

Policy Clarifications – Other

PO17659910

Submitted: 8/17/15

Agency: County Assistance Offices (CAO)

Citations: 55 Pa. Code § 255.4
55 Pa. Code § 255.81
55 Pa. Code § 601.44

Subject: Individual and Administrative Errors and Overpayments

Supplemental Handbook Sections 910.22 and 910.45 indicate that if the client error is “innocent,” it is agency or administrative error and that an overpayment referral should not be made.

Should CAOs refer Medical Assistance (MA) [including Long Term Care (LTC) and Buy-In] and LIHEAP overpayments to the Office of Inspector General (OIG) for collection if the overpayment was caused by a failure to provide information at application or report a change timely? Should the CAO refer the overpayment in the event that the individual error appears unintentional?

Response By: Division of Family Assistance

Date: 8/19/15

The CAO will refer MA (including Buy-In and LTC) and LIHEAP overpayments to the OIG when information affecting eligibility is not provided at application or changes are not reported timely.

At application and again at semi-annual reporting and renewal, individuals are advised that they have the responsibility to give correct and complete information and to report changes in their circumstances. Failure, **whether intentional or unintentional**, to provide this information is **individual error**.

The regulations at [55 Pa. Code § 255.4](#), [§ 255.81](#), and [§ 601.44](#) do not differentiate between intentional and unintentional client errors in the determination of whether an overpayment exists and must be referred.

For MA (including Buy-In and LTC) and LIHEAP only:

A distinction is made between administrative error and individual error when determining if the CAO should make an overpayment referral.

- Overpayments caused by individual errors, **intentional and unintentional**, must be referred to the OIG;
- Overpayments caused by administrative errors, those errors **not** attributed to the individual or a provider, must **not** be referred to the OIG.
[SH 910.45](#)

For Cash Assistance (CA) and Supplemental Nutrition Assistance Program (SNAP):

Overpayments caused by **either** administrative **or** individual error must be referred to the OIG.

Reminder: CAOs must carefully narrate the reasoning behind the decision to refer or the decision not to refer an overpayment to the OIG by detailing the type of error (individual or administrative).

[SH 910.22](#) and [SH 910.45](#) are updated to reflect that all overpayments caused by individual errors are referred to the OIG.