

Operations Memorandum - Food Stamp OPS070702

07/23/07

SUBJECT: Automation of Overpayment Referrals for Food Stamp Special Allowances
TO: Executive Directors
FROM: Joanne Glover, Director, Bureau of Operations

Purpose

To announce the implementation of automated overpayment referrals for food stamp (FS) special allowances (SA) effective July 30, 2007.

Background

The Office of Inspector General (OIG) currently receives manual claim referrals from the CAO for FS SA overpayments. The increased quantity and value of these SA referrals has prompted the need to automate the referral process for overpayments that result when the FS household does not use the SA for its intended purpose.

Note We use the acronym SA in place of SPAL for Special Allowances because the system : will limit data entry for this field to two characters- SA.

Discussion

The logic to calculate FS special allowance overpayments will be similar to the logic currently in place for cash SAs. Automating the FS SA overpayments will reduce the number of paper referred forms (OIG189s) submitted by the CAOs, and will also result in federal reimbursement for these claims.

Note: Only one SA reason code may be used for each referral.

Old Policy

Manually complete an overpayment referral using the OIG 189 form.

New Policy

Utilize the new automated SA referral type Automated Restitution Referral and Computation system (ARRC) screens to input reason codes.

Why has there been a new referral type FS (SA) developed?

SAs are not FS benefits. The Food and Nutrition Service (FNS) considers SA as a special condition, and are to be uniquely identified for federal reimbursement.

Reminder : **Only one SA reason code may be used for each referral.**

What are the new reason codes for the SA referral type?

Reason code 42 is to be exclusively used for FS Employment and Training (ETP) SA overpayments.

Reason code 43 is to be exclusively used for FS Dependent Care SA overpayments.

Will there be new transaction screens in CIS?

Yes. For reason code 42 (ETP SA overpayments) ARCAET (action) and ARCIET (inquiry) screens will be established.

For reason code 43 (Dependent Care SA overpayments) ARCADC (action) and ARCIDC (inquiry) screens will be established.

A daily status will be issued to provide instructions for the completion of the PA 189 and a link to the Using ARRC manual.

Reminder: **Narrate all actions when completing overpayments for FS SAs.**

Next Steps

1. Share this information with all appropriate staff.
2. Changes outlined in this Operations Memorandum will be incorporated into Using ARRC.
3. Direct questions regarding this Operations Memorandum to your Area Manager.