

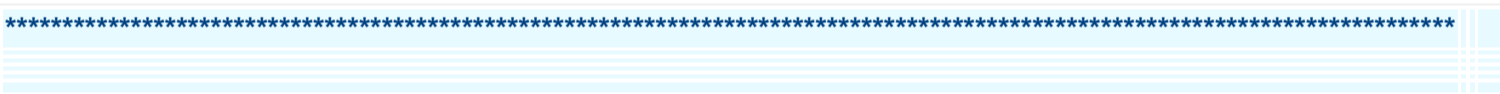
EAZ Manual

Revision # 1292
Category Basic Food Overpayments
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Summary

Updated Clarifying Information under [WAC 388-410-0020](#) to include information about overpayment cases that are referred for prosecution. Also made minor cosmetic changes (e.g., correcting numbers and spacing).

See below for edited text:



Basic Food Overpayments

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Feb 27 2023

Revised ~~November 6, 2023~~ [August 19, 2024](#)

Clarifying Information - [WAC 388-410-0020](#)

1. **Examples of an Administrative Error (AE) overpayment include when we:**

- a. Didn't act timely on a reported or known change in circumstances;
- b. Made a mistake in determining the AU's eligibility or benefits;
- c. Incorrectly issued duplicate benefits;
- d. Issued allotments after the end of the AU's certification period without redetermining the AU's eligibility;
- e. Didn't disqualify a client for an IPV on time as required under chapter [388-446 WAC](#);
- f. Made an incorrect change to the case or failed to make a needed change that caused the department to make an incorrect decision on the AU's eligibility or benefit amount.

2. **Examples of an Inadvertent Household Error (IHE) include when the AU:**

- a. Understood what they were required to report; or
- b. Failed to report a change or provided inaccurate and incomplete information, but without the intent to get more food assistance than they were eligible to receive.

3. **Examples of an Intentional Program Violation (IPV) include when a client does any of the following on purpose:**

- a. Makes an oral or written false or misleading statement that affects their benefits;
- b. Misrepresents, conceals, or withholds facts; or
- c. Violates the Food Stamp Act, Basic Food regulations, or any state laws that cover:
 - i. How someone can get, have, and use Basic Food benefits or EBT cards; or
 - ii. The transfer of Basic Food benefits or EBT cards; or
 - iii. **Trafficking.**

NOTE: See chapter [388-446 WAC](#) for information and rules on IPV disqualification hearings and penalties. [WAC 388-446-0015](#) explains that an administrative disqualification hearing (ADH) is a formal hearing to determine if a person committed an IPV. Eligibility staff can't write an overpayment as IPV until an ADH or court hearing is held and the outcome determines an IPV was committed and caused the overpayment. See [Fraud](#) chapter: Clarifying Information #6 under [WAC 388-446-0001](#).

4. **Date of awareness:**

The *Date of Awareness* is the earlier of the:

- a. Date the overpayment is processed (Benefit Error Group (BEG) status is changed to OP and the letter is sent), or
- b. Date a request for information letter is sent to validate the overpayment.
- c. For cases referred for prosecution or administrative disqualification hearing, the date the case was referred for adjudication.

4. **Date of discovery:**

The *Date of Discovery* is the date we have adequate information to validate the AU has an overpayment, and determine the amount overpaid. It **isn't** the date of a system-generated (BEG), because these only give enough information to identify a potential overpayment.

The date we "open" the BEG in ACES is the official date of discovery. The exception to this rule is Basic Food errors discovered through the federal Quality Control review process. The official date of discovery for a QC error is the date the QC error report in a client's electronic case record (ECR).

6. **Date of establishment:** The date staff establishes an overpayment, sends the household notification of the claim, and refers the case to the Office of Financial Recovery (OFR) for collections. The date of the overpayment letter is the official date of establishment.

7. **Timeframes to set up overpayments:**

We must process at least 90% of all overpayments by the end of the calendar quarter after the quarter we discover an overpayment. A claim **isn't timely** if we sent the AU an overpayment letter later than the last day of the quarter after the quarter in which we "opened" the overpayment BEG. Even though we can set up a valid overpayment after the timely processing period, federal rules require the department to meet this timeframe.

NOTE: Potential overpayments discovered by the Basic Food quality assurance (QA) process must be "**priority**". Every attempt must be made to establish overpayments within federal time limits after the payment errors associated with these overpayments have been finalized by the Division of Program Integrity (DPI).

To ensure that staff review potential overpayments and promptly act on this information, the department monitors BEG lists.

Claims Establishment Timeline				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
If your date of discovery is in:	January; February; or March	April; May; or June	July; August; September	October; November; or December
You must establish the claim by:	June 30th	September 30th	December 31st	March 31st

To measure if we are meeting federal timeliness standards for establishing overpayments, staff compares the dates an overpayment BEG was "opened" to the date we sent the overpayment letter.

EXAMPLE

1. If we discover an overpayment on February 6th (1st quarter) we must set up the overpayment by June 30th (end of the 2nd quarter).
2. If we discover an overpayment on June 28th (2nd quarter) we must set up the overpayment by September 30th (end of the 3rd quarter).

8. **Other program reporting requirements and Basic Food overpayments:**

*If someone doesn't report a change in circumstances required under [WAC 388-418-0005](#), we determine if there is an overpayment for **each program** based on **that program's** reporting requirements.*

- For Basic Food, the household must report changes as required under [WAC 388-418-0005\(2\)](#).
- If a Basic Food assistance unit wouldn't have to report the change based on the AU's circumstances, we **don't** set up an overpayment even if the household had to report a change for another department program.

EXAMPLE: Julie, Spencer, and their two children receive TANF and Basic Food. They fail to report that Spencer got a job earning \$900 monthly. Spencer received his first paycheck on August 25th. We discover this information in November.

TANF: The family was required to report getting a job *for TANF*. We determine amount of TANF benefits the family was eligible for if they reported the change timely on September 10th and set up an overpayment for October and November.

Basic Food: The new job didn't cause the family to go over the income limit for a family of four. Since they didn't have to report this change for Basic Food, we don't set up an overpayment.

EXAMPLE: Diane receives TANF and Basic Food for herself and her daughter. Diane doesn't report she has switched to full-time status at work and now earns \$2,500 monthly. Her paycheck on April 30th puts her over the income limit for Basic Food. We discover this information in July.

TANF: Diane was required to report the change in employment status and going over the earned income limit *for TANF*. We treat this change as if Diane had reported it timely on May 10th. We would set up an overpayment for the TANF benefits the AU received in June and July.

Basic Food: Diane's \$2,500 monthly income is over the income limit for a two-person AU. Since she was required to report this change for Basic Food, we set up a Basic Food overpayment for benefits the AU received in June and July.