



Department of Human Services
311 West Saratoga Street
Baltimore MD 21201

FIA ACTION TRANSMITTAL

Control Number: Revised 21-24

Effective Date: Upon Receipt

Issuance Date: September 21, 2021

**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT,
SUPERVISORS AND ELIGIBILITY STAFF**

FROM: LA SHERRA AYALA, EXECUTIVE DIRECTOR

RE: ESTABLISHMENT OF OVERPAYMENTS DURING COVID

**PROGRAM AFFECTED: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM
(SNAP) AND TEMPORARY CASH ASSISTANCE
PROGRAM (TCA) TEMPORARY DISABILITY
ASSISTANCE PROGRAM (TDAP)**

ORIGINATING OFFICE: OFFICE OF OPERATIONS

SUMMARY

During the National Public Health Crisis, the approval of overpayment Benefit Error Groups (BEGS) has been relaxed, recoupment on active cases has been suspended and an active account will not be considered delinquent for nonpayment. This action transmittal serves as a reminder for the local departments on the procedures for establishing, calculating, and collecting overpayments for Supplemental Nutrition Program (SNAP), the Temporary Cash Assistance (TCA) Program, and the Temporary Disability Assistance Program (TDAP). *This waiver is set to expire December 31, 2021.*

Although collection actions on overpayments have been suspended, the case manager **should continue to establish the overpayment, but should not approve the BEGS.**

- The BEG status must remain as 'PB'-Pending a BEG.
- The timeframe for the locals to submit quarterly FNS-209 reports has been extended to

the fourth quarter of FY2020. The locals must be caught up on activities during this extended period.

- The referral of claims to the Treasury Offset Program (TOP) and Central Collection Unit (CCU) was also suspended.
- Recoupment on fraud overpayments are also suspended.
- Recoupment may occur on TANF cases. Allow this to happen. Do not issue underpayments if this occurs.

REMINDER:

The local department will establish a claim against any household that received more benefits than it was entitled to receive.

Who is responsible for repaying a claim:

- Each person who was an adult member (age 18 or older) of a household when the overpayment or trafficking occurred, or a person connected to the household, such as an authorized representative, who actually traffics or otherwise causes an overpayment or trafficking.

When to establish an overpayment for SNAP & Cash Programs:

- The Case Manager should not establish any Customer Error (CE) claim that is \$125 or less for any non-participating household unless the claim was already established, or the overpayment was discovered in a quality control review.
- The Case Manager should not establish any Agency Error (AE) claim that is \$300 or less for any non-participating household unless the claim was already established, or the overpayment was discovered in a quality control review.
- For fraud overpayments, the system will calculate the recoupment amount for active cases.

REQUIRED ACTION:

Effective immediately, for the duration of the public health emergency, the Case Manager should:

- **CARES:** Create a BEG in the event there is an overpayment, however, the BEG **should not be approved**. All BEGS should remain in a pending status (PB). If there is an existing BEG currently approved, take the following action:
 - Change the BEG status to AS-Appeal Status.
- **E&E system:** Go to the “HELP” tab and click on the how-to guides for the Claim Process WorkFlow and Claim Work Flow for the directions on how to properly code the E&E system.
 - Cases converted into E&E should be addressed in E&E.

NOTICE 18

If a customer receives a Notice 18 informing them of an overpayment, inform the customer that collection action has been temporarily suspended. DHS will notify customers when the collection will resume. If the customer wants to establish a payment plan, allow them to do so.

INQUIRIES:

Please direct policy questions to FIA Policy by completing the [FIA Policy Information Request Form](#) found on Knowledge Base or via email at fia.policy@maryland.gov for Montgomery County only.

Reference: SNAP manual section 490, TCA manual section 1101, Overpayment Manual (CARES), Claim Process Workflow (E&E), and Claim WorkFlow (E&E).

For systems questions, please email fia.bsdm@maryland.gov.

c: DHS Executive Staff
Constituent Services
DHS Help Desk
FIA Management Staff
Office of Administrative Hearings