

Operations Memorandum - Cash Assistance

OPS060503

5/26/06

SUBJECT: State Supplementary Payment (SSP) Program – Overpayment Referrals
TO: Executive Directors
FROM: Joanne Glover, Director, Bureau of Operations

Purpose

1. To inform County Assistance Offices (CAOs) of procedures to follow when determining SSP overpayments.
2. To establish procedures for the manual referral of SSP overpayments to the Office of Inspector General (OIG) for collection.
3. Implement these procedures for overpayments that occur on or after June 1, 2006.

Background

Operations Memorandum #[04-11-04](#), State Supplementary Payment (SSP) Program, provided CAOs with procedures to implement the in-house disbursement of the SSP to eligible individuals. An important element not discussed was how CAOs identify and refer SSP overpayments for collection.

Discussion

When does an overpayment exist?

An ssp overpayment exists when one of the following occurs:

- There is a duplicate issuance of the SSP by the Pennsylvania Department of the Treasury (Treasury);
- The individual was ineligible for Supplemental Security Income (SSI) and, consequently, the SSP;
- The individual is found to be ineligible for SSP-only payments.

What are the possible reasons for the overpayment?

Possible reasons for an SSP overpayment for an SSI recipient include, but are not limited to:

- A Client Information System (CIS) error (Agency Error) resulting in the issuance of a duplicate SSP or one-time issuance (OTI); or
- Untimely reporting or failure to report a change in circumstances to the Social Security Administration (SSA) that subsequently caused the individual to be ineligible for SSI and the SSP associated with the SSI eligibility.

Possible reasons for an SSP overpayment for an SSP-Only recipient include, but are not limited to:

- A CIS error (Agency Error) resulting in the issuance of a duplicate SSP or OTI; or
- Failure to close an SSP-Only budget timely (according to information provided by the Central Unit) resulting in the issuance of an SSP-Only benefit for which the individual was not eligible.

How are overpayments discovered?

CAOs may obtain overpayment information from Treasury, from the SSA, through their own identification by way of CIS on the CQCBBH screen in OnBase at the Check Disbursement Inquiry screen, or from the SSP Central Unit.

NOTE: Overpayments identified by Treasury will be referred in writing to the Department of Public Welfare, Bureau of Operations, and subsequently forwarded to the appropriate CAO Executive Director for action.

What actions follow the identification and verification of an overpayment?

The CAO will:

- Calculate the amount of the overpayment.
- Complete the OIG 189, Overpayment Referral (manual referral).
- Enter the claim in ARRC and answer question #1 on the ARCAFQ screen with “M” indicating manual referral (paper OIG 189 completed).
- Mail the OIG 189 to:

Office of Inspector General
Bureau of Fraud Prevention and Prosecution
Attn: Operations Support Division
P.O. Box 8016
Harrisburg , PA 17101

Examples of manual calculations of overpayment amounts for an SSI/SSP case:

Example 1 - Duplicate issuance

CIS automatically opens a case on 02/28/06 with an eligibility begin date of 01/01/06 . A payment also is issued to the client for the period 01/01/06 to 02/28/06 in the amount of \$54.80. The client contacts the CAO on 03/05/06 and states no payment was received. An OTI is issued by the county for the period 01/01/06 to 03/31/06 . Since the client is SSI eligible, the CAO issues \$27.40 for each month for a total of \$82.20. Upon review of the case, it is determined that the March benefit was the only monthly benefit not paid to the client. The overpayment would be for 2 months x \$27.40 = \$54.80.

Example 2 – Total ineligibility due to untimely reporting by the client to SSA

The CAO receives an alert to close an SSI/SSP case as the client is no longer eligible and the 60-day waiting period elapsed. Upon further review and contact with SSA, the CAO receives complete information regarding an overpayment processed by SSA. SSA provides the caseworker with the months of complete ineligibility which include 11/05, 12/05, 01/06, and 02/06. Using this information, the caseworker calculates the overpayment to be 4 months x \$27.40 = \$109.60.

NOTE: There are no direct means by which the county will be able to determine that an overpayment was processed by SSA. However, if the CAO becomes aware of such a case and documents the situation in the case record, an overpayment must be filed for the SSP.

Examples of manual calculations of overpayment amounts for an SSP-Only case:

Example 1 – Duplicate issuance

The caseworker receives a call from the client stating that no payment of SSP was received for 01/06 or 02/06. The caseworker proceeds to issue an OTI for both months totaling \$54.80. After issuance, the client calls and states that he now received not only the OTI, but also the original payments in the correct amount of \$22.40 for each month. He also refuses to return any of the money to be redeposited by Treasury. The caseworker calculates the overpayment to be \$54.80 or the total amount of the OTI.

Example 2 – Untimely closing of SSP-Only budget

The Central Unit completes a reapplication on an SSP-Only case receiving \$18.40 per month. It is determined that the client is no longer eligible for SSP. A referral is sent to the county on 06/10/06 requesting closure of the case for 07/31/06 . The referral is not received by the caseworker and no action is taken. On 08/01/06 the SSP liaison contacts the Central Unit regarding the now overdue reapplication. A duplicate referral is provided to the liaison. The case is closed with a date of 08/31/06 . The amount of the overpayment is 1 month x \$18.40 = \$18.40.

Completing the Overpayment Referral form ([OIG 189](#)):

Completion of the OIG 189 is required to refer SSP overpayments to the OIG. Pending revision of the OIG 189 to include SSP, complete the referral form as follows:

- Previous Referrals – Check NO.

Client Information:

- Block 1 (Type of Referral) – Leave blank. To identify the referral as SSP, write “**SSP**” in block 37 (Explanation/Comments).

- Complete blocks 2, 3, 4, 5, 6, 7, 8, 9, 11 (if different from block 9), 11A, and 12 which are self-explanatory.

Overpayment Information:

- Complete blocks 14, 15, and 16 as appropriate.
- Block 17 (CAO Recommendation Codes) – Refer to the reverse of the OIG 189 for appropriate entry.
- Block 18 (Project Code) – Enter “SS.”
- Block 19 (Reason Code) – Refer to reverse of the OIG 189 for appropriate code (use cash reason codes).
 - **NOTE** : Pending the revision of reason codes, refer to Using ARRC, Chapter 5, for a complete list of codes.
- Blocks 20A and 20B – Leave blank.
- Blocks 21, 22, and 23 – Complete as appropriate.

Use for Cash Overpayment (NOTE: future revision will include SSP):

- Block 24 – Complete as appropriate.
- Block 25 – Enter the SSP overpayment amount.
- Blocks 26, 27, and 28 – Leave blank.

Use for Food Stamp Overissuance:

Leave this section blank.

Use for Medical Assistance Ineligibility:

- Blocks 33, 34, and 35 – Leave blank unless individual is ineligible for medical assistance during the period of overpayment.

Energy Assistance:

Leave this section blank

Block 37 (Explanation/Comments) – Use this block to identify the overpayment as SSP and provide remarks as appropriate.

Blocks 38, 39, and 40 – Complete as appropriate.

Block 41 – Leave blank (to be completed by OIG).

How will appeals be processed?

Process appeals as outlined in Operations Memorandum OPS #060110, Processing Appeals of Manually Referred Overpayments (Paper 189s).

Who will attend the fair hearing?

The OIG will send the individual an OIG 820, Notice of Overpayment – State Supplementary Payment. The individual has the right to appeal and request a fair hearing on the overpayment. Since the CAO completed the overpayment referral, including the computation of the claim amount, the CAO will attend the fair hearing.

How does the PA 207 process affect this Operations Memorandum?

This Operations Memorandum does not affect the PA 207 process outlined in OPS #041104.

Next Steps

1. Share this information with appropriate staff.
2. Keep this memorandum until this information is incorporated into the Supplemental Handbook and the Using ARRC Manual.
3. Direct any questions to your Area Manager.