.

### Basic Considerations

An overpayment (OP) exists when an assistance unit (AU) receives more benefits than it is eligible to receive.

An underpayment (UP) exists when an AU does not receive all benefits for which it is entitled. Benefits lost more than 12 months prior to the date of establishment shall not be restored. Underpayments must be processed within 60 days of the date the underpayment is established in active and inactive cases. The 60-day SOP does not apply to reinstated benefits.

A claim is a debt that the state must collect regardless of the claim type.

Repayment of debt is the responsibility of the following:

- The Head of Household and all members of the household who were 18 years of age and older, regardless of the status at the time the overpayment or trafficking occurred.
- A sponsor of an alien AU member if the sponsor is at fault.
- A person connected to the AU, such as an authorized representative, who is trafficking or otherwise causes an overpayment or trafficking.

### Claim Types

An overpayment is the result of one of the following:

- An Agency Error (AE)
- An Inadvertent Household Error (IHE)
- An Intentional Program Violation, including trafficking (IPV)

AE and IHE overpayments must be processed within 60 days from the date that you become aware of the pending overpayment.

## **Invalidating Claims**

Overpayments established for closed cases, which are of the same type and total \$125 or less, are invalidated.

Overpayments established for active cases, which are of the same type and total \$100 or less, are invalidated.

Overpayments and underpayments discovered by a QC reviewer in the process of a quality control investigation, regardless of the amount, must be established into claims and scheduled for collection within 60 days of notification unless fraud is suspected.

Potential overpayments for suspected fraud claims are sent to the Office of Inspector General (OIG) as a Request for Case Review. These requests must be processed, and a claim established within 12 months of the request.

## **Claim Notification**

Documentation of the overpayment and proper notification to the AU are essential. Before any collection activity, the AU must be notified of the debt. For AE and IHE claims, the notice must include the rights to a fair hearing and an attached Repayment Agreement.

- The initial notice of overpayment for AE, IHE and IPV claims is generated and mailed via Georgia Gateway. If a system notice is not generated, a manual notice is required. The initial notice must include a Repayment Agreement for non-fraud claims.
- If there is no response to the initial notification of debt, manual follow-up is required.
- Additional notices are mailed by Georgia Gateway if payments are not made regularly.
- Mail sent through the US Postal Service is considered received unless returned to the DFCS office as undeliverable.

A file must be created for every valid claim authorized in Georgia Gateway. Any claim denied prior to payment activity does not require a claim file. Underpayments do not require a claim file. Multiple claims on a single AU may be filed together if separated by claim number.

Claim files must be available for program and fiscal audits.

Food Stamp claims may be transferred out of state.

TANF claims may not be transferred out of state.



## Procedures

The county office determines if a benefit error exists, investigates reports or other indications of a possible overpayment of benefits.

Possible information sources:

- Inconsistencies in the case record or inconsistent information from the AU
- Clearinghouse
- IEVS matches
- Information from agency employees
- Gateway screening on adult AU members (for claims on other AU numbers).
- Information from other individuals or agencies
- Information from a whistleblower referral (from a federal agency)
- Information from a hotline referral (from the state toll-free number)

This list may not be all-inclusive.

Determine the potential cause of the error.

Process the claim according to policy if the overpayment is caused by agency error (AE) or inadvertent household error (IHE).

Refer the case to OIG if the overpayment is caused by a suspected Intentional Program Violation.

Document the benefit error as appropriate in case notes in Georgia Gateway as follows:

- IHE and AE – Document the reason for the OP, the date of establishment and date and method of discovery, the amount, the months included in the OP, the results of discussions with the AU and other pertinent information.
- IPV – Document the date and method of discovery and reason for request for investigation to OIG.
- Underpayment (UP) – Document the reason for the underpayment, the date of establishment, date, and method of discovery, the amount, the months included in the underpayments and other pertinent information. No claim file is required.
- Invalid benefit errors (OP and UP) - Document the error month(s) and amount(s), and the reason the benefit error is determined to be invalid.

Create a claim file containing the following information:

- Initial documentation including liability for repayment
- Budgets for each month
- Verification used to establish claim
- Verification of receipt of benefits
- Verification of initial notification of overpayment

- Verification of Intentional Program Violation Disqualification Notice

## Claim Maintenance

Retaining claim files:

- All claims in open or suspended status in Georgia Gateway must have a file.
- Closed claim files must be retained for 3 years and through one county fiscal audit.

IPV disqualification documents must be kept permanently. Documents include:


- Disposition information
- Court order/consent agreement
- Hearing decision/WDH

OIG claim information other than the disqualification documents may be purged according to program policy.

Retain claim management reports as needed for county purposes.

Retain fiscal reports as required by administrative regulations.

## 4005 Claim Types

|   |  |             |                                |               |
|---|--|-------------|--------------------------------|---------------|
|  | <b>GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br/>BENEFIT RECOVERY POLICY MANUAL</b> |             |                                |               |
|   | <b>Chapter:</b>  | 4005        | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>   | Claim Types | <b>Reviewed or Updated in:</b> | MT-11         |
|   | <b>Policy Number:</b>  | 4005        | <b>Previous Update:</b>        | MT-10         |

## Requirements

The Division of Family and Children Services (DFCS) and the Office of Inspector General (OIG) are responsible for calculating and establishing agency error (AE) and inadvertent household error (IHE claims), requesting case reviews for suspected fraud claims, monitoring for compliance and managing and collecting all claims, including intentional program violations (IPV).

## Basic Considerations

An Agency Error exits if one of the following occurs:

- Policy is misapplied.
- A computer processing error occurs.
- The agency fails to take timely action on a change.
- The agency fails to apply the appropriate sanction.

- The agency fails to apply an IPV disqualification.
- A computation error occurs.

This list is not inclusive.

An Inadvertent Household Error exists if one of the following occurs:

- The assistance unit (AU) unintentionally fails to provide the agency with correct or complete information.
- The AU unintentionally fails to report changes in AU circumstances.
- The AU receives an overpayment pending a fair hearing decision because the assistance unit requested a continuation of benefits.
- IPV is suspected but intent cannot be proven.

This list may not be all-inclusive.

An Intentional Program Violation exists if one of the following occurs:

- The AU intentionally provides false or misleading information or withholds information necessary to establish or maintain eligibility or to prevent a decrease in benefits.
- An AU is trafficking Food Stamp benefits. (See [Section 4055](#))

This list may not be all-inclusive.

## **Statute of limitations**

Agency error claims are calculated back to the month the overpayment should have been effective but no more than twelve months prior to the date of discovery.

Inadvertent household error and suspected fraud overpayments may be established for any amount that occurred up to six years before the discovery date. Suspected fraud overpayments are referred to OIG within 30 days of discovery.

Inadvertent household and agency error overpayments are the result of historical changes made because of AU circumstances. Changes may be made in Georgia Gateway or computed and entered manually.

Georgia Gateway processing may create benefit errors that are invalid. Consider program policy before establishing overpayments into claims or releasing underpayments.

## **Food Stamp Claims**

Food Stamp claims are valid only for changes the AU is required to report.

Refer to [Section 3720, Reporting Requirements](#), in the Food Stamp Program manual for more specific instructions on reporting requirements for simplified reporting households.

## TANF Claims

TANF claims exist if a financial change which results in a decrease in benefits or total ineligibility is not made the month after the change occurs, or the second month, depending on when the action is taken, and timely notice expires.

Changes resulting in a decrease in benefits or ineligibility due to non-cooperation / non-compliance require timely notice from the date of notification of closure. An overpayment exists if the change is not made the month after the month timely notice expires.

An overpayment exists if a non-financial change results in a decrease in benefits or total ineligibility and is not made for the month after the change occurs.

Overpayments exist if TANF benefits are issued and the customer also receives other public assistance benefits during the same month.

Refer to TANF policy for more specific instructions.

## Procedures

- Determine if the change causes a valid benefit error. If not, deny the OP or UP in Georgia Gateway.
- If the benefit error is valid, determine the months it exists.
- Agency Errors - Use representative/converted income/expenses to calculate the difference between the amount received and the amount that should have been received. Allow earned income deductions. Refer to program policy for conversion procedures.
- Inadvertent household Errors - Use actual income/expenses for each month of the overpayment. If an AU does not report the receipt of earned income timely, do not allow the 20% earned income deduction for that income when computing the amount of the overpayment (OP).
- Total benefit errors for each month, by claim type to establish the total amount of the claim. Manually enter the claim in Georgia Gateway and approve if appropriate.

If the AU refuses without good cause to cooperate in providing this information, consider the AU totally ineligible for the months involved. Use the best information available and document.

For closed cases, deny the claim if the total loss is \$125 or less.

For active cases, deny the claim if the total loss is \$100 or less.

Process any benefit error regardless of the amount, if found during a Quality Control review. The OIG worker must schedule any benefit error within 60 days of notification from QC unless fraud is suspected.

All claim types in active cases, except criminal prosecution, are automatically recouped via benefit reduction. The customer may request to have an amount in addition to the formula amount recouped each month.

Payments for claims coded as criminal prosecution are made directly to the Probation Office during the period of probation assigned by the court system. For claims with this IPV disposition type,

review the payment history at least quarterly. If payments are not being received from the probation office, contact to verify if regular payments are being received by that agency. Change to claim type to consent agreement and verify the correct recoupment mode when the probationary period ends if a balance remains.

Document Case Notes in Georgia Gateway and ensure proper notification is sent to the assistance unit. Before any collection activity, the assistance unit must be notified of the debt. For AE and IHE claims, the assistance unit must be notified of the right to a Fair Hearing. If a system notice is not generated, a manual notice is required. A repayment agreement must be included for AE and IHE claims.

Attempt to discuss the Georgia Gateway generated notices, which include information about the claim and a Repayment Agreement with the AU. Attempt to obtain a signed Repayment Agreement. The customer’s signature indicates evidence of notification of the debt. Automatic recoupment and tax offset occur even if the customer does not respond to attempts to contact or sign a repayment agreement.

Maintain claim files and manage collection of the debt.

## Fair Hearings

The TANF AU has 30 days and the FS AU has 90 days in which to request a hearing on the fact of the claim or the amount of the debt. These time frames reflect federal and state policies and are specified on the notices.

Suspend collection immediately if a hearing is requested regarding the fact of the claim or the amount of the debt.


Do not suspend the claim if the hearing request involves collection, including the amount calculated for formula recoupment.

Terminate the original balance after any payments have been returned if the claim is not supported. Notify the customer.

If the hearing decision supports the debt, the household must be re-notified of the claim balance due and a new due date must be assigned. Future delinquency will be based on the new due date.

An OIG representative must attend any hearing involving an IPV claim or program disqualification.

## 4010 Intentional Program Violations

|  <b>GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES</b><br><b>BENEFIT RECOVERY POLICY MANUAL</b> |                                |                                |               |
|--|--------------------------------|--------------------------------|---------------|
| <b>Chapter:</b>  | 4010                           | <b>Effective Date:</b>         | December 2019 |
| <b>Policy Title:</b>   | Intentional Program Violations | <b>Reviewed or Updated in:</b> | MT-11         |
| <b>Policy Number:</b>  | 4010                           | <b>Previous Update:</b>        | MT-10         |

## Requirements

Refer suspected intentional program violation (IPV) via Form 5667 (Request for Case Review), within 30 days of identifying the potential benefit error. One form may be utilized for multiple programs. Attach supporting documents to the request and forward it to the Office of Inspector General (OIG) within 10 days of completion. The date of the request is the date entered on Form 5667.

A Request for Case Review for investigation can also be made by completing a request in the IPV Referral Search in the submodule in Georgia Gateway.

OIG conducts investigations using standard, approved investigative techniques and determines if a loss exists, amount of loss and method of adjudication.

Claims calculated by OIG are established manually. OIG has up to 12 months from the date of the request to complete investigation, determine if an overpayment exists and establish a claim.

OIG will approve a non-fraud claim if the information is not sufficient to process the IPV or if the intent to commit fraud cannot be proven.

## Procedures


Complete the Request for Case Review (Form 5667) manually or in Georgia Gateway.

Discuss the suspected intentional program violation with the recipient and document the recipient's response. Additional verification may be requested to determine ongoing eligibility. Correct benefits for ongoing months only. The correction of prior months is OIG's responsibility. Do not change data in any historical month unless the change is unrelated to the suspected IPV.

OIG will enter disqualifying information in Georgia Gateway for the Food Stamp Program for its investigations. This information is electronically transmitted to eDRS (Electronic Disqualification Recipient System).

OIG will enter disqualification information on TANF cases in Georgia Gateway for its investigations.

## 4015 Electronic Disqualified Recipient System (eDRS)

| GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br>BENEFIT RECOVERY POLICY MANUAL  |                       |   |                                |               |
|---|-----------------------|---|--------------------------------|---------------|
|  | <b>Chapter:</b>       | 4015  | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>  | Electronic Disqualified Recipient System (eDRS) | <b>Reviewed or Updated in:</b> | MT-11         |
|   | <b>Policy Number:</b> | 4015  | <b>Previous Update:</b>        | MT-10         |

## Requirements

eDRS is a nationwide database used to identify individuals disqualified from the Food Stamp Program and to record periods of Food Stamp disqualification.

## Basic Considerations

The Office of Inspector General (OIG) enters disqualification information in Georgia Gateway for OIG disqualifications. The system electronically transmits the data to eDRS.

Record the adjudication and start dates in Georgia Gateway. Refer to the Food Stamp Program policy in [Section 3315](#) for criteria affecting the initial month of disqualification.


Disqualification data is permanent and must be supported by disqualification documents. OIG disqualification data must be retained permanently.

When a closed case becomes active again, the DRS icon is accessible on the Person Details page in Georgia Gateway. This will provide disqualification information on anyone who has been disqualified. Failure to disqualify the individual prior to approval will result in an agency error overpayment.

The individual has a right to request a fair hearing and challenge the accuracy of disqualification data and/or view the disqualification record. OIG should be notified of any previous adjudication that is later referred for a fair hearing. A representative of OIG must attend the fair hearing to address any issues regarding the disqualification.

Prior to imposing a disqualification, all out of state matches must be verified through a secondary source. Respond promptly to requests for information from other states on Georgia's disqualifications.

## 4020 Collection Methods

|  | GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br>BENEFIT RECOVERY POLICY MANUAL |                    |                                |               |
|---|--|--------------------|--------------------------------|---------------|
|   | <b>Chapter:</b>  | 4020               | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>   | Collection Methods | <b>Reviewed or Updated in:</b> | MT-11         |
|   | <b>Policy Number:</b>  | 4020               | <b>Previous Update:</b>        | MT-10         |

## Requirements

Collection action is initiated against an assistance unit (AU) to recover overpayments for which a claim is established.

## Basic Considerations

Collection of overpayments may affect the county's administrative funds. Coordination with fiscal staff is necessary to manage benefit recovery.

## Methods of Repayment

A claim can be repaid by:

- Cash payments

- Lump-sum payments
- Installment payments
- Benefit reduction
- Offset of benefit underpayments issued to the AU
- Electronic Benefit Transfer benefits (EBT) (active, inactive or expunged)
- Offset of state tax refund (see [Section 4025](#))
- Offset of federal benefits (see [Section 4030](#))
- Court-ordered payments

An AU may repay a claim in installments through a cashier's check, money order, personal check or cash payment. The receiving agency must provide a written receipt and file a copy of the receipt with the county or the Centralized Payment Processing Center records. See Field Fiscal Services Policy and Procedures manual for additional information. The Centralized Payment Processing Center prefers that payments are not in cash.

The assistance unit may repay a claim as a lump sum payment through available income and resources or through EBT benefits. The AU is not required to liquidate all its resources in order to make a lump sum payment.

If the assistance unit (AU) is financially unable to pay the entire amount at one time, negotiate a repayment agreement. The AU may make manual payments in addition to monthly recoupment of benefits.

The customer may be ordered by the court to repay the Probation Office who in turn forwards the payments to the county DFCS office or the Centralized Payment Processing Center.

All claims in active cases, except those coded pay to court, are recouped automatically, via benefit reduction. The customer may choose to have a higher amount recouped.

Intention Program Violation (IPV) claims ordered to pay through the court are not automatically recouped. For this claim type, review the payment history at least quarterly. Contact the probation office if payments are not being received. Once the probation period ends, change the claim type to pay "to county". If the case is active and there is an outstanding claim balance, ensure that there is an ongoing recoupment of benefits.

Additional benefits issued after the initial monthly benefits are released are subject to offset. Underpayments created due to reinstatement or expedited changes are not subject to offset.

State Tax Refunds may be used to offset delinquent Food Stamp and TANF claims.

Delinquent Food Stamp claims are subject to the offset of federal benefits including, but not limited to, federal tax refund, federal salaries, federal retirement and Retirement / Survivor / Disability Income (RSDI).

A debt is defined as delinquent if the initial payment is not received within 30 days of claim authorization, and subsequent payments are due within 30 days from the last payment until the debt is paid in full. A payment received for less than the required monthly amount will result in a delin-



quent debt.

If a repayment agreement is negotiated, a monthly payment for a lesser amount will not satisfy the agreement and the claim will be considered delinquent.

Payments are applied in the following order:

- Intention Program Violation (IPV) claims paid in order of age, the oldest paid first
- Inadvertent Household Error (IHE) claims paid in order of age, the oldest paid first
- Agency Error (AE) claims paid in order of age, the oldest paid first

System programming prohibits deviating from this priority order. Subsequent claim cannot be considered delinquent while regular monthly payments are being received for a prior claim.

Manual payments received that are not designated for a specific program are processed as follows:

- The current claim balances in both programs are totaled.
- The percentage of the total debt for each program is determined.

Collection action is initiated against the head of the AU. Federal policy states that any adult member of the AU at the time the overpayment occurred is equally responsible for repaying the debt and may be pursued if the head of the AU defaults.

## **Procedures**

There will be a monthly recoupment of benefits if the AU is receiving benefits. Explain the result of the automatic recoupment on monthly benefits. Stress continued obligation when case closes and possible tax intercepts of other benefit offset if regular monthly payments are not received.

When the case closes and grant reduction ends:

- Attempt to discuss the claim with the AU. Provide written notification.
- AE/IHE claims: Negotiate or renegotiate a repayment agreement if appropriate and attempt to secure signature.
- IPV claims: Reiterate original payment negotiated with the Office of Inspector General (OIG) or ordered by the court. Do not renegotiate a court-ordered payment.
- Arrive at a payment amount that will pay a non-fraud claim in full in a maximum of 36 months from establishment. Do not negotiate a payment less than \$25. Discuss a longer payment period if calculated amount is excessive. Consider a compromise as a last resort.
- Arrive at a payment amount that will pay a fraud claim in full in a maximum of 60 months from authorization. The minimum payment is \$25.

## **Compromise**

A compromise is a reduction of an initial Food Stamp claim balance due to economic circumstances such that the customer would be able to pay off the claim within a reasonable period.

For AE or IHE claims, customers may request that their claim balance be reduced if they can

demonstrate that they have an economic hardship and the claim balance cannot be paid off within 36 to 60 months.

For IPV, the court or Office of State Administrative Hearings must order that the claim be compromised.

Customers may request a compromise of their claim at any time. However, compromise will not cure delinquency or prevent the involuntary collection of the original balance of a delinquent debt.

Requests for compromise are processed by the Office of Inspector General (OIG). TANF claims are not subject to compromise.

Customers who are currently receiving Food Stamp benefits automatically demonstrate economic need. The claim balance may be reduced to an amount that can be repaid within 36-60 months of establishment of the claim via recoupment. The current monthly benefit amount will be used to determine the claim balance that can be repaid via recoupment in the 3 to 5-year period. Document request and forward to OIG for processing.

If a customer requests a compromise and does not have an active Food Stamp case:

- Document the reason for request of compromise.
- If the customer indicates potential eligibility for Food Stamp benefits, advise him or her to reapply. The claim can be compromised based on level of recoupment when the case is approved.
- If the customer does not appear to be income eligible for Food Stamp benefits the AU may demonstrate an economic hardship if it can prove that financial, physical, or mental hardship exists if it is forced to repay the claim. Examples include, but are not limited to, job loss, medical hardships, bankruptcy, foreclosure, etc.

Case file should show documentation of customer's economic situation including income and expenses and calculation of compromised amount.

Documentation must clearly indicate calculation of compromise amount, date claim compromised in Gateway, date customer was mailed a compromise repayment agreement and that customer understands that if the compromise agreement is not honored, the compromised portion of the claim will be reinstated.

Claim payments must be monitored monthly.

A customer must receive written notification of the compromise request decision (approvals/denials).

## **Benefit Reduction - TANF**

The AU must retain an amount equal to 95% of the appropriate family maximum for an AE and IHE claims or 90% of the appropriate family maximum for IPV claims. All countable income prior to allowable deductions is included in determining this amount. The entire benefit amount may be subject to offset if the AU has other countable income.

Countable income includes:

- Gross wages
- All other income which is not disregarded by law
- Income deemed to the grant
- Student earnings that are not exempt by policy

Collection will not be suspended during the process of a hearing based on the recoupment amount.

For Work Supplementation cases, suspend the claim to ensure correct notification, that recoupment does not occur, and that the employer receives the entire monthly TANF benefit.

A hardship exemption may be granted if requested by the AU for up to two months with supervisory approval. Suspend collection and track suspension period manually.

Hardship may be granted only once in the life of a claim.

Hardship for court adjudicated IPV claims instructing to pay to the court or in which a consent agreement was signed may be granted only with court approval.

Hardship must be documented in Georgia Gateway.

There is no hardship exemption allowed for Food Stamp claims.

## **Benefit Reduction - Food Stamps**

All countable income is considered. When considering TANF income which has been reduced by benefit reduction due to a claim, count the entire entitlement amount (gross) if the TANF claim is IPV. If the claim is an AE or IHE, count the actual (net) TANF amount received.

Recoupment of 10% of the assistance unit's entitlement or \$10, whichever is greater for IHE and AE claims is automatic. Recoupment of 20% of the assistance unit's entitlement or \$20, whichever is greater, is automatic for IPV claims. The formula recoupment is calculated based on the entitlement of all assistance members including IPV or lawbreaker sanctioned assistance unit member.

A debtor may elect to have more than the calculated amount recouped. The system adjusts the recoupment each time there is a change that affects the benefit amount.

Assistance Units with a benefit of less than \$10 do not have automatic recoupment activity.

Initial benefits are not recouped.

## **Offset of Underpayments**

Valid underpayments to which the assistance unit is entitled are applied to a claim. Reinstated benefits, certain correctives, supplemental benefits and restorations due to expedited Food Stamp changes are not subject to offset. Active claims must be suspended prior to issuance of the underpayments not subject to offset.

## Electronic Benefit Transfer (EBT)

Food Stamp benefits posted to an EBT account may be applied to the claim as active, stale, or expunged. Active and stale benefits are posted as claim payments. The current balance of a claim is adjusted when benefits are expunged.

The recipient communicates to county staff a request to have unused Food Stamp benefits applied to the claim. Form 269 is signed and forwarded to the Office of Inspector General, who will move the authorized benefits from the recipient's EBT account to the claim.

Food Stamp benefits that remain in an EBT account and have not been accessed by the AU for at least 6 months may be applied to the claim. The state initiates a notice to the AU with information giving the amount of the benefits and a 15-day notice that the benefits will be applied to the claim unless accessed prior to the deadline. If there is no response, benefits in an amount up to one month's issuance are applied by the Office of Inspector General.

## Expunged Benefits

Expunged Food Stamp benefits are benefits that have not been accessed by the AU for a specified period. Expunged Food Stamp benefits are no longer available to the AU. However, when a claim is established, any amount previously expunged should be applied to the current claim balance to reduce the debt. Benefits expunged after a claim is established will be automatically applied at the time of expungement. Once expunged benefits have been used to reduce the balance of a claim, the same expunged benefits cannot be used again to reduce the balance of a different claim.

A Food Stamp account expunges after 365 days of no swipes. If a case is approved and this deadline occurs before the customer has a chance to debit the newly approved benefits, ALL benefits will be expunged, including the newly approved benefits. The entire amount must be made available to the household when this occurs.

TANF benefits are assigned to a debit card and are not expunged. Benefits cannot be debited by the state and applied to a debt. Debits intended for use as a claim payment must be manually processed by the customer.

## 4025 State Tax Offset

| GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br>BENEFIT RECOVERY POLICY MANUAL  |                       |                  |                                |               |
|---|-----------------------|------------------|--------------------------------|---------------|
|  | <b>Chapter:</b>       | 4025             | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>  | State Tax Offset | <b>Reviewed or Updated in:</b> | MT-11         |
|   | <b>Policy Number:</b> | 4025             | <b>Previous Update:</b>        | MT-10         |

## Requirements

State Income Tax refunds are intercepted as payment for delinquent debts.

## Basic Considerations

Claims are selected for tax offset according to the following criteria:

- Claim status is active
- Case is not active
- Claim amount is \$25 or more
- Claim is delinquent

Delinquency Referral and Deletion Criteria:

- Claims are selected on a monthly basis. A claim will be referred to State Debt Setoff (SDSO) if a monthly payment is missed and will remain in SDSO for the remainder of the calendar year (January – December).
- The “Payment Received” date field is used in calculating if a claim is delinquent.
- If a claim is determined to be delinquent within the calendar year, any state income tax return issued for that year will be subject to offset.
- Once a client is referred to SDSO, a subsequent payment towards a claim will not delete the claim from SDSO until the first cycle of the following year is run.
- Claims with a valid monthly reduction/payment posted for one full calendar year (January through December) will be deleted when the first cycle of the year is run.

The State Debt Set-Off System provides the Georgia Department of Revenue a file of individuals who have claims meeting the criteria.

As state tax returns are filed, the Revenue system identifies social security numbers designated as belonging to individuals owing a debt to the state.

The tax set-off notices are mailed to the assistance unit (AU) from the State Department of Revenue and the Office of Financial Services. The AU is notified of the intent to apply the state tax refund to a debt unless action is taken within 30 days from the date of the notice. The address and toll-free telephone number of the Office of Inspector General (OIG) are included in the notice. The individual may contact OIG during the 30-day period to request a hearing on the intent to set-off the refund. Requests must be made in writing.

Failure to request a hearing within 30 days is considered a waiver of the opportunity to contest the set-off.

During the 30-day period, the refund check is held by the Office of Financial Services pending notification of either:

- A hearing request or
- A decision by the county that the set-off was in error and the refund, or a portion of it should be released.

If neither action is taken, the tax refund is applied to the claim after the 30th day from the notice date.

Postings discovered to be in error after they have been applied to a debt are refunded by the county.

Hearings involving State Tax Refund offset are processed and attended by OIG staff. The Office of State Administrative Hearings (OSAH) notifies OIG of the hearing decision.

- If the set-off is determined to be incorrect, the refund check will be released to the AU.
- If the set-off is determined to be correct, the refund check will be applied to the claim.

Reports available for OIG use:

- State Tax Intercept Payment report (CLM-016) provides a list of posted claim payments by AU.
- State Tax Listing for Office of Financial Services Report (CLM-30 MLY)

## **County Office Procedures**

DFCS and OIG coordinate to ensure that any request for information submitted by the AU is addressed.

The claim file is reviewed to determine if the set-off is incorrect because of any of the following conditions:

- The social security number shown is incorrect.
- The debt has been paid.
- The obligation has been satisfied or set aside by court order.
- The obligation has been included in bankruptcy.
- A third party has failed to forward payments to the agency.
- An alternative means of collection is pending.
- The claim is assigned to the AU in error.

If the set-off is incorrect:

- Notify the Office of Inspector General that the set-off needs to be corrected.
- If the error is discovered before posting and all or part of the offset should be returned to the recipient, notify the recipient that the Office of Financial Services will refund the offset.

If a hearing is requested:

- An Office of Inspector General staff member will represent the agency at the hearing.
- The state treasury offset remains pending until the Office of State Administrative Hearings makes a decision.
- The Office of State Treasurer refunds the offset if the court determines the offset is incorrect or improper.
- The Office of Inspector General will receive the offset and post the payment if the court determines the offset is valid.

## Injured Spouse

A spouse not included in the assistance unit at the time the debt was incurred is not responsible for the debt. The filing of a joint tax return may result in the intercept of the tax refund of an individual who is not liable for repayment of the debt. This money must be refunded to the individual who is not liable.

OIG is responsible for determining the amount of refund due to the innocent spouse.

Determine that one of the taxpayers was not a member of the assistance unit during the months of the overpayment.

Obtain from the taxpayers' copies of each of their W-2 forms and a copy of the joint tax return for the appropriate year.

Calculate the percentage of the refund to be returned to the innocent spouse. If the calculation is made within 30 days from the date on the Department of Revenue notice, OIG staff release all or part of the tax refund. If the calculation is made after the 30 days expire, and the refund is already applied to the claim, OIG refunds the amount due the non-responsible spouse via Georgia Gateway.

Either spouse may request a hearing if they do not agree with the calculations. Note on the hearing form that the hearing involves an injured spouse provision.

## 4030 Treasury Offset Program

| GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br>BENEFIT RECOVERY POLICY MANUAL  |                       |                         |                                      |
|---|-----------------------|-------------------------|--------------------------------------|
|  | <b>Chapter:</b>       | 4030                    | <b>Effective Date:</b> December 2019 |
|   | <b>Policy Title:</b>  | Treasury Offset Program | <b>Reviewed or Updated in:</b> MT-11 |
|   | <b>Policy Number:</b> | 4030                    | <b>Previous Update:</b> MT-10        |

## Requirements

The Treasury Offset Program (TOP) is a process to collect Food Stamp over issuances by intercepting an individual's federal benefits.

## Basic Considerations

Claims are selected for TOP according to the following criteria:

- Claim is Food Stamps
- Claim status is active
- Case status is not active
- Claim balance is \$25 or more
- Claim status is delinquent

Georgia Gateway provides a file of social security numbers with claims meeting the criteria to the federal system. The file interfaces with recipients of certain federal benefits, with federal employees, federal retirees and individuals entitled to a federal payment. If a match is found between the social security number attached to a claim and the social security number of the federal benefit recipient, notification to proceed with the collection is sent to the state.

All adults in the assistance unit (AU) at the time of the claim period are considered liable debtors.

All active delinquent claims are referred to TOP.

A non-refundable fee is charged by TOP each time a debt is correctly selected for offset.

Collections through TOP are applied to claims automatically by Gateway.

Federal payments are offset at the time the return is processed. The entire amount of the refund, up to the balance of the claim, is offset.

Salaries of federal employees are offset each pay period by fifteen percent (15%). (A non-refundable fee is charged by TOP for each pay period offset.)

The TOP offset will continue until the employee/retiree makes and follows through with other arrangements or until the claim is paid in full.

Social Security benefit payments that exceed \$750 per month will be offset by fifteen percent or by the amount that the benefit exceeds \$750 whichever is less. Social Security recipients receive additional notice of the proposed offset. A non-refundable fee is charged by TOP for each pay period offset.

The Notice of Intent to Offset (Notice 1056) is mailed to the assistance unit when the debt is initially submitted to TOP. No further notice is required. The debt will remain in the TOP file until paid in full regardless of the current balance.

Notices mailed from the Office of Inspector General (OIG) to the last known address in the TOP file, are considered received by the individual per federal policy. Notices mailed to the Georgia Gateway address and returned to the State are not considered received and those names must be removed from TOP due to lack of adequate notice.

Addresses received by the State from federal sources are federally validated but are confidential and cannot be used to update system files unless the customer or another source also provides the address.

The individual has 60 days from the date of the Notice 1056 to submit a written request for a review of the intent to offset. Requests must be submitted to OIG. During the 60-day period, the county may determine that the notification to offset is in error or the individual may elect to begin paying the claim or request a review.

Initial review requests must be submitted by the customer in writing, via the address provided to them in Notice 1056. These requests are handled by OIG staff. Written notification of the State's decision to continue with the offset or delete the customer's SSN from the TOP database is provided to the customer. If the decision to offset is upheld, the customer may request a federal review within 30 days of notification. Failure to act within this timeframe is considered a waiver of the



opportunity to contest the offset. When a federal review is requested by the customer, the federal review officer will base any decision solely on the documentation and verification provided in the claim file and reports the decision to OIG staff.

The State submits files to TOP monthly, updating claim information and adding new claims that meet the selection criteria. A Notice 1056 is generated to the customer for each new claim added to the TOP file.

Funds collected by the U.S. Treasury are forwarded to the State. All financial transactions relating to TOP offsets are completed at the State level, including but not limited to any required refunds to the customer.

Changes in collection status or current balance made to the claim after an offset has occurred but prior to posting may affect the system's ability to automatically post funds. OIG staff reviews a list of system identified refunds weekly to determine if the offset is totally or partially correct and if a refund to the customer is appropriate.

The Federal Treasury may reverse an offset and return funds to the customer after payment is posted. OIG is notified to remove the payment. Payments may be removed for the current tax year and/or prior years.

All reports and other documents containing customer information are confidential and must be kept in a secured location.

## **Procedures**

The DFCS office:

- Responds to inquiries from AU or from OIG.
- Notifies OIG if the customer wishes to begin repayment or if the claim is not valid. OIG staff will delete a social security number from the final file submitted if notified before the deadline.
- Provides adequate documentation for a decision to OIG staff, if the AU requests a review. This includes information about why and when the claim occurred, the date the AU was notified and the response, if any, to the notification.
- Notifies OIG staff to delete the social security number from the current year's offset if the investigation of the claims file finds inadequate or incomplete information. This information includes name, SSN and a reason for the deletion. The information must be provided within 60 days from the date of the AU notice.
- Determines if claim material can be located or if a claim file needs to be reconstructed for future collection; and advises AU that the claim will be recertified in TOP. Once claim is certified and active in TOP; it remains there until paid in full, in an active bankruptcy or participating in a food stamp recoupment.
- Corrects the claim in the system to prevent future offsets.

If the claim cannot be validated:

- Terminate the claim if the information is totally and permanently unavailable.

- Transfer the claim to a different case number if appropriate.

## Injured Spouse

A spouse not in the AU at the time the debt was incurred is not responsible for payment. The filing of a joint tax return may result in an offset of the refund of the non-liable spouse. The non-liable spouse must notify the local IRS of the situation and request to file an “Injured Spouse Claim”. The IRS will return the refund if appropriate.

## 4035 Over-Collection of Claims

|   |  |                           |                                |               |
|---|--|---------------------------|--------------------------------|---------------|
|  | <b>GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES</b><br><b>BENEFIT RECOVERY POLICY MANUAL</b> |                           |                                |               |
|   | <b>Chapter:</b>  | 4035                      | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>   | Over-Collection of Claims | <b>Reviewed or Updated in:</b> | MT-11         |
|   | <b>Policy Number:</b>  | 4035                      | <b>Previous Update:</b>        | MT-10         |

## Requirements

Over-collections occur when the State receives and posts more money than the balance owed or when over-collection payment is posted in error. Involuntary payments include grant reduction, Federal or State tax refunds and other benefits due to the customer.

## Basic Considerations

When a claim is over-collected, the balance must be corrected as soon as possible.


Over-collected funds must be returned to the customer in the same form as received:

- Cash payment – Apply to existing Food Stamp / TANF Childcare debt or refund from state funds.
- Benefit Reduction/Benefit Offset – Apply to existing debt in the same program or return funds to EBT account for the appropriate benefit program.
- State Income Tax Intercepts – Apply to existing Food Stamp / TANF / Childcare debt or refund from County GIA funds.
- Federal Benefit Intercept – Apply to existing Food Stamp debt or notify Office of Inspector General (OIG) staff that a refund is required. All refunds generated via Federal benefit must be processed by OIG staff.

Food Stamp over-collections resulting from expunged benefits are not returned to the EBT account. Over-collections due to expungement are transferred and applied to another Food Stamp claim.

Over-collected claims can be identified on the Benefit Recovery Management Active Claims Report by County (CLM-007), which must be monitored monthly.

# 4040 Bankruptcy

| GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br>BENEFIT RECOVERY POLICY MANUAL |                       |            |                                |               |
|--|-----------------------|------------|--------------------------------|---------------|
|   | <b>Chapter:</b>       | 4040       | <b>Effective Date:</b>         | December 2019 |
|  | <b>Policy Title:</b>  | Bankruptcy | <b>Reviewed or Updated in:</b> | MT-11         |
|  | <b>Policy Number:</b> | 4040       | <b>Previous Update:</b>        | MT-10         |

## Requirements

Households with certain Food Stamp and TANF claims may petition for relief under bankruptcy proceedings. Office of Inspector General (OIG) Fraud Prevention and Recovery Unit (FPRU) acts on behalf of the Federal Food Stamp and State TANF agencies in these proceedings.

## Basic Considerations

Cases in which the assistance unit seeks debt relief through the bankruptcy courts are handled by strict guidelines.

Any claim currently in bankruptcy, as well as any claim established after a bankruptcy is filed, must be suspended from collection until the original bankruptcy is dismissed or discharged. If the order is not amended to include the subsequent claim, collection is resumed for that claim after the bankruptcy is dismissed or discharged.

All documents pertaining to bankruptcy proceedings or status may be forwarded to OIG/FPRU at [OIGBankruptcy@dhs.ga.gov](mailto:OIGBankruptcy@dhs.ga.gov).

## Procedures

The OIG FPRU will process a proof of claim form if required and forward the notification to the bankruptcy court or trustee to advise that Food Stamp claims are federal debts and to request that the claim not be included. If excluded, the claim will remain in suspended status until the bankruptcy case is dismissed or discharged. Collection of the debt will resume if the case is dismissed.


For claims that are not excluded by the bankruptcy court:

- Resume collection of any claim after dismissal
- Terminate the balance of any claim except those established via criminal prosecution after discharge
- Return claims established via criminal prosecution to collection status after dismissal/discharge.

Exclusion must be documented and tracked manually to ensure correct processing.

Payments received from the Bankruptcy Court are posted by the Centralized Payment Processing Center.

# 4045 Transferring Claims

|   |  |                     |                                |               |
|---|--|---------------------|--------------------------------|---------------|
|  | <b>GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br/>BENEFIT RECOVERY POLICY MANUAL</b> |                     |                                |               |
|   | <b>Chapter:</b>  | 4045                | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>   | Transferring Claims | <b>Reviewed or Updated in:</b> | MT-11         |
|   | <b>Policy Number:</b>  | 4045                | <b>Previous Update:</b>        | MT-10         |

## Requirements

Food Stamp claims may be transferred out of state unless the debtor is currently required by a Georgia court to make manual payments to the Department of Human Services.

## Procedures

The claim follows the debtor when the debtor is listed or added as a liable debtor in Georgia Gateway.

For IPV claims, permanently retain a copy of disqualification documents.

Transferring a Food Stamp claim out of state when a request is made from the new state of residence.


- Confirm data to establish debt in the other state.
- Confirm that the claim is active in the new state's system.
- Terminate the claim in Georgia Gateway.
- Send a copy of the claim file to the new state of residence. Retain a copy of any disqualification documents.

When a request is received from another state:

- Verify data to establish a claim in Georgia Gateway.
- Upload the claim file as a Completed File in Documents through the WebCenter Enterprise Capture.
- Add claim to Georgia Gateway using a current balance of the debt.
- Confirm that debt has been terminated in the former state of residence.

TANF claims are never transferred out of state.

## 4050 Termination of Uncollectible Claims

|   |  |                                     |                                |               |
|---|--|-------------------------------------|--------------------------------|---------------|
|  | <b>GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES<br/>BENEFIT RECOVERY POLICY MANUAL</b> |                                     |                                |               |
|   | <b>Chapter:</b>  | 4050                                | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>   | Termination of Uncollectible Claims | <b>Reviewed or Updated in:</b> | MT-11         |
|   | <b>Policy Number:</b>  | 4050                                | <b>Previous Update:</b>        | MT-10         |

## Requirements

Claims are terminated when it is no longer cost-effective to continue collection.

## Basic Considerations

Prior to terminating any claim in Georgia Gateway, screen social security numbers of all liable debtors to ensure that they are not included in another active case that is the same program type as the claim.

Document Georgia Gateway with the reason for the action when claims are terminated manually.

Use the following guidelines for terminating claims in Georgia Gateway:

- Terminate any claim if all liable adult household members are deceased.
- Terminate any claim discharged by bankruptcy unless claim originated via court conviction.
- Terminate any claim if the debt cannot be supported
- Terminate any claim with a current balance of \$25 or less if:
  - no payment has been made during the past 90 days or more

**AND**

- there are no other debts in the same program causing the aggregate debt to be more than \$25
- Terminate claims established for 10 or more years if:
  - the debtor is not active in another case in the same program


**AND**

- no additional liable debtor exists

**AND**

- no payment from any source in 5 years

## 4055 Special Considerations

|   |  |                         |                                |               |
|---|--|-------------------------|--------------------------------|---------------|
|  | <b>GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES</b><br><b>BENEFIT RECOVERY POLICY MANUAL</b> |                         |                                |               |
|   | <b>Chapter:</b>  | 4055                    | <b>Effective Date:</b>         | December 2019 |
|   | <b>Policy Title:</b>   | Special Considerations  | <b>Reviewed or Updated in:</b> | MT-11         |
| <b>Policy Number:</b>   | 4055   | <b>Previous Update:</b> | MT-10                          |               |

## Hotline Referrals

Hotline referrals are reports of suspected waste, fraud and abuse received through the toll-free hot-line telephone number 1-844-694-2347 and online at [dhs.georgia.gov/dhs-oig-fraud-and-abuse-reporting-form](https://dhs.georgia.gov/dhs-oig-fraud-and-abuse-reporting-form).

The Office of Inspector General receives allegations and determines if suspected fraud is warranted.

### Food Stamp Trafficking Benefit Misuse / Vendor Abuse

Food Stamp trafficking refers to the buying or selling of food stamp benefit instruments for cash or consideration other than eligible food, or the exchange of firearms, ammunition, explosives or controlled substances for the food stamp benefit instruments.

A person suspected of trafficking can be referred to the Office of Inspector General (OIG) by completing the form found at the following address: [dhs.georgia.gov/dhs-oig-fraud-and-abuse-reporting-form](https://dhs.georgia.gov/dhs-oig-fraud-and-abuse-reporting-form).

OIG will investigate and, if appropriate, establish a claim.

### Food Stamp Misuse / Vendor Abuse

Food Stamp Misuse refers to the use of benefits, excluding trafficking, for any reason other than to purchase food items for eligible assistance unit members.

When an individual is suspected of benefit misuse:

- First Compliant: Discuss with household and document the case record
- Second Complaint: Discuss with household and refer to OIG

## Vendor Abuse

Allegations of vendor abuse are referred to OIG by memorandum. Include in the memo the name and address of the vendor, along with specific details of the allegations.

# Appendix A Claim Forms



**GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES  
BENEFIT RECOVERY POLICY MANUAL**

|                       |             |                                |               |
|-----------------------|-------------|--------------------------------|---------------|
| <b>Chapter:</b>       | Appendix A  | <b>Effective Date:</b>         | December 2020 |
| <b>Policy Title:</b>  | Claim Forms | <b>Reviewed or Updated in:</b> | MT-12         |
| <b>Policy Number:</b> | Appendix A  | <b>Previous Update:</b>        | MT-11         |

| Form # | Name of Form   | Revision Date | Order Info |
|--------|--|---------------|------------|
| 269    | <a href="#">Form 269 EBT Claim Payment Agreement</a>             | 10/20         | PAMMS      |
| 269 SP | <a href="#">Form 269SP EBT Claim Payment Agreement (Spanish)</a> | 10/20         | PAMMS      |
| 486    | <a href="#">Form 486 Claims Repayment Agreement</a>              | 09/20         | PAMMS      |
| 486 SP | <a href="#">Form 486SP Claims Repayment Agreement (Spanish)</a>  | 09/20         | PAMMS      |
| 5667   | <a href="#">Form 5667 Request for Case Review</a>                | 02/18         | PAMMS      |

## [Form 269 EBT Claim Payment Agreement](#)

## [Form 269SP EBT Claim Payment Agreement \(Spanish\)](#)

## [Form 486 Claims Repayment Agreement](#)

## [Form 486SP Claims Repayment Agreement \(Spanish\)](#)

## [Form 5667 Request for Case Review](#)

# Appendix B Manual Transmittal Cover Letters



**GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES  
BENEFIT RECOVERY POLICY MANUAL**

|                       |                                  |                                |               |
|-----------------------|----------------------------------|--------------------------------|---------------|
| <b>Chapter:</b>       | Appendix B                       | <b>Effective Date:</b>         | December 2020 |
| <b>Policy Title:</b>  | Manual Transmittal Cover Letters | <b>Reviewed or Updated in:</b> | MT-12         |
| <b>Policy Number:</b> | Appendix B                       | <b>Previous Update:</b>        | MT-11         |

| MT # | Date              | Subject   |
|------|-------------------|---|
| 1    | November 1, 2002  | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 1</a>     |
| 2    | August 1, 2003    | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 2</a>     |
| 3    | September 1, 2004 | Office of Family Independence Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 3</a> |

| <b>MT #</b> | <b>Date</b>       | <b>Subject</b>   |
|-------------|-------------------|--|
| 4           | May 1, 2005       | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 4</a>  |
| 5           | December 1, 2005  | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 5</a>  |
| 6           | October 1, 2007   | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 6</a>  |
| 7           | October 1, 2008   | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 7</a>  |
| 8           | September 1, 2009 | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 8</a>  |
| 9           | August 1, 2010    | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 9</a>  |
| 10          | October 1, 2013   | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 10</a> |
| 11          | January 1, 2020   | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 11</a> |
| 12          | December 1, 2020  | Economic Support Services Policy Manual Volume 4 – Benefit Recovery<br><a href="#">Manual Transmittal 12</a> |

**[MT 12](#)**

**[MT 11](#)**

**[MT 10](#)**

**[MT 9](#)**

**[MT 8](#)**

**[MT 7](#)**

**[MT 6](#)**

**[MT 5](#)**

**[MT 4](#)**

**[MT 3](#)**



**MT 2**

**MT 1**