

90-600.06. OVERPAYMENTS

A. General This section provides instructions for handling overpayments in the GR Program.

B. Definition An overpayment occurs when an applicant/recipient is eligible for aid, but the amount of aid paid exceeds the amount to which he/she was eligible, or the applicant/recipient receives aid when eligibility does not exist.

If ...	Then ...
ineligibility occurs during the month,	there is no overpayment month, as long as eligibility existed on the first day of the month or beginning date of aid.
the case is not discontinued at the end of the month or certified period in which ineligibility occurs and ineligibility continues,	the following months are overpaid. The determination of an overpayment shall be documented in the Case Comments.

C. Policy All overpayments are to be recouped by reducing the grant by 10% per month. This shall apply to both active and reopened cases, and is subject to GR Hearing procedures. Timely notice is required prior to grant reduction.

D. When Overpayments Occur Overpayments may occur because of one or more of the following through:

- administrative error by the worker in failing to accurately determine eligibility or grant amount at intake
- administrative error by the worker in failing to close an ongoing case when eligibility no longer exists
- administrative error when the recipient receives APP and then loses their appeal
- recipient's failure to disclose reasonable anticipated income or resources at intake
- recipient's failure to meet his reporting responsibility upon receipt of income or resources and the case continues

Continued on next page

90-600.06. OVERPAYMENTS, Continued

**When Over-
payments
Occur**
(continued)

- recipient's willful intent to defraud (for example, applies for and receives aid under different names or different cases).

GRPG Letter #73 (1/14)

**E.
Recovery
Period**

The time limit on the period over which an overpayment may be recouped by grant adjustment is three years from the date of discovery of the overpayment. When the recipient remains eligible for GR, an overpayment recoupment may be spread over several months, even if there has been a substantial break in aid, but not exceeding three years.

Example: An employable married couple applies for and receives GR of \$413 per month during January and February. On February 13, it is discovered that the couple was ineligible for GR during February because of the receipt of UIB which started the latter part of January. The couple reapplies for GR in October. They have repaid \$100 of the overpayment to ORR. The \$313 balance may then be recouped by grant reduction through February 14 three years after discovery.

GRPG Letter #73 (1/14)

**F.
Procedure for
Ongoing
Cases**

The worker must complete a NOA/Budget Form and an Overpayment/Underpayment form (11-57 HHS) for each overpayment occurrence, to be imaged in the case folder. The overpayment shall continue to be recouped until fully offset by grant adjustment or until the case closes.

**G.
Procedure for
Closed Cases**

The worker must complete an Overpayment/Underpayment form (11-57 HHS) and a Statement of General Relief Paid (Form 11-4 HHS) ([Appendix C](#)), which reflects the full amount of overpayments caused by other than administrative error. The 11-4 HHS is sent to ORR for collection.

Willful overpayments of \$600 or more are to be referred to PAFD. Follow directions in [GRPG 90-600.8](#).

Continued on next page

90-600.06. OVERPAYMENTS, Continued

H. Procedure for Reopening Prior Closed Case

If an overpayment has occurred or has not been fully repaid on a prior closed case and the case subsequently reopens, the grant adjustment shall be continued. In those cases, the worker will follow the actions in the table below.

Step	Action						
1	Issue the initial aid payment. Note: The initial aid payment may be reduced if at reapplication, prior to issuance of the initial aid payment the worker follows the procedures in Steps 2 through 5.						
2	Determine if there was a previous overpayment by reviewing the following in the imaged case record: <ul style="list-style-type: none"> • Form 11-4 HHSA • Prior budgets • Form 11-57 HHSA. 						
3	Send form 11-102 HHSA to ORR (Mail Stop D-60) to request current overpayment information. <table border="1" data-bbox="537 1052 1399 1243"> <thead> <tr> <th>If an ORR account ...</th> <th>Then ...</th> </tr> </thead> <tbody> <tr> <td>is not opened or the account is not in arrears,</td> <td>there is no overpayment to be recouped.</td> </tr> <tr> <td>exists and it is in arrears,</td> <td>an overpayment exists and recoupment shall be initiated.</td> </tr> </tbody> </table>	If an ORR account ...	Then ...	is not opened or the account is not in arrears,	there is no overpayment to be recouped.	exists and it is in arrears,	an overpayment exists and recoupment shall be initiated.
If an ORR account ...	Then ...						
is not opened or the account is not in arrears,	there is no overpayment to be recouped.						
exists and it is in arrears,	an overpayment exists and recoupment shall be initiated.						
4	Issue a timely NOA that informs the recipient of the previous overpayment and that the next payment or ongoing grant will be adjusted to recoup the outstanding overpayment.						
5	Document in Case Comments that an overpayment exists which requires grant reduction.						