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POLICY TRANSMITTAL NO. 08-10	DATE: MAY 23, 2008
FAMILY SUPPORT SERVICES DIVISION	DEPARTMENT OF HUMAN SERVICES OFFICE OF LEGISLATIVE RELATIONS AND POLICY

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TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

OAC 340:65-3, Table of Contents; 65-3-6 through 65-3-6.1; 65-3-8; 340:65-5, Table of Contents; 65-5-15 through 65-5-21; 65-5-66; 65-5-80 through 65-5-81; 65-5-85; 65-5-87; 340:65-9, Table of Contents; and 65-9-1 through 65-9-8.

EXPLANATION: **Policy revisions were approved by the Commission and the Governor as required by the Administrative Procedures Act.**

OAC 340:65-3-6 is revised to provide current information regarding direct deposit procedures and new debit card procedures for the Temporary Assistance for Needy Families (TANF) and State Supplemental Payment (SSP) Programs.

OAC 340:65-3-6.1 is revised to remove TANF from the electronic benefits transfer (EBT) rules.

OAC 340:65-3-8 is revised to remove reference to protective payment reviews for TANF.

OAC 340:65-5-15 is revised to: (1) show current procedures used by the Finance Division and the Office of State Finance in handling non-receipt of benefits issued by warrant; (2) show current form numbers and names; (3) add clarifying information; and (4) replace outdated language with current terminology.

OAC 340:65-5-16 is revised to replace outdated language with current terminology.

OAC 340:65-5-17 is revised to add clarifying information and to replace outdated language with current terminology.

OAC 340:65-5-18 is revised to: (1) show current procedures used by the Finance Division and the Office of State Finance for handling undeliverable warrants; (2) show current form numbers and names; and (3) replace outdated language with current terminology.

OAC 340:65-5-19 is revised to: (1) change the restriction on the

reissuance of a warrant to 36 months following the month of its cancellation rather than three years to match language in the state statute; (2) show current procedures used by the Finance Division and the Office of State Finance for handling warrants canceled by statute of limitation; (3) show current form numbers and names; and (4) replace outdated language with current terminology.

OAC 340:65-5-20 is revised to: (1) remove reference to TANF payments from warrant procedures; (2) add clarifying language; and (3) show current form numbers.

OAC 340:65-5-21 is revoked as TANF benefits are no longer issued by warrant.

OAC 340:65-5-66 is a new created Section regarding substitute payees to state when the head of the TANF household is a minor, the TANF benefit may be issued to a substitute payee rather than the minor.

OAC 340:65-5-80, 340:65-5-81, and 340:65-5-87 are revoked as protective payments are no longer made for TANF recipients.

OAC 340:65-5-85 is revoked as protective payees are no longer used for TANF recipients.

OAC 340:65-9-1 is revised to: (1) show current responsibilities for who writes and establishes overpayments; (2) revise the name of the Family Support Services Division (FSSD) Section that receives overpayments; (3) remove information about overpayments classified in a court of law as fraud; (4) show current form names and numbers; and (5) add clarifying information.

OAC 340:65-9-2 is revised to: (1) add clarifying information and updated terminology; and (2) show current form names and numbers.

OAC 340:65-9-3 is revoked and still current information is incorporated in 340:65-9-1.

OAC 340:65-9-4 is revised to: (1) revise the name of the FSSD Section that receives overpayments; (2) replace outdated language with current terminology; and (3) show current form numbers.

OAC 340:65-9-5 is revised to show current form names and numbers.

OAC 340:65-9-6 is revised to: (1) update the percentage of the client's monthly benefit reduction when an overpayment is due to agency error from 5% to 10%; (2) revise the name of the FSSD Section that receives overpayments; (3) add clarifying language and current terminology; and (4) update form numbers.

OAC 340:65-9-7 is revised to: (1) amend the name of the FSSD Section that receives overpayments; and (2) show current procedures when collection of debt efforts are suspended.

OAC 340:65-9-8 is revised to: (1) add clarifying information; and (2) show current form numbers.

Original signed on 3-31-08

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Mary Stalnaker, Director  
Family Support Services Division

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Sharon Neuwald, Coordinator  
Office of Legislative Relations and Policy

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WF # 07-26 (NAP)

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## **INSTRUCTIONS FOR FILING MANUAL MATERIAL**

OAC is the acronym for Oklahoma Administrative Code. If OAC appears before a number on an Appendix or before a Section in text, it means the Appendix or text contains rules or administrative law. Lengthy internal policies and procedures have the same Chapter number as the OAC Chapter to which they pertain following an "OKDHS" number, such as personnel policy at OKDHS:2-1 and personnel rules at OAC 340:2-1. The "340" is the Title number that designates OKDHS as the rulemaking agency; the "2" specifies the Chapter number; and the "1" specifies the Subchapter number.

The chronological order for filing manual material is: (1) OAC 340 by designated Chapter and Subchapter number; (2) if applicable, OKDHS numbered text for the designated Chapter and Subchapter; and (3) all OAC Appendices with the designated Chapter number. For example, the order for filing personnel policy is OAC 340:2-1, OKDHS:2-1, and OAC 340:2 Appendices behind all Chapter 2 manual material. Any questions or assistance with filing manual material will be addressed by contacting Policy Management Unit staff at 405-521-4326.

### **REMOVE**

### **INSERT**

340:65-3, Table of Contents	340:65-3, Table of Contents, 1 page only, revised 6-1-08
340:65-3-6	340:65-3-6, pages 1-5, revised 6-1-08
340:65-3-6.1	340:65-3-6.1, pages 1-6, revised 6-1-08
340:65-3-8	340:65-3-8, pages 1-7, revised 6-1-08
340:65-5, Table of Contents	340:65-5, Table of Contents, pages 1-2, revised 6-1-08
340:65-5-15	340:65-5-15, pages 1-3, revised 6-1-08
340:65-5-16	340:65-5-16, 1 page only, revised 6-1-08
340:65-5-17	340:65-5-17, 1 page only, revised 6-1-08
340:65-5-18	340:65-5-18, 1 page only, revised 6-1-08
340:65-5-19	340:65-5-19, 1 page only, revised 6-1-08
340:65-5-20	340:65-5-20, pages 1-2, revised 6-1-08
340:65-5-21	-----
-----	40:65-5-66, 1 page only, issued 6-1-08
340:65-5-80	-----
340:65-5-81	-----

**REMOVE**

**INSERT**

340:65-5-85

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340:65-5-87

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340:65-9, Table of Contents

340:65-9, Table of Contents, 1 page only,  
revised 6-1-08

340:65-9-1

340:65-9-1, pages 1-3, revised 6-1-08

340:65-9-2

340:65-9-2, pages 1-2, revised 6-1-08

340:65-9-3

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340:65-9-4

340:65-9-4, pages 1-3, revised 6-1-08

340:65-9-5

340:65-9-5, 1 page only, revised 6-1-08

340:65-9-6

340:65-9-6, pages 1-4, revised 6-1-08

340:65-9-7

340:65-9-7, 1 page only, revised 6-1-08

340:65-9-8

340:65-9-8, 1 page only, revised 6-1-08



**SUBCHAPTER 3. ELIGIBILITY FOR BENEFITS**

## Section

- 340:65-3-1. Determination of eligibility
- 340:65-3-2. Definitions
- 340:65-3-2.1 Computing time
- 340:65-3-3. Processes **[REVOKED]**
- 340:65-3-3.1. Combined Application form **[REVOKED]**
- 340:65-3-4. Investigation of eligibility conditions and services planning
- 340:65-3-5. Certification process
- 340:65-3-6. Payment method for TANF and SSP benefits
- 340:65-3-6.1. Electronic Benefits Transfer
- 340:65-3-7. Denial of application
- 340:65-3-8. Determination of continuing eligibility
- 340:65-3-9. Variable conditions of eligibility
- 340:65-3-10. Procedure for periodic determination of eligibility **[REVOKED]**
- 340:65-3-11. Procedure for case changes - medical assistance and financial assistance **[REVOKED]**
- 340:65-3-12. Recording of redetermination of eligibility - SSP and AFDC **[REVOKED]**
- 340:65-3-13. Client's rights **[REVOKED]**



**340:65-3-6. Payment method for TANF and SSP benefits**Revised 6-1-08

(a) When an applicant applies for Temporary Assistance for Needy Families (TANF) or State Supplemental Payment SSP benefits, the worker advises the applicant that these benefits are first issued on a debit card. ■ 1

(1) When a debit card has not previously been issued to the applicant, it is issued when benefits are placed in application status or after benefits are approved. ■ 2  
When a debit card has previously been issued to the applicant, a new one is not sent. It is activated once benefits are approved. ■ 3

(2) Once the client receives the debit card, he or she must call the customer service telephone number located on the back of the debit card to activate the card and choose a personal identification number (PIN). ■ 4

(3) The client may choose another person to be a secondary cardholder for the benefits. The client must either contact the customer service telephone number located on the back of the debit card to request this or print the alternate cardholder request form from the [www.eppicard.com](http://www.eppicard.com) Web site. The client and the secondary cardholder must complete and sign the form and return it to the address on the form before a debit card is issued to the secondary cardholder. After the secondary cardholder receives the debit card, he or she must choose a PIN number before accessing benefits.

(4) When the client advises the Oklahoma Department of Human Services (OKDHS) staff that he or she never received the debit card, the worker checks to see if was returned as undeliverable. ■ 5

(5) There are certain fees a client may be charged when using a debit card. A list of fees can be found at [www.eppicard.com](http://www.eppicard.com). The client is sent information about fees when a debit card is first issued. The client can access account and transaction information on-line at [www.eppicard.com](http://www.eppicard.com) free of charge at any time.

(6) If the client fails to activate his or her debit card within 90 calendar days, the contractor returns any funds loaded on a debit card to OKDHS.

(b) When the client prefers to receive benefits through direct deposit, he or she must call the contractor's call center telephone number to request direct deposit. The contractor's staff mails or faxes a direct deposit form to the client to complete and return before benefits can be issued by direct deposit. The client can also obtain a direct

deposit form by going to the [www.eppicard.com](http://www.eppicard.com) Web site and printing it off.

(1) The client must complete the direct deposit form, provide a voided check or a savings account deposit slip, and return them to the address on the form.

(2) Once the form is completed and account information confirmed, the contractor has five working days to enter direct deposit information in the system.

(3) Benefits are changed to direct deposit for the next payment due after direct deposit information is entered in the system.

(4) Funds cannot be transferred from a debit card to direct deposit.

(c) The client's cash benefit is deposited in the client's checking or savings account on the first banking day of each month or loaded on the client's debit card on the first day of each month.

(1) The funds are available for withdrawal after deposit.

(2) After the monthly benefit is deposited in the client's account or loaded on the debit card, OKDHS is not responsible if someone other than the payee withdraws the funds. Banking regulations govern withdrawals.

(3) Clients are encouraged to be prudent about giving withdrawal privileges or debit card access to other people.

(d) The client may switch from direct deposit to the debit card or from the debit card to direct deposit by calling the contractor's call center to request the change and following directions given by the contractor's staff.

(e) When problems occur with direct deposit or debit card deposits, procedures for dealing with these problems are detailed in (1)-(5) of this subsection.

(1) When direct deposit cannot be accomplished for a benefit, the contractor's staff attempts to contact the client to obtain current banking information. When the client fails to provide current information or five days elapse without contact, the contractor converts the payment method to a debit card. If the client wishes to receive direct deposit again, the client must complete a new direct deposit form and provide current account information.

(2) If a client reports that a deposit was not made to his or her account or loaded on the debit card, the client reports this to the contractor's call center. The contractor

handles any communication with banking institutions or MasterCard and then contacts the client regarding resolution.

(3) Payments may be made by direct deposit or debit card after the death of the payee. When a payment is made after the death of the payee for which the payee is not eligible, an overpayment may be established against the estate. ■ 6

(4) When a cash benefit is closed, the closure action automatically closes out direct deposit or debit card payments.

(A) When the client's cash benefit is closed due to transfer of eligibility to another TANF or SSP case, direct deposit or debit card deposit is automatically transferred to the new case provided the client number of the payee in the closed and new case is the same. ■ 2

(B) When the client's cash benefit is closed and he or she later reapplies and is approved with the same client number, the previously chosen payment method is used to issue the cash benefit. The client must call the contractor's call center to change the payment method.

(5) When the payee for the cash benefit changes for any reason, he or she is assigned a new client number and a debit card is issued if one has not previously been issued for the new client number. The client must call the contractor's call center to set up direct deposit if he or she prefers that payment method. ■ 4 The new payee does not have access to benefits issued prior to the payee change.

## INSTRUCTIONS TO STAFF 340:65-3-6

Revised 6-1-08

1. **(a) When the person receiving State Supplemental Payment (SSP) benefits is under age 18 and has a legal or natural guardian, the worker codes the case to show that the parent or guardian is the payee instead of the child. This allows the debit card to issue in the name of the legal or natural guardian. In order to do this, the worker must choose in the Household tab of the Family Assistance/Client Services (FACS) Interview Notebook:**

**(1) "applicant or recipient with guardian, conservator, or substitute payee" in the "relationship to payee" field for the child;**

**(2) "applicant, recipient payee, or head of household" in the "relationship to payee" field for the parent or guardian; and**

(3) "income/resources are not considered for benefit computation" in the "status" field for the parent or guardian.

(b) When the person coded as the payee on the Temporary Assistance for Needy Families (TANF) benefits is a minor, the minor must be shown as payee for the benefits so the minor's lifetime limit of 60 months receipt of TANF can be tracked. When there is a substitute payee, the worker enters in the Family Assistance/Client Services (FACS) Interview Notebook Case Information tab the name of the substitute payee in the "guardian, substitute payee, conservator, authorized representative, other" field and "substitute payee" in the "responsible person, or extra address" field. The substitute payee is the secondary cardholder for the TANF benefits.

2. (a) When the client has never been issued a debit card but has been issued a client number because of previous receipt of TANF, SSP, or another Oklahoma Department of Human Services (OKDHS) benefit, a debit card is mailed when benefits are in application status.

(1) The client number is the primary unique identifier used for case numbers assigned by OKDHS. This includes case numbers assigned for TANF, SSP, and child support payments issued by the Child Support Enforcement Division (CSED).

(2) The client number may also be called the Client ID (CID), Department Client Number (DCN), or the Recipient ID (RID). If more than one client number is issued for the same person, the worker opens a Remedy ticket to the Family Support Help Desk to request help in collapsing the numbers to one client number.

(3) The worker checks whether the client number is the same by entering CMC space case number. The client number is also on the first page of the person's EF screen.

(b) When the applicant has never received benefits before, a client number is not assigned until after benefits are certified. In this instance, a debit card is not mailed until after benefits are approved.

(c) When the debit card is mailed to the client, the contractor, Affiliated Computer Services (ACS), also includes three other collateral documents that are produced by ACS. They are Form ACS-OK-103 "Oklahoma MasterCard Card Terms of Use," Form ACS-OK-M01, "Enjoy the Benefits of Your New Oklahoma

Debit MasterCard," and Form ACS-OK-104, "Your Oklahoma Debit MasterCard Card." These forms can be viewed online at [www.eppicard.com](http://www.eppicard.com).

**3. (a) If the client no longer has the previously issued debit card, he or she must call ACS Customer Call Center to request a new card at 1-888-401-9843.**

**(b) The client may receive one free replacement card per calendar year. If the free replacement has already been issued, the client is charged \$4 for the card replacement.**

**4. The ACS Customer Call Center number is 1-888-401-9843.**

**5. (a) The worker checks to see if a debit card returned by entering BN space the case number. If there is an "EW" benefit and the "type issuance" field shows "CR," this means that the client's debit card and payment were returned to OKDHS or the money was expunged from the debit card.**

**(b) If the card was returned and the client's address has changed, the worker updates the client's address. This action causes the debit card to be reissued to the new address.**

**(c) If the address has not changed, the client must call ACS to report a lost or stolen card. ACS must then reissue the debit card.**

**6. The overpayment may be established by the worker or the Family Support Services Division Benefit Integrity and Recovery Section depending on the amount of the overpayment and whether it is due to agency or client error. See OAC 340:65-9 for overpayment procedures.**



**340:65-3-6.1. Electronic Benefits Transfer**Revised 6-1-08

Food and child care benefits are delivered by a statewide Electronic Benefits Transfer (EBT) system. ■ 1

**INSTRUCTIONS TO STAFF 340:65-3-6.1**Revised 6-1-08**1. (a) Electronic benefits transfer (EBT).**

(1) EBT provides an electronic method to deliver benefits to clients eligible for food and child care benefits. The EBT system credits benefits to the client's food benefit account. It is also a time and attendance tracking and provider payment system for clients receiving child care benefits. EBT provides access to these benefits through the use of a debit card called Access Oklahoma and a personal identification number (PIN).

(2) The county director or designee orders Access Oklahoma cards by calling Affiliated Computer Services (ACS) at 405-947-2743 or 405-947-2700. Cards are sent Federal Express two-day delivery. In emergencies the cards are sent by overnight mail. All cards must be kept in a secure location and a daily issuance card report completed.

(b) Training. EBT training is provided to clients and designated authorized representatives through the use of videos. The videos are available in English, Spanish, open-caption English, and visually-impaired English. Video tapes are requested from the Finance Division Electronic Payment Systems (EPS) Unit.

(1) Effective training is the best defense against repeated card replacements. County directors are encouraged to monitor EBT training to determine its effectiveness.

(2) Finance Division EPS staff are available to visit human services centers (HSC) to assist in training new EBT specialists in the use of the Administrative Terminal (AT) system. HSC training of clients may be conducted by any staff member familiar with EBT.

- (A) If a client has a particular problem with using his or her EBT card appropriately, he or she may be asked to view the video again. See OAC 340:40-10-3 when a client receiving child care benefits misuses an EBT card.
- (B) An authorized representative may be designated by the client in writing for the food or child care benefits on the application or review form or by signing a statement to this effect.
- (C) To review or enter information concerning an additional card holder, refer to the EBTU transaction by viewing M space EBTU. An authorized representative or additional card holder attends training and is issued his or her own card.
- (c) Access Oklahoma card. The EBT specialist issues an Access Oklahoma card to the person whose name appears on the card after the EBT specialist verifies the identity of that person. Government-issued identification with a photograph is best but not required as any method used to identify a person for program purposes is acceptable. The person selects his or her own PIN when an initial or replacement card is issued.
- (1) The EBT specialist issues an initial EBT card for food or child care benefits after these benefits are placed in application status and the client views the EBT video.
  - (2) The EBT specialist issues an initial EBT card for an authorized representative after the worker completes the EBTU transaction and the authorized representative views the EBT video.
  - (3) Since providers are not paid until the worker approves the application for child care benefits, authorizations must be completed in a timely manner. Child care providers have the right to decline serving children receiving Oklahoma Department of Human Services (OKDHS) child care benefits until an approval is received.
  - (4) The person whose name appears on the EBT card must be the person who requests a replacement card. OKDHS staff must issue a replacement card within two business days of the client's request. The two business day time frame starts after the client requests card cancellation and asks HSC staff to issue another card. Replacement cards may take up to one hour before they are activated.

**(A) When the EBT card is lost, stolen, or destroyed, the client must go to the local HSC to obtain a replacement card. The EBT specialist only gives the replacement card to the person whose name appears on the EBT card.**

**(B) When the EBT card is stolen, it is best if the client calls ACS Customer Call Center at 1-888-328-6551 to cancel the EBT card before going to the HSC to request a replacement card. When the client goes to the HSC first, the EBT specialist cancels the EBT card through the AT before issuing a new EBT card. When the client calls ACS first, in addition to cancelling the EBT card, ACS staff records:**

**(i) the reason and circumstances for the request for cancellation and the exact date and time the call is received. This provides a tracking mechanism for any disputes which could arise if the client claims that benefits were taken from the account after the card was reported stolen; and**

**(ii) what information the client provided to identify himself or herself. The client is frequently asked about the last place he or she used the card, the amount of the purchase, and where he or she usually shops. This further documents the report and assists law enforcement officials in efforts to determine if EBT card trafficking is involved.**

**(C) For child care benefits, the EBT specialist cancels and replaces the EBT card for the client or authorized representative. If the authorized representative has been deactivated on EBTU, the client must designate an authorized representative in writing again before the EBT specialist issues a replacement card.**

**(D) The county director may require clients receiving food benefits, except those who return unusable cards, to view the training video again before the EBT specialist issues a replacement card.**

**(i) Cards that are demagnetized or in an unusable condition are replaced the day the cards are returned to the HSC.**

**(ii) Cards reported as demagnetized or unusable that are not returned to the HSC are replaced within two business days.**

(d) **Food benefit** issuance. **Regular roll food benefits** are issued on the 1<sup>st</sup> day of the month.

**(1) OKDHS sends emergency** food benefits to **ACS** on-line when the case is certified.

**(2) OKDHS sends regular** roll benefits to **ACS** after deadline each month.

**(3) Benefits** for cases certified during the 1-1 period between deadline and the first of the following month are sent the night of certification for the month of certification. Benefits for the next month are not sent until the night of the first working day of the month.

**(4) When** benefits are sent to **ACS**, the status block on the BN screen changes from T to Z. Refer to the BN transaction by entering M space BN. When benefits are posted by **ACS**, the status block changes to P.

(e) **Payee change.** When the payee changes on a case, the worker determines whether to give the new payee access to the current account balance before the change is made.

**(1) When** the new payee needs access to the balance in the food **benefit** account, he or she must be shown as the authorized representative first on the Family Assistance/Client Services (FACS) system and then on the EBTU screen.

**(2)** A card must be issued to the authorized representative. FACS is then updated to show the new payee.

**(3)** Once the old benefits are depleted, the new payee is removed as the authorized representative and another card is issued.

**(4)** As soon as an authorized representative is removed from FACS, his or her card is deactivated automatically.

**(5)** A payee removed from a case is able to access past benefits in the EBT account that have not been used as long as his or her card is active.

(f) **Food benefits not used within the last 90 days.** **Food** benefits which have not been **used** within the last **90** calendar days are considered **stale benefits.** **Form 08OP014E, Important! EBT Inactivity and Collection of Debt Notice,** is

automatically sent to the client notifying him or her that the EBT card has not been used during the last 90 days. The form states there are two possible actions that may be taken on the account.

(1) The client must use the benefits in the account within 12 months of issuance or they are automatically removed. The client is advised to contact the local HSC if he or she has problems using the EBT card.

(2) If the client has a food benefit overpayment and does not contact the Family Support Services Division (FSSD) Benefit Integrity and Recovery Section within 30 days of receiving the form, remaining benefits may be used as a payment on the food benefit debt.

(g) Expunged benefits. Food benefits are expunged from accounts not debited in 365 days. In most instances, expunged benefits are not reinstated. If benefits close and then reopen, it is possible for the benefits to be expunged before the client can access them. If this occurs, the worker must e-mail or call the FSSD Food Stamp Section to reinstate the benefits.

(h) Out-of-state moves. The Access Oklahoma card may be used to access food benefits in most states. Most major retailers accept the Access Oklahoma card.

(1) If a client notifies the worker he or she is moving or has moved to another state, the worker informs the client to use the Access Oklahoma card in Oklahoma before leaving the state or contact the state agency where he or she has moved to locate a retailer that will accept the Access Oklahoma card.

(2) The worker may contact the Finance Division EPS Unit to assist the household in locating a retailer that accepts the Access Oklahoma card.

(i) Separation of duties. Federal regulations require a separation of duties between persons who certify benefits, issue EBT cards, and have access to the EBT AT. This protects employees from any appearance of inappropriate conduct in benefit issuance.

(1) If the HSC does not have sufficient staff to maintain a separation of duties for these tasks, the Finance Division EPS Unit may provide Off-Site EBT specialists (OSS) to assist in card issuance.

**(2)** To implement this process, the county director must contact the Finance Division director of the EPS Unit to make the request.

**(3)** The county director is notified of the approval decision. A description of responsibilities and instructions for the EBT specialists and OSS is provided along with the name and phone number of the OSS assigned. EBT specialists:

**(A)** continue to train clients, authorized representatives, and additional card holders;

**(B)** operate the EBT AT with inquiry only access;

**(C)** maintain card inventory records;

**(D)** operate the embosser; and

**(E)** assist in PIN selection.

**(j)** Timely reporting of changes. The worker must explain to clients the necessity of reporting timely changes of address and shelter expense so the correct amount of benefits are issued. In addition to updating computer fields when a change of address or shelter expense is reported, the worker must also update the FACS Case Notes to record reported changes to ensure the provision of services to clients and case accuracy.

**340:65-3-8. Determination of continuing eligibility**Revised 6-1-08

**(a) Determination of continuing eligibility.** Determining continuing eligibility is a process which must be carried out at appropriate intervals. The appropriate interval for reviewing eligibility depends on the type of benefit received. The worker is responsible for:

- (1) advising the recipient at each contact of the recipient's responsibility to report changes within ten calendar days of the date the change becomes known;
- (2) making contacts at unspecified intervals to ensure continuing eligibility;
- (3) synchronizing the review dates for all benefits received by the household whenever possible; ■ 1 and
- (4) determining continuing eligibility.

**(b) Eligibility review or recertification forms.** Form 08MP001E, Request for Benefits, Form 08MP002E, Eligibility Information for Benefits, and Form 08MP003E, Responsibilities and Signature for Benefits, are used as the review or recertification forms for food benefits, subsidized child care benefits, Temporary Assistance for Needy Families (TANF), State Supplemental Payment (SSP), or SoonerCare (Medicaid) benefits. Other forms that may be used include:

- (1) computer-generated Form 08MA007E, Recertification of Eligibility for SoonerCare Health Benefits, for pregnant women and families with children approved for SoonerCare (Medicaid) benefits;
- (2) computer-generated Form 08MP004E, Benefit Review Report, for persons subject to benefit review. These may include recipients of food, child care, or SoonerCare (Medicaid) benefits; ■ 2 or
- (3) Form 08MA017E, SSI-DCP Service Plan, for children receiving Supplemental Security Income-Disabled Children's Program (SSI-DCP) services per OAC 340:70-8-1.

**(c) Signature requirements.** The review or recertification form must be signed by the recipient, guardian, or a person acting on the recipient's behalf, such as an authorized representative or a person with power-of-attorney. TANF reviews must be signed by the recipient. If the recipient is living with his or her spouse, both must sign the review

form. The only exception to the signature requirement is for a SoonerCare (Medicaid) review completed over the telephone using Form 08MA007E or Form 08MP004E. ■ 3

**(d) Review or recertification time frames.** A periodic review or recertification time frame varies depending on the program. ■ 4

(1) The worker completes a review at six month intervals with a:

(A) TANF recipient due to:

(i) pending required immunizations;

(ii) payment standard reductions because of intentional program violations;

(iii) hardship extension approvals;

(iv) earned income;

(v) a work-eligible person exempt from TANF Work activities because of incapacity; or ■ 5

(vi) a work-eligible person exempt from TANF Work activities to care for a disabled family member living in the household; ■ 5

(B) child care recipient who is receiving child care benefits because of a protective or preventive reason per OAC 340:40-7-8; or

(C) food benefit recipient subject to semi-annual benefit reporting per OAC 340:50-9-5(i).

(2) The worker completes a review or recertification at 12-month intervals with a:

(A) TANF recipient unless an earlier review date is warranted;

(B) State Supplemental Payment (SSP) recipient based on the review of need for SoonerCare (Medicaid);

(C) child receiving SoonerCare (Medicaid) who is in state or tribal custody;

(D) child care recipient unless an earlier review date is warranted per OAC 340:40-9-1;

(E) non-public assistance (non-PA) food benefit household who is subject to semi-annual benefit reporting per OAC 340:50-9-5(i) must complete a recertification form. Non-PA food benefit recipients subject to annual benefit reporting must complete Form 08MP004E in the 11<sup>th</sup> month of certification; ■ 6 or

(F) SoonerCare (Medicaid) recipient unless benefits are approved for less than 12 months.

(3) The worker completes a food benefit recertification form at 24-month intervals for a non-PA food benefit household who is subject to annual benefit reporting per OAC 340:50-9-5(g).

(e) Interview requirements. Whether an interview is required varies depending on the program. ■ 7

(1) A face-to-face interview is required for the:

(A) Food Stamp Program at recertification. Exceptions are found at OAC 340:50-3-2(b);

(B) TANF Program; or

(C) SSI-DCP service plan review.

(2) A telephone or face-to-face interview is required for the Child Care Program review.

(3) An interview is not required for any of the SoonerCare (Medicaid) programs as long as the review form is complete, including the signature, all required verification provided, and none of the information is questionable. When information is not complete or is questionable, the worker contacts the recipient to obtain needed information. ■ 8

## **INSTRUCTIONS TO STAFF 340:65-3-8**

**Revised 6-1-08**

- 1. When the recipient is a benefit review reporter, benefits must be synchronized.**
- 2. Benefit review reporters of food, child care, and SoonerCare (Medicaid) benefits are described in (1) - (2) of this Instruction.**

**(1) The recipient's benefit reporting status is computer-determined for each benefit. If applicable, the eligibility notebook on the Family Assistance/Client Services (FACS) system is automatically updated to reflect the recipient's reporter status in the Food Stamps, Social Services, and/or Medical Financial tabs.**

**(A) For semi-annual reporters, a computer-generated Form 08MP004E, Benefit Review Report, is sent to the recipient in the fifth month of certification.**

**(B) For annual benefit reporters, a computer-generated Form 08MP004E is sent to the recipient in the 11<sup>th</sup> month of certification or review.**

**(2) When Form 08MP004E is returned to the human services center (HSC), the worker determines if it is complete for each benefit and has all required verification.**

**(A) For each benefit with complete information and all verification, the worker:**

**(i) processes all changes;**

**(ii) updates the benefit report action field in the Food Stamps, Social Services, and/or Medical Financial tabs with C; and**

**(iii) enters the date the action is taken.**

**(B) If the information for any benefit is incomplete or lacking all required verification, the worker:**

**(i) updates the benefit report action field in the eligibility notebook on FACS in the Food Stamps, Social Services, and/or Medical Financial tabs with an I indicating an incomplete form; and**

**(ii) enters the date action is taken.**

**(C) If Form 08MP004E is not returned to the local HSC office, the benefit report action field remains blank. When this field remains blank or shows an I at negative action deadline, the benefit automatically closes the next effective date with reason code 36S. If Form 08MP004E is incomplete for one benefit but complete for others, only the benefit with**

**incomplete information is closed.**

**(D) During the period between negative action deadline and the last day of the 13<sup>th</sup> month for annual reporters or the last day of the seventh month for semi-annual reporters, the worker may reopen closed benefits when the completed Form 08MP004E and/or required verifications are received.**

**(i) Any required changes are processed along with the action to reopen benefits using R in the action taken field and 18O in the reason code field. It is also necessary to update the benefit type and status fields for those persons included in the benefit.**

**(ii) In the event the completed Form 08MP004E and/or required verifications are received in the 14<sup>th</sup> month or later for annual reporters, or the eighth month or later for semi-annual reporters, the recipient or household must re-apply. If the worker fails to take action in a timely manner and benefits subsequently close, normal reopening processes, using reason code 18A, are used.**

**(iii) Benefits in reporter status are displayed on CWA Report 17 for tracking purposes the month after Form 08MP004E is sent to the recipient.**

**(iv) Benefits are no longer displayed on CWA Report 17 when the benefit report action field is updated with C for complete.**

**(v) If the benefit report action field remains blank or I for incomplete, the benefit remains on CWA Report 17 until the benefits close at negative action deadline.**

**3. Any additional or substantiating information secured is documented on the review form. No additional information is entered after the recipient signs the review form.**

**4. (a) For food benefit rules see OAC 340:50-9-5 regarding benefit reviews and OAC 340:50-9-6 regarding recertifications.**

**(b) For SoonerCare (Medicaid) rules see:**

**(1) OAC 317:35-6-61 for SoonerCare (Medicaid) benefits for pregnant**

women and families with children;

(2) OAC 317:35-7-61 for SoonerCare (Medicaid) programs that categorically relate to the aged, blind, and disabled population such as:

(A) State Supplemental Payment (SSP);

(B) Qualified Medicare Beneficiary (QMB);

(C) Specified Low-Income Medicare Beneficiary (SLMB);

(D) Qualified Disabled and Working Individuals (QDWI); or

(E) Qualified Medicare Beneficiary Plus (QMBP);

(3) OAC 317:35-15-7 and OAC 317:35-15-9 for Personal Care;

(4) OAC 317:35-17-12 and OAC 317:35-17-15 for Advantage Waiver; and

(5) OAC 317:35-19-22 and OAC 317:35-19-23 for nursing facility services.

(c) For child care benefit rules see OAC 340:40-9-1;

(d) TANF reviews are completed at 12 month intervals unless an earlier review date is warranted. During the interview the recipient and worker discuss the recipient's current situation and determine what additional facts are needed to determine continued eligibility. In the course of this discussion, agreement is reached as to what additional information must be secured, if any, and whether the recipient or the worker obtains this additional information. For eligibility rules for TANF benefits see OAC 340:10.

(1) If the recipient or recipient's spouse who lives in the home, or the recipient's parents when applicable, refuse to give permission for gathering additional information or substantiation of information when necessary, continued eligibility cannot be established constituting a request for discontinuance of assistance.

(2) If the recipient, or recipient's spouse who lives in the home, or the recipient's parents, when applicable, refuse to sign Form 08AD060E, Request for Release of Information, continued eligibility cannot be established constituting a request for discontinuance of assistance.

- (3) Whenever assistance is discontinued because of refusal to give permission or refusal to sign Form 08AD060E, the situation must be documented in FACS under Case Notes.
- (4) The worker updates FACS to show the date the review is completed and any other action being processed. If advance notice of proposed action is necessary, see OAC 340:65-5-1.
- 5.** Refer to OAC 340:10-2-1 for information regarding work eligible individuals.
- 6.** The recertification forms include Form 08MP001E, Request for Benefits, Form 08MP002E, Eligibility Information for Benefits, and Form 08MP003E, Responsibilities and Signature for Benefits.
- 7.** When an interview is required, the worker reviews the variable conditions of eligibility with the recipient. If an interview is not required, the worker evaluates the information contained on the review form and the data exchange screens to determine if changes are needed. If information is questionable, the worker may determine that an interview is needed. Refer to OAC 340:65-3-4 for home visit requirements and information about data exchange screens.
- 8. (a)** When the worker must contact the recipient to determine continued eligibility, the contact can be in person or over the telephone. The worker documents all factors of eligibility and any contact with the recipient in the Family Assistance/Client Services (FACS) Case Notes.
- (b)** When the recipient receives some benefits that require an interview and some that do not, an interview must be completed for the benefits that require an interview before the review is completed. The worker may complete the review for benefits that do not require an interview before the interview is completed.



**SUBCHAPTER 5. PROCEDURES RELATING TO CASE CHANGES****PART 1. GENERAL PROVISIONS**

## Section

- 340:65-5-1. Case changes
- 340:65-5-2. Change of Cash benefits
- 340:65-5-3. Suspension of benefits
- 340:65-5-4. Resolution of suspensions
- 340:65-5-5. Termination of benefit
- 340:65-5-6. Reconsideration of administrative action

**PART 3. PROCEDURES FOR HANDLING WARRANTS IN SPECIAL CIRCUMSTANCES**

- 340:65-5-15. Non-receipt of benefits issued by warrant
- 340:65-5-16. Warrant issued after recipient's death
- 340:65-5-17. Warrant cashed in error
- 340:65-5-18. Warrant returned as undeliverable
- 340:65-5-19. Warrants canceled by statute of limitation
- 340:65-5-20. Payment to estate of deceased recipient
- 340:65-5-21. Payment for Temporary Assistance for Needy Families when the payee is no longer available to endorse the warrant **[REVOKED]**

**PART 5. OVERPAYMENTS [REVOKED]**

- 340:65-5-35. Definition **[REVOKED]**
- 340:65-5-36. Inadvertent client error **[REVOKED]**
- 340:65-5-37. Willful misrepresentation **[REVOKED]**
- 340:65-5-38. Fraud **[REVOKED]**
- 340:65-5-39. Agency error**[REVOKED]**
- 340:65-5-40. Department's responsibility for diligence **[REVOKED]**
- 340:65-5-41. Client reporting responsibilities **[REVOKED]**
- 340:65-5-42. Overpayment recovery **[REVOKED]**
- 340:65-5-43. Overpayments referred to the Office of Inspector General (OIG) **[REVOKED]**
- 340:65-5-44. Special procedures for overpayments classified as willful misrepresentation**[REVOKED]**

**PART 7. GUARDIANSHIPS, CONSERVATORSHIPS, AND SUBSTITUTE PAYEES**

- 340:65-5-60. Circumstances under which a guardian or conservator may be needed
- 340:65-5-61. Responsibilities of guardians or conservators
- 340:65-5-62. Change in name
- 340:65-5-63. Natural guardianships
- 340:65-5-64. Legal guardianships
- 340:65-5-65. Conservatorships
- 340:65-5-66. Substitute payee for the TANF Program

#### **PART 9. PROTECTIVE PAYMENTS IN TANF [REVOKED]**

- 340:65-5-80. Purpose and conditions **[REVOKED]**
- 340:65-5-81. Money mismanagement **[REVOKED]**
- 340:65-5-82. Refusal to participate in employment and training **[REVOKED]**
- 340:65-5-83. Refusal to assign support rights to the Department **[REVOKED]**
- 340:65-5-84. Failure to cooperate in obtaining child support **[REVOKED]**
- 340:65-5-85. Selection and responsibilities of the protective payee **[REVOKED]**
- 340:65-5-86. AFDC payment in the name of the payee **[REVOKED]**
- 340:65-5-87. Right to a fair hearing **[REVOKED]**

**340:65-5-15. Non-receipt of benefits issued by warrant**Revised 6-1-08

(a) A client or vendor who reports benefit from a warrant has not been received due to loss, theft, mutilation, or non-receipt is required to complete Form 10AD044E, Affidavit of Lost or Destroyed Warrant, or the Office of State Finance's (OSF) Form 20R, Warrant Replacement Request, before a replacement warrant may be issued per Section 34 of Title 74 of the Oklahoma Statutes. Original signatures must be on all copies of the form.

(b) Completion of Form 10AD044E or OSF Form 20R is not required when:

(1) a sufficient portion of a burned or mutilated warrant remains intact so the warrant can be positively identified to ensure the client could not have redeemed the missing portion; or ■ 1

(2) the original warrant is being retained by a law enforcement agency. That agency must:

(A) submit a letter on its letterhead to the Oklahoma Department of Human Services (OKDHS) Finance Division stating the warrant is being held as evidence and will not be given to the payee under any circumstance, but will be returned to the OKDHS Finance Division for disposition at the conclusion of their investigation; and

(B) attach a copy of the warrant, front and back.

(c) The client is advised to not cash the original warrant without first notifying his or her worker if it is located after Form 10AD044E or Form OSF 20R has been signed. ■ 2 Any attempt to cash the warrant will result in the State Treasurer returning the unpaid warrant to the second endorser. The second endorser has recourse against the client to repay the amount of the warrant, plus any returned check charges.

(d) If the payee is a company rather than an individual, a duly authorized agent of the company must sign Form 10AD044E or Form OSF 20R on behalf of the payee giving the title of the position he or she holds with the company.

(e) Upon receipt of Form 10AD044E or OSF Form 20R, OKDHS Finance Division staff determines if the warrant has been cashed or if it remains outstanding. If the warrant has not been cashed, OKDHS Finance Division staff sends a stop payment order to the State Treasurer. Upon receipt of confirmation from the State Treasurer, either the

OKDHS Finance Division staff or OSF staff issues a replacement warrant.

(f) If the warrant has been cashed, OKDHS Finance Division staff obtains a copy of the paid warrant and sends it to the human services center (HSC) for signature comparison with Form 10AD045E, Affidavit of Forged Endorsement and Form 10AD046E, Investigation Questionnaire. The worker instructs the client or payee to examine the endorsement carefully and warns him or her of the seriousness of making true and accurate statements concerning whether:

(1) the endorsement is forged;

(2) he or she gave someone permission to cash the warrant; and

(3) he or she received benefit from the warrant. [21 O.S. § 358] ■ 3

(g) The worker sends the completed Form 10AD045E and Form 10AD046E to the OKDHS Finance Division for processing.

(1) When the OKDHS Finance Division receives the required documents, the forged warrant is returned through banking channels to the second endorser for collection. A replacement warrant is not issued until reimbursement is received from the second endorser.

(2) The second endorser has the right to protest a claim if there is evidence to show it is fraudulent. If the second endorser chooses to protest the claim, he or she must file a complaint with the local police department and send a copy of the complaint report and a letter to the Finance Division.

(3) When the State Treasurer receives reimbursement from the second endorser, Form 10AD044E or Form OSF 20R is approved and sent to the OKDHS Finance Division. If the second endorser does not protest the claim within two months, either the OKDHS Finance Division or OSF staff issues a replacement warrant to the client or vendor.

## **INSTRUCTIONS TO STAFF 340:65-5-15**

**Revised 6-1-08**

1. The worker sends the remaining piece(s) of the warrant to the Oklahoma Department of Human Services (OKDHS) Finance Division with a cover memo explaining the situation and requesting issuance of a replacement warrant. If there is any question whether a sufficient portion of the warrant remains intact

to exempt the client from filing Form 10AD044E, Affidavit of Lost or Destroyed Warrant, or the Office of State Finance's (OSF) Form 20R, Warrant Replacement Request, the decision is made by OKDHS Finance Division staff.

2. The worker must call the OKDHS Finance Division to confirm if a stop payment order has been issued. Once placed, a stop payment order cannot be removed.
3. If the client or payee states the endorsement is forged, but the worker suspects the claim is fraudulent, he or she must attach a cover memo with Form 10AD045E, Affidavit of Forged Endorsement.



**340:65-5-16. Warrant issued after recipient's death**Revised 6-1-08

When a warrant for which the estate is not eligible is cashed and paid by the State Treasurer, the Finance Division requests the State Treasurer return the warrant to the second endorser for collection on the grounds that it does not bear the endorsement of the true payee. Attached to the warrant is a notarized statement signed by a designated employee in the Finance Division, certifying the date of death on file with the Oklahoma Department of Human Services. When the State Treasurer receives reimbursement, the State Fund is credited and the Finance Division is notified of its receipt. When the local human services center is notified of a client's death, the family is advised to return for cancellation any warrants for which the estate is not eligible. ■ 1

**INSTRUCTIONS TO STAFF 340:65-5-16**Revised 6-1-08

1. **When a warrant issued after a recipient's death is received in the local human services center (HSC), it is sent to the Finance Division, with "CANCEL" written on the face of the warrant. If a person who has cashed a warrant for which the estate was not entitled wishes to repay the Oklahoma Department of Human Services, HSC staff accepts the payment and sends it to the Finance Division Revenue Unit.**



**340:65-5-17. Warrant cashed in error**Revised 6-1-08

When a warrant is inadvertently cashed by the wrong client, due to Oklahoma Department of Human Services error because the names are similar or for other reasons, the human services center (HSC) staff immediately substantiates facts related to the error and sends a report of these facts to the Family Support Services Division (FSSD). ■ 1

(1)

HSC staff to the Finance Division for a photostatic copy of the warrant in order that facts in evidence may be discussed with the client.

(2) The worker submits an overpayment for the client who inadvertently cashed the wrong warrant to the FSSD Benefit Integrity and Recovery Section in accordance with OAC 340:65-9.

**INSTRUCTIONS TO STAFF 340:65-5-17**Revised 6-1-08

1. The worker submits a memo to the Finance Division requesting another warrant be issued to the disadvantaged client and stating that the warrant was cashed by another client due to Oklahoma Department of Human Services error.



**340:65-5-18. Warrant returned as undeliverable**Revised 6-1-08

The postal service returns to the Oklahoma Department of Human Services (OKDHS) Finance Division any undeliverable warrants in accordance with the return address printed on the envelope. ■ 1

**INSTRUCTIONS TO STAFF 340:65-5-18**Revised 6-1-08

1. (a) If an undeliverable warrant is returned in error to the local human service center (HSC), it is sent immediately to the Finance Division with Form 08FB016E, Authorization for Issuance and Disposition.  
(b) When the Finance Division receives a returned warrant, the BML transaction is updated to show the warrant was returned.  
(c) When the client requests reissuance of the warrant within 90 days and it shows returned on BML, the worker updates the BMU transaction to mail the warrant to the correct address.



**340:65-5-19. Warrants canceled by statute of limitation**Revised 6-1-08

Any warrant not presented for payment within 90 days of issuance is automatically canceled by statute of limitation. Section 41.19 of Title 62 of the Oklahoma Statutes restricts reissuance of any public or medical assistance warrant to within 36 months following the month of its cancellation. This restriction does not apply to warrants issued prior to February 1, 1992. The holder of such a canceled warrant may, within the 36 month period, submit the original warrant to the Oklahoma Department of Human Services (OKDHS) with a request for its reissuance.

(1) If the original warrant is not in the person's possession, Form 10AD044E, Affidavit of Lost or Destroyed Warrant, may be submitted in lieu of the actual warrant.

(2) If the holder of the canceled warrant is a corporation, a duly authorized agent of the corporation completes and signs Form 10AD044E or the Office of State Finance Form 20R, Warrant Replacement Request. The duly authorized agent must state on the form the title of the position he or she holds with the company.

(3) Requests for reissuance must be mailed to the Finance Division, P.O. Box 53308, Oklahoma City, OK 73152, where replacement warrants are processed monthly.



**340:65-5-20. Payment to estate of deceased recipient**Revised 6-1-08

(a) Sections 190 and 191 of Title 56 of the Oklahoma Statutes (56 O.S. §§ 190 and 191) provides for payments to the estate of a deceased client. If the client dies before the warrant is endorsed or presented for payment, the next of kin, next friend, or other reputable person must obtain a court order from the district court authorizing and directing such person to endorse the warrant before it can be cashed. No costs may be charged for court proceedings.

(1) The next of kin, next friend, or other reputable person requesting an endorsement of the warrant(s) due the deceased recipient may file an affidavit directly with the district court stating the name of the recipient, the date of his or her death, and the amount and number of warrants. The next of kin, next friend, or other reputable person may or may not have possession of the warrant(s).

(2) The next of kin, next friend, or other reputable person may also present unendorsed warrants to the local human services center (HSC) and request assistance in cashing them.

(A) The county director prepares Form 08MP023E, Notice to County Judge Regarding Deceased Recipient, and sends the original to the district judge and a copy to the Finance Division.

(B) Prior to completing this form, HSC staff must confirm the date of death of the recipient in order to establish eligibility for this payment. The warrant may be cashed only if the recipient was alive on the first day of the month for which the warrant was issued. ■ 1

(C) The first day of the month is considered to begin at 12:00 midnight.

(b) The district judge or his or her associate is responsible for determining whether to issue a court order based on the information presented. If applicable, a court order is made authorizing and directing the next of kin, next friend, or other reputable person to endorse the warrant and cash it without the signature of an administrator. The order covers all points set out as requirements in the law.

(c) In lieu of a court order, the district judge or his or her associate may make a notation directly on the warrant itself, specifying the name of the person authorized to endorse it.

(d) When the unendorsed warrant is returned to the Finance Division, it is only sent to the

next of kin, next friend, or other reputable person after Finance Division staff receives the original of the court order with that person's address included. ■ 2 Upon receipt of the judge's order and determination that its issuance conforms to the facts and the law, Finance Division staff mails the warrant directly to the person authorized to endorse it. The Director of the Oklahoma Department of Human Services handles any question regarding a refusal to release the warrant.

### **INSTRUCTIONS TO STAFF 340:65-5-20**

#### **Issued 6-1-08**

**1. (a) The Oklahoma Department of Human Services (OKDHS) is obligated to withhold payment on the warrant if it has reason to believe the recipient was not alive in the month for which the warrant was issued.**

**(b) Suggested documents human services center (HSC) staff may copy for the case record to confirm the recipient's date of death include:**

**(1) a copy of the recipient's death certificate;**

**(2) a copy of the death notice in a newspaper;**

**(3) a copy of the memorial service handout; or**

**(4) a statement from the attending physician.**

**2. When the Finance Division receives an unendorsed warrant to a deceased recipient, it is shown as returned on the BML transaction for the human services center (HSC). HSC staff advise the next of kin, next friend, or other reputable person who inquires about the warrant what procedures must be followed before the warrant can be released.**

**340:65-5-66. Substitute payee for the TANF Program**

Issued 6-1-08

When the head of the household is a minor, the Temporary Assistance for Needy Families (TANF) benefit may be issued to a substitute payee rather than the minor.

■ 1

**INSTRUCTIONS TO STAFF 340:65-5-66**

Issued 6-1-08

**1. (a) Substitute payees are used, when available, if the minor meets eligibility conditions at OAC 340:10-3-56(a)(3)(P).**

**(b) The worker enters in the Family Assistance/Client Services (FACS) Interview Notebook Case Information tab the name of the substitute payee in the "guardian, substitute payee, conservator, authorized representative, other" field and "substitute payee" in the "responsible person, or extra address" field.**

**(c) TANF benefits are issued by use of a MasterCard debit card or through direct deposit. The minor must call the Affiliated Computer Services (ACS) Customer Call Center at 1-888-401-9843 to request the substitute payee be made a secondary cardholder for the debit card. See OAC 340:65-3-6 for information about debit cards and direct deposit.**



**SUBCHAPTER 9. OVERPAYMENTS AND FRAUD IN TEMPORARY ASSISTANCE  
FOR NEEDY FAMILIES AND STATE SUPPLEMENTAL PAYMENT BENEFITS**

## Section

- 340:65-9-1. Scope and applicability
- 340:65-9-2. Overpayments by classification
- 340:65-9-3. Procedures for referring overpayments **[REVOKED]**
- 340:65-9-4. Fraud
- 340:65-9-5. Right to appeal
- 340:65-9-6. Development of repayment
- 340:65-9-7. Suspension of collection efforts
- 340:65-9-8. Termination of collection debt



**340:65-9-1. Scope and applicability**Revised 6-1-08

An overissuance or overpayment occurs when a household receives more benefits than it is entitled to receive. Overpayments may be classified as inadvertent client errors, agency error, willful misrepresentation, or intentional program violation (fraud).

(1) Instances which may result in referral for an overpayment determination include, but are not limited to: ■ 1

(A) the household:

(i) failed to provide the Oklahoma Department of Human Services (OKDHS) with correct or complete information;

(ii) failed to report changes in its circumstances; or

(iii) elected to receive benefits pending a fair hearing decision, which subsequently found the family ineligible or eligible for fewer benefits; or

(B) the worker:

(i) failed to take prompt action on a change reported by the household;

(ii) incorrectly computed the household's income, deductions, or both; or

(iii) incorrectly authorized issuance of benefits to a household; or

(C) any overissuance discovered as a result of a Quality Control Review.

(2) When the worker determines that an overissuance or overpayment has occurred, he or she documents the circumstances leading to the overpayment and computes the amount of the overpayment. Overpayments may cover the entire time the overissuance occurred.

(3) When the worker suspects fraudulent intent but has insufficient information to complete an overpayment, he or she sends Form 19MP019E, Referral Form, to the Office of the Inspector General (OIG). When OIG staff determines that an overpayment occurred, he or she documents and computes the overpayment amount. ■ 2

(4) Once the overpayment has been completed and notices sent, the overpayment is considered to be established. The establishment of an overpayment is made by the worker's supervisor or staff in the Family Support Services Division (FSSD) Benefit Integrity and Recovery Section. ■ 3 Notices sent include:

(A) Form 08AD012E, Notification of Overpayment, to the client; and

(B) Forms 08AD012E and 08OP025E, Chart of Temporary Assistance to Needy Families and State Supplemental Payment Overpayments, to the local HSC.

(5) The FSSD Benefit Integrity and Recovery Section postpones notification to the client by Form 08AD012E on cases referred for a judicial court decision until a court decision has been made.

(6) OIG staff may make a referral to the Legal Division Appeals Unit for an administrative disqualification hearing.

### **INSTRUCTIONS TO STAFF 340:65-9-1**

#### **Issued 6-1-08**

**1. (a) When the worker determines that an overissuance or overpayment has occurred, he or she documents the circumstances leading to the overpayment and computes the amount using the Oklahoma Program Integrity (OPI) system within 30 days of discovery. Documentation includes:**

**(1) the circumstances which caused ineligibility for benefits;**

**(2) monthly gross income and allowable monthly deductions including date employment began and receipt date of first check. THE EARNED INCOME DEDUCTION IS NOT ALLOWED IN DETERMINING THE OVERPAYMENT AMOUNT WHEN A RECIPIENT FAILS TO REPORT EARNED INCOME IN A TIMELY MANNER;**

**(3) unearned income and receipt date of first payment;**

**(4) resources which exceeded allowable standards and amount of highest known resource during the overpayment period;**

(5) the exact date the worker learned that a possible overpayment occurred, the months and years in which there was complete ineligibility, and those months in which there was partial ineligibility; and

(6) a specific statement whether the overpayment was a result of client or agency error in accordance with OAC 340:65-9-2.

(b) The OPI system retrieves paid benefits information and calculates the overpayment amount based on information provided by the worker.

2. Office of Inspector General (OIG) staff documents the circumstances leading to the overpayment and computes the amount using the OPI system.

3. Prior to completion, the overpayment is shown in pending status in OPI. The establishment of an overpayment is made by the worker's supervisor or staff in the Family Support Services Division (FSSD) Benefit Integrity and Recovery Section within the OPI system.

(1) The worker and supervisor establish any overpayment under \$500 due to inadvertent client error and any agency error overpayment regardless of the amount.

(2) FSSD Benefit Integrity and Recovery Section staff establish all overpayments \$500 and over not due to agency error, all overpayments discovered by OIG, and all overpayments due to willful misrepresentation or intentional program violation after OIG makes a determination regarding fraudulent intent. The supervisor in the human services center (HSC) may refer clients suspected of willful misrepresentation debts that are less than \$500 to the FSSD Benefit Integrity and Recovery Section through OPI.

(3) OPI forwards pending overpayments that are not established by HSC staff to the FSSD Benefit Integrity and Recovery Section. FSSD Benefit Integrity and Recovery Section staff review these overpayments and, if appropriate, forward them for investigation to OIG through the OPI system. Once OIG staff completes the investigation, the overpayment is sent back to the FSSD Benefit Integrity and Recovery Section through OPI to establish the overpayment.



**340:65-9-2. Overpayments by classification**

Revised 6-1-08

(a) **Overpayments classified as inadvertent client error.** An overpayment is classified as an inadvertent client error if the overissuance is caused by a misunderstanding or unintended error on the part of the household. Instances of inadvertent client error which may result in an overpayment include, but are not limited to, when the household unintentionally:

- (1) fails to provide the Oklahoma Department of Human Services (OKDHS) with correct or complete information;
- (2) fails to report changes in household circumstances; or
- (3) receives benefits or more benefits than it was entitled to receive pending a fair hearing decision.

(b) **Overpayments classified as agency error.** An overpayment is classified as an agency error if the overissuance is caused by OKDHS action or failure to take action. Instances of agency error which may result in an overpayment include, but are not limited to, when OKDHS staff:

- (1) fails to take prompt action on a change reported by the household;
- (2) incorrectly computes the household's income or deductions, or otherwise assigns an incorrect benefit amount;
- (3) incorrectly issues benefits to a household, including errors caused by overall updates; or
- (4) incorrectly applies policy or procedures.

(c) **Overpayments classified as willful misrepresentation.** Overpayments classified as willful misrepresentation result from deliberate concealment of information which, had it been reported, would have initiated case closure or benefit reduction. Willful misrepresentation may be oral or written and may include under reporting of the amount of income or resources or other pertinent information. Debts classified as willful misrepresentation may change in the event they are referred for judicial prosecution or administrative disqualification hearing.

(1) When the human services center (HSC) receives Form 08AD012E, Notification of Overpayment, on debts classified as willful misrepresentation, but not referred to the Office of Inspector General (OIG), the worker contacts the client and requests the client to voluntarily sign Form 08OP002E, Affidavit of Acknowledgment of Indebtedness. If the client refuses to sign Form 08OP002E, his or her eligibility is not affected.

(2) If the client voluntarily signs Form 08OP002E and owns real property other than the declared home property, the worker files the signed form with the county clerk of the county in which the real property is located. Filing Form 08OP002E with the county clerk places a lien on the real property. ■ 1

(d) **Overpayments classified as intentional program violation (fraud).** An overpayment is classified as intentional program violation when it is determined that a client has intentionally given false information or withheld facts in order to receive benefits. This determination is made through an administrative disqualification hearing, signing Form 08OP016E, Administrative Disqualification Hearing Waiver, or by judicial court decision.

## **INSTRUCTIONS TO STAFF 340:65-9-2**

### **Revised 6-1-08**

1. (a) **Before filing Form 08OP002E, Affidavit of Acknowledgment of Indebtedness, the worker checks the legal description of the property to ensure it conforms with the property deed. After filing, the worker sends the original and one copy of the signed Form 08OP002E to the Family Support Services Division (FSSD) Benefit Integrity and Recovery Section. The remaining copies are filed in the case record.**

(b) **Refer also to OAC 340:65-9-4 and Instructions to Staff.**

(c) **When the debt is paid in full, the FSSD Benefit Integrity and Recovery Section or the Legal Division prepares a "Release of State's Lien" and mails it to the appropriate county clerk for filing. The FSSD Benefit Integrity and Recovery Section mails a copy of the release of lien to the client or other concerned party.**

**340:65-9-4. Fraud**

Revised 6-1-08

(a) The term fraud is defined as an intentional false representation of a truth or matter of fact, whether by words or conduct, false or misleading allegations, or concealment of that which should have been disclosed, for the purpose of inducing another to part with something valuable or surrender a legal right. The penalty for fraud is provided in the Oklahoma Social Security Act, Section 185 of Title 56 of the Oklahoma Statutes. Under the statutes, only courts can determine guilt and impose a legal penalty.

(b) The Family Support Services Division (FSSD) Benefit Integrity and Recovery Section staff refers client error overpayments of \$500 or more to the Office of Inspector General (OIG) for a determination of fraud and whether judicial court action is feasible.

■ 1

(c) Workers make a referral directly to OIG using Form 19MP001E, Referral Form, when there is not sufficient information to calculate an overpayment or it involves a state employee or his or her relatives. OIG staff submits their findings to FSSD Benefit Integrity and Recovery Section for final calculation and establishment of the overpayment.

(1) Overpayments classified as fraud are intentional program violations that have been referred for judicial prosecution or administrative disqualification hearing and, as a result, have been determined as fraudulent. Clients with overpayments classified as fraud are subject to the actions described (A) through (C) of this paragraph.

(A) **Notification.** Form 08AD019E, Program Penalty/Disqualification Notice, is sent to the penalized Temporary Assistance for Needy Families (TANF) client. Form 08AD019E informs the TANF client of a 25% payment standard reduction penalty.

(B) **Penalty period.** A TANF client is penalized with a 25% payment standard reduction for 12 months for the first violation, 24 months for the second violation, and permanently for the third violation.

(C) **Penalty effective date.** The 25% payment standard reduction penalty begins the date shown on Form 08AD019E. Once the payment standard reduction penalty begins, it runs continuously until the end of the period imposed.

(2) If the case is prosecuted, OIG notifies the human services center (HSC) and the FSSD Benefit Integrity and Recovery Section of the disposition of the case. If the court finds the client guilty, the court may order a fine, restitution, imprisonment, or any combination of the three. The Oklahoma Department of Human Services (OKDHS) abides by the court decision. ■ 2

(3) Court-ordered restitution does not relieve the client of any overpayment amount in excess of that judgment.

(A) If the client defaults on court-ordered restitution, the sentence may be accelerated.

(B) If the sentence is accelerated and the client serves a prison term, serving the prison term does not satisfy repayment of the monetary portion of the debt. At that point the debt may be subject to civil prosecution.

(C) The fact that a client is making restitution payments does not relieve the client of the obligation to sign Form 08OP002E, Affidavit of Acknowledgment of Indebtedness. Home property and personal property are exempt from this process. A lien may also be filed on declared real property if Form 08OP002E indicates property is owned. ■ 3

(4) If OIG releases the case without a court decision or Form 08OP016E, Administrative Hearing Disqualification Waiver, signed by the client, the FSSD Benefit Integrity and Recovery Section proceeds to collect the debt. In some instances, OIG discovers additional information that will affect the overpayment. The OIG gives this information to the FSSD Benefit Integrity and Recovery Section so they can adjust the overpayment.

## **INSTRUCTIONS TO STAFF 340:65-9-4**

### **Revised 6-1-08**

- 1. The Family Support Services Division (FSSD) Benefit Integrity and Recovery Section makes referrals to the Office of Inspector General (OIG) using the Oklahoma Program Integrity (OPI) system.**
- 2. (a) Oklahoma Department of Human Services (OKDHS) staff MUST NOT discuss the overpayment with the client until court action is completed or the FSSD Benefit Integrity and Recovery Section notifies the local human services center (HSC) of any action to be taken. Local staff forwards further**

information or directs client inquiries to the FSSD Benefit Integrity and Recovery Section or OIG.

(b) The court may stipulate a repayment plan. The repayment plan cannot be renegotiated. The Office of the Inspector General (OIG) staff may refer the case back to the district attorney's office if the client fails to comply with the repayment plan.

- 3.** Filing Form 08OP002E, Affidavit of Acknowledgment of Indebtedness, with the county clerk places a lien on the real property. Before filing Form 08OP002E, the worker checks the legal description of the property to ensure it conforms with the property deed. After filing, the worker sends the original and one copy of Form 08OP002E to the FSSD Benefit Integrity and Recovery Section. The remaining copies are filed in the case record. In all other situations, if the client voluntarily signs Form 08OP002E, the worker sends the original and one copy of the signed Form 08OP002E to the FSSD Benefit Integrity and Recovery Section and files the remaining copies in the case record.



**340:65-9-5. Right to appeal**

Revised 6-1-08

If there is a disagreement with the overpayment decision and the client has not signed Form 08OP16E, Administrative Disqualification Hearing Waiver, the household may request a fair hearing within 30 days of the date on Form 08AD012E, Notification of Overpayment. ■ 1

**INSTRUCTIONS TO STAFF 340:65-9-5**

Revised 6-1-08

1. When the client disputes the overpayment decision, the client and worker complete Form 13MP001E, Request for a Fair Hearing. The worker also completes Form 13MP002E, Hearing Summary, and provides all necessary information for the hearing. The Family Support Services Division (FSSD) Benefit Integrity and Recovery Section staff is available as needed. See OAC 340:2-5 for fair hearing procedures.



**340:65-9-6. Development of repayment**

Revised 6-1-08

(a) **Repayment of established overpayments.** Households must make repayment on all established overpayments regardless of the reason for the overpayment. Family Support Services Division (FSSD) Benefit Integrity and Recovery Section initiates collection efforts against all adult household members who were included in the benefit at the time the overpayment occurred except those who are deceased. Collection may be received from two separate households for the same claim. The FSSD Benefit Integrity and Recovery Section sends the client Form 08AD012E, Notification of Overpayment, that explains the acceptable methods of repayment for the debt classification. ■ 1

**(b) Repayment options.**

(1) **Payment in full.** The client may repay an overpayment in one lump sum by personal check, money order, or cashier's check.

(2) **Monthly payments.** The client may repay an overpayment in regular monthly installments by personal check, money order, or cashier's check.

**(3) Benefit reduction.**

(A) **Agency error.** The FSSD Benefit Integrity and Recovery Section processes a 10% reduction in the client's monthly allotment.

(B) **Inadvertent client error, willful misrepresentation.** The FSSD Benefit Integrity and Recovery Section processes a 10% reduction in the client's monthly allotment.

(C) **Fraud.** The FSSD Benefit Integrity and Recovery Section processes a 10% reduction in the client's monthly allotment as well as the 25% payment standard reduction penalty for Temporary Assistance for Needy Families (TANF) benefits.

**(4) Recoupment.**

(A) The recoupment rate cannot be changed unless the overpayment or the benefit received by the client is less than the recoupment amount. If the benefit amount is less than the recoupment amount specified, a benefit is not issued; however, the case remains active and a medical card is issued. The client may

request recoupment not be initiated if a fair hearing regarding the overpayment is filed within 30 calendar days of the issuance date of the Form 08AD012E.

(B) When recoupment is initiated or terminated, the client is notified by a computer-generated notice of the new warrant amount and its effective date.

## INSTRUCTIONS TO STAFF 340:65-9-6

### Revised 6-1-08

#### 1. (a) Human services center (HSC) procedures for maintaining cases with established overpayments.

(1) Upon notification by Family Support Services Division (FSSD) Benefit Integrity and Recovery Section of the establishment of a debt, the case record is marked with "DO NOT DESTROY." The case is maintained in the active case files until the debt is paid in full. Restitution cases are never destroyed.

(2) Until the overpayment is paid in full, the case record must have an OVERPAYMENT SECTION in the working case that includes:

(A) a copy of the original referral memorandum or a copy of the Case Comments in the Oklahoma Program Integrity (OPI) system;

(B) Form 08OP025E, Chart of Temporary Assistance to Needy Families and State Supplemental Payment Overpayments;

(C) any documentation and verification used to determine the overpayment; and

(D) completed forms that established the overpayment, including the copy of Form 08AD012E, Notification of Overpayment, that was sent to the client.

(3) It is recommended that the HSC have a system for identifying Temporary Assistance for Needy Families (TANF) households that are assessed with a payment standard reduction 25% penalty income.

(b) Types of repayment.

(1) **Recoupment.** Recoupment is coded by the OPI system at the time the client is notified of the overpayment. Form 08AD012E advises the client of any change in benefits at the beginning and end of the recoupment process. The person responsible for repayment is the payee of the case and any other adult who was included in the benefit at the time the overpayment occurred.

(2) **Monthly payments.** Repayment of an overpayment may be made in one lump sum by personal check, money order, or cashier's check. Payment may be submitted any date after the overpayment is established. Clients are instructed not to send cash through the mail. The HSC or FSSD may accept cash if it is impossible for the client to make payments by personal check, money order, or cashier's check. A receipt is given to the client if cash payment is received. Any money received is sent to the Oklahoma Department of Human Services Finance Division, P.O. Box 53306, Oklahoma City, OK 73152-9116.

(c) **Collection notice.** Monthly statements are computer-generated on approximately the 20<sup>th</sup> day of each month. The information contained on these statements includes:

- (1) statement date;
- (2) client identification number;
- (3) overpayment case number(s);
- (4) client name and address;
- (5) new overpayment amounts;
- (6) itemized payment amount, payment dates, and new overpayment amounts since the last billing cycle;
- (7) billing date;
- (8) account balance; and
- (9) overpayment balances by program.

(d) HSC staff notifies the FSSD Benefit Integrity and Recovery Section of any address change or case number assignment for a client having an established overpayment.

**340:65-9-7. Suspension of collection efforts**

Revised 6-1-08

(a) The Family Support Services Division (FSSD) Benefit Integrity and Recovery Section suspends collection notice on cases no longer receiving benefits when the:

- (1) head of household is deceased and there are no remaining household members responsible for the overpayment;
- (2) household cannot be located;
- (3) cost of further collection action is likely to exceed the amount that can be recovered; or
- (4) client notifies the FSSD Benefit Integrity and Recovery Section, that bankruptcy proceedings have been initiated.

(b) FSSD Benefit Integrity and Recovery Section may begin collection actions held in suspension based on changes in household circumstances. The FSSD Benefit Integrity and Recovery Section initiates reduction in the benefit if the client reapplies and becomes eligible in the future.



**340:65-9-8. Termination of collection of debt**

Revised 6-1-08

In the case of repayment in full, the household is notified by a monthly overpayment account statement showing a zero balance owed or Form 08AD012E, Notification of Overpayment, that the debt has been satisfied. ■ 1

**INSTRUCTIONS TO STAFF 340:65-9-8**

Revised 6-1-08

**1. (a) Collection statements are suspended:**

**(1) when the Family Support Services Division (FSSD) Benefit Integrity and Recovery Section is unable to locate any responsible household member;**

**(2) after the monthly account statement is returned by the United States Postal Service; or**

**(3) by a decision of FSSD Benefit Integrity and Recovery Section staff.**

**(b) When the client requests a fair hearing, Legal Division staff enters information in the Oklahoma Program Integrity (OPI) system to suspend recoupment procedures. The Finance Division reimburses any collected recoupment if the appeal is found in favor of the client.**

**(c) Upon notification by FSSD Benefit Integrity and Recovery Section of the establishment of debt, HSC staff labels the case record with "DO NOT DESTROY."**

**(1) The case is maintained in the active case files until repayment has been made in full. The worker checks the OPI system to determine whether the overpayment has been paid in full before destroying a case record.**

**(2) Upon receipt of this information, HSC staff pulls the case record, removes the "DO NOT DESTROY" label, and handles the case in the usual manner.**