



A Tradition of Stewardship
A Commitment to Service

NAPA COUNTY HEALTH AND HUMAN SERVICES AGENCY
Self Sufficiency Services Division

<p><u>POLICY AND PROCEDURE:</u></p> <p>Supportive Service Overpayments</p> <p><u>REVIEW FREQUENCY:</u> Every two years</p> <p>POLICY # 2000601-2031-19</p> <p><u>DISTRIBUTION:</u></p> <p><input checked="" type="checkbox"/> Employment Services <input checked="" type="checkbox"/> Eligibility Services <input checked="" type="checkbox"/> Quality Mgmt</p>	<p>EFFECTIVE DATE: May 30, 2019</p> <p>ORIGINAL DATE OF ISSUE: May 30, 2019</p> <p>LAST REVISION DATE: September 24, 2019</p> <p>APPROVAL: <u>Joana Bautista</u> 10/11/19 Eligibility Services Manager Date</p> <p>APPROVAL: <u>Teresa Brown</u> 10/4/19 Employment Services Manager Date</p> <p>APPROVAL: <u>Lynne Perry</u> 10/14/19 SSSD Deputy Director Date</p> <p>APPROVAL: <u>Quinn L. ...</u> 10-14-19 HHSA Director Date</p>
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POLICY STATEMENT:

It is the policy of the Napa County Health and Human Services Agency (NCHHSA), Self Sufficiency Services Division (SSSD) to issue ancillary and transportation supportive services correctly and timely to ensure Welfare-to-Work (WTW) and Cal-Learn (CL) participants can fully participate in their assigned activities. Further, it is the policy of SSSD to detect all overpayments and correct the case data immediately to prevent continuation of erroneous payments.

ADMINISTRATION:

- Accounting Assistant
- Eligibility Specialist (EW)
- Employment Services Worker (ESW)

DEFINITIONS:

None

END OF POLICY

PROCEDURE

I. Identifying Supportive Service Overpayments

- A. Supportive Service Overpayments may occur when any of the following occur:
 - 1. An advancement is more than an actual cost.
 - 2. Participant fails to provide a paid receipt showing the supportive service was spent.
 - 3. Participant fails to attend the activity for which the supportive service was needed.
 - 4. Result of a fair hearing decision.
 - 5. Participant was ineligible for services received.
 - 6. Participant was determined to have committee fraud.
- B. When the ESW has determined that an overpayment exists, the ESW shall calculate the amount of the overpayment and determine the appropriate method of recovery.
- C. When the ESW suspects that the overpayment may be due to potential fraud, a fraud referral shall be sent to the Special Investigations Unit (SIU).
- D. The ESW shall initiate recovery within thirty (30) calendar days of the date the overpayment is first discovered.

II. Recovery Methods

- A. The method of recovery that results in the maximum recovery without interfering with program participation shall be used.
- B. Overpayments can be adjusted against future supportive services while the participant continues to be aided and receive supportive services.
 - 1. Participant caused overpayments are adjusted by a maximum of ten percent (10%) of subsequent supportive services.
 - 2. Administrative caused overpayments are adjusted by a maximum of five percent (5%) of subsequent supportive services.
 - 3. Participants may choose to repay the overpayment at a higher percentage.
- C. When a participant is no longer participating and/or no longer receiving supportive services, then the ESW seeks to establish a repayment agreement with the participant if a repayment agreement is not already on file and still valid.
 - 1. ESW shall obtain the WTW 12 – WTW/CL Supportive Service Repayment Agreement.
- D. When a participant has both an overpayment and an underpayment, the ESW may offset one against the other
- E. When a participant discontinues from CalWORKs (CW), any outstanding overpayment less than \$250 shall not be pursued.
 - 1. If the overpayment is the result of fraud, the county shall attempt to recover the overpayment regardless of the amount.
- F. If a participant comes back on CalWORKs, and there is still an outstanding overpayment, the ESW shall again pursue repayment of the supportive service.
- G. A participant shall be allowed to revoke a repayment agreement incorporating CW grant adjustment at any time and enter into a new repayment agreement.
- H. When a participant becomes a member of another assistance unit (AU), recoupment of overpayments will be made against the participant or their present AU, or both.

III. Setting Up Repayment Amounts

- A. If the participant does not return the WTW 12 within ten (10) days or refuses to enter into a repayment agreement, and is still participating in WTW/CL, the ESW shall set up percentage based repayments on future supportive service payments:
 - 1. Participant caused overpayments shall have ten percent (10%) of the total supportive service payment used to repay the overpayment
 - 2. Administrative caused overpayments shall have five percent (5%) of the total supportive service payment used to repay the overpayment.
- B. If the participant does not return the WTW 12 within ten (10) days and is no longer participating in WTW/CL, the overpayment will be set up to recoup against future payments.
- C. If the participant returns the WTW 12 within ten (10) days, the ESW will set up repayments as chosen by the participant.
 - 1. Cash payments should be referred to eligibility reception to be processed.
 - 2. If the participant requests to start payment at a later date, the ESW shall set a task to set up recovery as of that date.
 - 3. If participant indicates that payments can be made with a set amount (\$5, for example), then the supportive service may be reduced by that amount each time it is issued until the overpayment is paid off.
 - 4. If participant agreed to have payments taken from their CW grant, email the EW information about recovery account and instruct the EW to set task for adjustment of EDBC. Inform EW of the amount participant agreed to have removed from CW grant each month.
 - a. Grant adjustment can only start during a reporting period. If the participant would like the grant adjustment to start immediately, the CW 2217 – CalWORKs Request for Voluntary Payment will need to be completed.
 - b. EW will review the grant adjustment notice of action to ensure proper notification of grant adjustment is made.

IV. ESW Actions

- A. ESW shall take all reasonable steps to promptly correct overpayments of supportive services within thirty (30) calendar days.
- B. To set up a supportive service overpayment the ESW will:
 - 1. Identify the amount and type of overpayment.
 - 2. Set up a recovery account in C-IV to allow for tracking of payments. Refer to Section V.
 - 3. Complete the WTW 11 – WTW/CL Supportive Service Overpayment Notice
 - a. Image and index into C-IV
 - 4. Complete two copies of the WTW 12 – WTW/CL Supportive Service Repayment Agreement.
 - a. One copy is for the participant to complete and return. Second copy is for the participant to retain for their records.
 - 5. Mail the WTW 11 and WTW 12 with a CW 2200 – Request for Verification requiring a return of the WTW 12 in ten (10) days.
 - a. Include a postage paid return envelope.
 - 6. Set a task in C-IV for ten (10) days from the date of notice to determine repayment terms based upon return of WTW 12.
 - 7. Document all actions taken in the C-IV Journal. Documentation should include at minimum:
 - a. Period of time the overpayment was for

- b. Amount(s) Issued
 - c. Correct Amount(s)
 - d. Amount of Overpayment
 - e. Reason for Overpayment
 - f. Recovery Account Number
 - g. WTW 11 sent
 - h. WTW 12 sent and required return date
8. Review WTW 12 to determine if returned and to identify repayment method. Refer to Section III.
- a. Sign and date the completed WTW 12 if repayment method is approved.
 - b. Image and index the signed and dated WTW 12
 - c. Send the signed and dated WTW 12 to the participant.
9. Forward the WTW 12 to the Accounting Assistant in Fiscal who will set up future supportive service payments in C-IV based on repayment method. Refer to Section VI.
- a. Send the NA 828 – Transportation and Ancillary Expense Overpayment Notice of Action when an adjustment is made to current supportive service transactions.
 - 1) Each time a supportive service is reduced to collect an overpayment, the participant will need to be notified with the NA 828.
- C. When the overpayment has been paid in full, the ESW shall send the WTW 13 - WTW/CL Supportive Service Overpayment Final Notice.
- D. A new WTW 12 – WTW/CL Supportive Service Repayment Agreement shall be sent to the participant at the following times:
- 1. Participant enrolls in a new activity and has a new supportive service plan
 - 2. Participant requests to change their repayment agreement.
 - 3. Participant fails to pay as agreed
 - 4. CalWORKs discontinues
 - 5. Participant is no longer in WTW or CL
- E. CalWORKs Discontinuance
- 1. ESW shall send the WTW 13 – Overpayment Final Notice when the CW program discontinues.
 - a. A WTW 12 shall be included.
- F. Participant Return to CalWORKs
- 1. ESW shall send the WTW 13 – Overpayment Final Notice with the WTW 12 when the participant returns to CW and WTW.
 - a. ESW shall provide the CW 2200 – Request for Verification providing the participant ten (10) days to return the WTW 12.

V. Setting up a Recovery Account in C-IV

Step	Action
1.	Place the cursor over Fiscal in the Global navigation bar.
2.	Click Collections in the Local navigation bar.
3.	Click Create External Recovery Account in the Task navigation bar.
4.	On the Recovery Account Detail page: <ul style="list-style-type: none"> a) Click the Case Number Select button.

Step	Action
5.	<p>On the Select Person page:</p> <ol style="list-style-type: none"> a) Enter the search criteria for the person. b) Click the Search button. c) Click the radio button next to the appropriate name. d) Click the Select button. <p>Note: The Select Case page will appear when the person is associated to more than one case in the C-IV System.</p>
6.	<p>On the Recovery Account Detail page:</p> <ol style="list-style-type: none"> a) Select Welfare-to-Work from the Program Type drop-down box. b) Enter the date the WTW 11/12 was sent in the Discovery Date text box. c) Click the Assigned To Select button if appropriate.
7.	<p>On the Recovery Account Detail page:</p> <ol style="list-style-type: none"> a) Select a WTW – Ancillary or WTW - Transportation from the Cause drop-down box. b) Select Other from the Reason drop-down box c) Select No from the Is this an ICT drop-down box. d) Select None from the Investigations drop-down box. e) Click the Add button for Persons in the Responsible Party section if the responsible party for the recovery account is a person. <p>OR</p> <p>Click the Add button for Resources in the Responsible Party section.</p>
8.	<p>On the Responsible Party Detail page:</p> <ol style="list-style-type: none"> a) Click the Select button.
9.	<p>On the Select Person or Select Resource page:</p> <ol style="list-style-type: none"> a) Enter the search criteria. b) Click the Search button. c) Click the radio button next to the appropriate person. d) Click the Select button. <p>Note: The Select Case page will appear when the person is associated to more than one case in the C-IV System.</p>
10.	<p>On the Responsible Party Detail page:</p> <ol style="list-style-type: none"> a) Select a <Status> from the Status drop-down box if necessary. b) Change Tax Intercept to No c) Click the Save and Return button.
11.	<p>On the Recovery Account Detail page:</p> <ol style="list-style-type: none"> a) Include case comments with the following minimum information: <ul style="list-style-type: none"> • Overpayment reason • Overpayment date(s) • Amount(s) of overpayment a) Click the Save and Continue button.

Step	Action
12.	<p>On the Overpayment Detail page:</p> <ul style="list-style-type: none"> a) Select a <Benefit/Service Month> from the Benefit/Service Month Calendar icon. This is listed on the WTW 11. b) Select an <Aid Code> from the Aid Code drop-down box. <ul style="list-style-type: none"> ❖ Select the aid code that the case was under when the funds were originally issued. c) Enter the <Original Payment> in the Original Payment text box. d) Enter the <Correct Payment> in the Correct Payment text box. e) Click the Save and Return button.
13.	<p>Inform a supervisor of the need for the supervisor to complete the next step</p> <p>On the Recovery Account Detail Page a supervisor must:</p> <ul style="list-style-type: none"> a) Update the Status and Status Reason to Active b) Click the Save and Return button. <p><i>*Once the OP is active, payments can be linked to the Recovery Account and the Current Balance will update as payments are made.</i></p>
14.	<p>On the Overpayment Summary page:</p> <ul style="list-style-type: none"> a) Click the Add O/P button if you need to add additional overpayments. <p>OR</p> <p>Click the Close button.</p>

VI. Adjusting Supportive Service Payment for Overpayments in C-IV

- A. ESW will review to determine if a supportive service overpayment is still outstanding and that the repayment method includes repaying from future supportive services.
 - 1. If yes, ESW will create the Ancillary or Transportation payment request as normal. After clicking close, the ESW will email the Accounting Assistant in Fiscal to notify them that a payment adjustment must be made.
- B. The Accounting Assistant will:
 - 1. From the **Payment Request Detail** page click the **Adjust** button.
 - 2. On the **Payment Request Adjustment Summary** page click **Edit** and select **Recovery Account** from the **Adjustment Reason** drop down menu and click **Select** to enter the **Case Number** or **Recovery Account Number** (if searching by **Recovery Account Number**, change the drop down menu as it defaults to a **Case Number** search) and click **Search**.
 - 3. To ensure that too much is not taken out, click the **Recovery Account Number** hyperlink to check on the **Current Balance**. Click **Close** to be taken back to the previous screen.
 - 4. Click the appropriate radio button and click **Select** to return to the **Payment Request Adjustment Summary** page. Enter the **Adjustment** amount (do not deleted the “-” when entering the amount) and click **Add** and **Save and Return** to be returned to the **Payment Request Detail** page. Click **Save** and **Approve**.

REFERENCES:

ACL [91-05](#) – Supportive Services Overpayment Policy Questions and Answers
ACL [18-134](#) – Diaper Implementation Q&A
MPP [42-751](#)

FORMS

CW 2200 – Request for Verification
CW 2217 – CalWORKs Request for Voluntary Payment
NA 828 – Transportation and Ancillary Expense Overpayment Notice of Action
WTW 11 – WTW/CL Supportive Service Overpayment/Underpayment Notice
WTW 12 – WTW/CL Supportive Service Repayment Agreement
WTW 13 – WTW/CL Supportive Service Overpayment Final Notice

CONTACT PERSON(S):

Shanna Gardner, Staff Services Analyst

END OF PROCEDURE

REVISION HISTORY:

Revision	Date	Description of Change	Requested By
0.0	05-30-19	New Procedure Created. Released in 60 day working draft.	S. Gardner, SSA
0.1	09-24-19	Released as final. No significant changes from working draft.	S. Gardner, SSA