



1504-1 Overpayments

Supersedes:	TANF 1504-1 (07/01/11)
References:	ARM 37.78.102 and .430
Overview:	<p><u>GENERAL RULE</u>– Evaluate the possibility of an overpayment claim against any household that received more TANF cash assistance than it was eligible to receive (whether or not the household is currently receiving TANF cash assistance). An overpayment is financial assistance received by or for an assistance unit for the benefit month that exceeds the amount for which that unit was eligible. All reasonable steps necessary to promptly correct any overpayment must be taken.</p> <p>NOTE: Starting with the month of May 2003, overpayments will not be established on TEAMS for any agency caused error.</p> <p>When individuals are no longer participants, or refuse to repay the overpayment from their income and resources, recovery will be made by appropriate action under state law against the income or resources of those individuals.</p>
CHILD SUPPORT OVERPAYMENT	<p><u>If the participant keeps the child support payments after benefits are authorized, the Eligibility Case Manager establishes an overpayment for the entire amount of the child support kept by the participant. This is considered a TANF overpayment, not a CSED overpayment.</u></p> <p>Evaluate for possible Intentional Program Violation/Fraud. Refer to Section 1505-1.</p>
DUAL PARTICIPATION	<p>If a participant is found to have received TANF benefits in more than one state during the same month, generally, the state where duplicate benefits were authorized is the one who would establish the claim.</p>
OVERPAYMENT LOGS	<p>Eligibility Case Managers need to record cases having potential overpayments in the Monthly Overpayment Log Excel Spreadsheet on an ongoing basis. Cases considered to have a potential overpayment would include those in which an error has been identified but the Eligibility Case Manager has not yet had time to rework the case to determine if there is an over issuance.</p> <p>The log specifically addresses date of discovery of potential overpayment, the date the overpayment was processed/entered, whether the error was client or agency caused, and whether or not it is an intentional program violation (IPV). If the error did not result in an over issuance, 'N/A' should be entered in the date-processed field. Overpayments that have been determined to be client caused must have case notes documenting whether or not an IPV is being pursued and the reasoning behind the decision.</p> <p>NOTE: Although agency caused overpayments are not currently established against the household, the information must be entered on the log with an 'N/A' in the date processed field.</p> <p>At the end of the month the completed log will be submitted to the supervisor or</p>

	designee, who will forward an electronic copy of all overpayments to the appropriate Central Office Staff.
CHANGES IN HOUSEHOLD COMPOSITION	Occasionally the household membership changes between the time the error occurred and the time the over issuance claim is established (e.g. household splits into two different TANF cash assistance cases). When this occurs, <u>the current open TANF cash assistance household containing the majority of the original household members at the time the error occurred should have the claim established on their case.</u> If there is not a majority in one case over another, establish the overpayment against the open case containing the original Primary Information person.
BOTH CLIENT AND AGENCY CAUSED ERROR	When multiple errors are discovered on a case (some are considered client caused errors while others are considered agency caused errors), the overpayment is only established on the client caused error.
OPTIONS FOR REPAYMENT FROM RECIPIENTS	<ol style="list-style-type: none"> 1. Payment in Full--The unit is allowed to make a cash payment for the entire amount of the claim if possible. The unit is not required to liquidate all its resources to make this payment. 2. Grant Reduction--Currently participating households who do not opt to pay in full will automatically have their grant reduced as follows: <ol style="list-style-type: none"> a. 25 percent (25%) or \$25.00, whichever is greater, for an overpayment due to receipt of continued benefits pending a fair hearing on a sanction. (Fair Hearing decision in favor of the Department must have been received.) b. 20 percent (20%) or \$20.00, whichever is greater, for an overpayment that was determined to be caused by an IPV. c. 10 percent (10%) or \$10.00, whichever is greater, for all other overpayments. 3. Offset TANF Debt with Electronic Benefit Balance - - TANF participants may request the OPA Case Manager to reverse funds toward repayment on an overpayment claim from their Montana Access account. To remove funds from the TANF EBT account, the OPA Case Manager completes a 'Request to Offset' form, HCS/TANF-183. 4. TANF benefits not accessed in 180 days are expunged and no longer available to the household. If there is an outstanding overpayment, the benefits are applied to the overpayment prior to being expunged. This is completed at Central Office.
REPAYMENTS FROM NON-RECIPIENTS	The Claims and Recovery Unit will attempt to collect from those filing/ assistance units no longer receiving benefits. Repayment agreements on closed cases must be negotiated with the Claims and Recovery Unit.
Date Revised	January 1, 2012