

ADMINISTRATIVE PROCEDURES MANUAL

CHAPTER CONTENTS

Section		Page
112	FRAUD CONTROL	M-1
112-1	DEFINITION OF FRAUD	M-1
	A. FOOD STAMP PROGRAM.....	M-1
	B. CASH ASSISTANCE PROGRAMS.....	M-2
	C. MEDICAID PROGRAMS.....	M-2
112-2	PURPOSE AND SCOPE OF THE FRAUD CONTROL UNIT	M-3
112-3	TYPES OF INVESTIGATIONS	M-3
	A. EARLY FRAUD DETECTION (EFD).....	M-3
	B. POST CERTIFICATION INVESTIGATIONS.....	M-4
112-4	REFERRAL OF SUSPECTED FRAUD CASES.....	M-4
	A. EARLY FRAUD DETECTION REFERRALS.....	M-4
	1. COMPLETING AN EARLY FRAUD DETECTION REFERRAL: GEN97A	M-5
	2. COMPLETING THE EARLY FRAUD FINDINGS REPORT GEN97B1:	M-6
	3. COMPLETING THE ACTION TAKEN AS A RESULT OF EFD FINDINGS GEN97B2:	M-7
	B. POST CERTIFICATION INVESTIGATION.....	M-8
	C. FRAUD REFERRALS FROM QUALITY ASSESSMENT	M-11
112-5	CLIENT CONFERENCE	M-11
112-6	WAIVER OF ADMINISTRATIVE DISQUALIFICATION HEARING	M-11
112-7	INTENTIONAL PROGRAM VIOLATION PENALTIES.....	M-12
112-8	ADMINISTRATIVE DISQUALIFICATION HEARINGS.....	M-13
112-9	DEPARTMENT OF LAW, OFFICE OF SPECIAL PROSECUTIONS AND APPEALS.....	M-14
112-10	CLAIMS UNIT ROLE	M-14
	A. DISQUALIFIED INDIVIDUAL FOR IPV	M-14
	B. ESTABLISHING AND COLLECTING FRAUD CLAIMS.....	M-15

ADMINISTRATIVE PROCEDURES MANUAL

112 FRAUD CONTROL

Fraud control investigations focuses on allegations of Food Stamp, Alaska Temporary Assistance, Adult Public Assistance, and Medicaid applicant and recipient fraud. When the caseworker or Quality Assessment (QA) reviewer suspects the client is intentionally withholding information or provides incorrect information to gain access to public assistance benefits, to increase benefits, or prevent a reduction in benefits, including ending benefits, the caseworker makes a referral to the Fraud Control Unit (FCU). Often the caseworker, QA reviewer, or the FCU receives allegations or has verification from a third party that the information provided by the client is false.

Note: Persons knowingly and willing aiding a recipient or Medicaid provider in committing fraud will be considered to be aiding in the commission of the fraudulent act and may be held responsible.

112-1 DEFINITION OF FRAUD

Fraud is defined as “**an intentional action, inaction, or statement made by an individual for the purposes of obtaining benefits to which he or she is not entitled.**” To act with intent to defraud means to act willfully, and with the specific intent to deceive or cheat.

Public assistance fraud is frequently referred to as an Intentional Program Violation or IPV. An IPV may occur with or without a benefit overpayment due to fraud.

A. FOOD STAMP PROGRAM

An intentional program violation in the Food Stamp Program occurs when a client takes an action for the purpose of qualifying for food stamps, or for increasing or preventing a reduction in the amount of food stamps, including ending benefits. This includes:

- Trading or selling food stamp benefits;
- Using or possessing improperly obtained food stamp benefits;
- Concealing information to obtain benefits to which they are not entitled;
- Using food stamp benefits to purchase items that are not eligible, such as cigarettes or alcohol;
- Making a false or misleading statement to the agency, either orally or in writing, to obtain benefits to which they are not entitled; and

ADMINISTRATIVE PROCEDURES MANUAL

112-1 Continued

- Failing to report, as required, changes in income, household composition, or other factors of eligibility in order to obtain benefits to which they are not entitled.

B. CASH ASSISTANCE PROGRAMS

An intentional program violation in the cash assistance programs occurs when a client takes an action for the purpose of establishing or maintaining a family's eligibility for Alaska Temporary Assistance or Adult Public Assistance benefits, or for increasing or preventing a reduction in the amount of cash benefits, including ending benefits. This includes:

- Concealing information;
- Making a false or misleading statement to the agency, either orally or in writing; and
- Failing to report, as required, changes in income, resources, or any other factors of eligibility.

Example: An IPV may result from intentionally failing to report when a child leaves the Alaska Temporary Assistance unit.

C. MEDICAID PROGRAMS

An intentional program violation in the Medicaid Program occurs when a client takes an action for the purpose of establishing or maintaining an individual or family's eligibility for Medicaid benefits, including ending benefits. This includes:

- Concealing information;
- Making a false or misleading statement to the agency, either orally or in writing;
- Failing to report, as required, changes in income, resources, or any other factors of eligibility.

Note: The Fraud Control Unit generally does not address alleged Medicaid provider fraud.

ADMINISTRATIVE PROCEDURES MANUAL

112-2 PURPOSE AND SCOPE OF THE FRAUD CONTROL UNIT

The Program Integrity and Analysis Section's Fraud Control Unit maintains program integrity through the detection and prevention of Public Assistance fraud. The Fraud Control Unit functions include:

- Developing and coordinating fraud prevention activities statewide;
- Investigating fraud allegations to obtain *clear and convincing evidence* that fraud or attempted fraud has occurred;
- Referring severe cases of fraud to the Department of Law, Welfare Fraud Section, for possible criminal prosecution;
- Calculating program losses due to fraud and obtaining repayment through an agreement with the head of household, a favorable administrative hearing decision, or through a prosecution judgment;
- Disqualifying applicants and recipients who have committed intentional program violations from the Food Stamp and/or Temporary Assistance programs by means of the Administrative Disqualification Hearing process.

112-3 TYPES OF INVESTIGATIONS

The Fraud Control Unit conducts two types of fraud investigations:

- Early Fraud Detection (EFD) or applicant fraud, and
- Post Certification Investigation (PCI) or recipient fraud.

Intentional misrepresentation of income or household composition by an applicant or recipient can result in a disqualification penalty. For applicants, this can occur prior to issuance of the benefit. Early Fraud Detection investigations clarify an applicant household's suspicious circumstances prior to issuing the benefit. Post Certification Investigation examines suspicious information or events that occur after the caseworker authorizes benefits to the recipient.

A. EARLY FRAUD DETECTION (EFD)

Early Fraud Detection investigations focus on the information provided on an application or to the caseworker during the intake, certification, review, renewal, or add-on process that is:

ADMINISTRATIVE PROCEDURES MANUAL

112-3 Continued

- Suspicious information obtained from the client or from collaterals that indicate the applicant or recipient provided false information;
- Suspicious case elements that can result in ineligibility, such as possible unreported resources or income, or unreported household members; and
- Considered high risk factors for fraud, such as a client with a conviction for providing false earned income information.

B. POST CERTIFICATION INVESTIGATIONS

Post Certification Investigations occur after issuance of benefits and focus on allegations of Food Stamp, Alaska Temporary Assistance, Adult Public Assistance, and Medicaid recipient fraud. The investigation includes:

1. Obtaining evidence to establish that fraud has or has not occurred;
2. Determining the amount of fraudulently received overpayments and obtaining related repayment agreements from the client or the court.

112-4 REFERRAL OF SUSPECTED FRAUD CASES

Note: Caseworkers should not refer cases for investigation simply because they have been unable to obtain verification needed to process the case. Follow instructions in the program's policy manual or seek the assistance of a supervisor when the client cannot or fails to provide needed verification.

A. EARLY FRAUD DETECTION REFERRALS

Early Fraud Detection (EFD) is the investigation of potentially fraudulent applicants and clients to prevent their fraudulent entry into the Food Stamp or Alaska Temporary Assistance programs. Early Fraud Detection referrals are limited to:

- Anchorage, Kenai Peninsula, Fairbanks, the Mat-Su Valley, and Southeast Alaska areas;
- Intake applications, re-certification applications, TA reviews, and add-on applications; and
- Cases referred within the first four months from the date of application, re-certification, reapplication, or TA review.

ADMINISTRATIVE PROCEDURES MANUAL

112-4

Continued

Case workers finding inconsistencies or discrepancies in information obtained from the client or collateral contacts during the application process should refer the case by completing the Early Fraud Detection Referral form (GEN 97a) accessible from the DPA eForms website.

Example: A collateral contact states the applicant has two children living with her, but the applicant's landlord states that only one child is in the home, and the client applied for three children. Refer this case for an EFD investigation due to the discrepancy in the number of children reported in the home.

1. Completing an Early Fraud Detection Referral: GEN97A

The eForm fields on the GEN97a can be accessed by “tabbing” to the fields or by placing the cursor at the beginning of the field that you want to enter the data in. The form collects basic information on the Primary Information Person (PI) and the following information needed by the fraud investigator:

Map in File? Check “yes” by clicking on the box if you have a map to the location of the residence, or click on the “no” box if you do not have a map then tab to the “Directions to Home” field and enter the directions to the home provided by the client

School Hours: Provide the school hours for children in the household during the school year

Work Hours: If the adults in the household are employed, provide the known work hours

APP Type: Indicate what type of application and what programs the client applied for and whether it is a NEW, ADD-ON, or a RECERTIFICATION for each program type listed

Briefly describe discrepancies: Explain the discrepancies encountered in processing the case. Provide as much specific information as possible related to the allegations. Include full names, Social Security Numbers, and birthdates.

Note: A GEN97 must document the reason the caseworker suspects fraud in order for an investigator to make an unscheduled home visit.

ADMINISTRATIVE PROCEDURES MANUAL

112-4

Continued

Special notes: This field is for information you think the investigator should know, such as a client with a history of violence, or substance abuse issues, or any other information that could be helpful to the investigation

After the eForm is complete press the “Email this form to Fraud” button located at the bottom of the form. The form will automatically open your Outlook “New Mail Message” dialog box. The “To:” field should already display the e-mail address of Fraud_Allegations@health.state.ak.us

IMPORTANT: In the “Subject” field of the new e-mail message, use the following format: enter the type of referral, in the case EFD (early fraud detection), client’s last name, first name and DPA case number.

Be sure to print a copy for the eligibility case file and after you e-mail the eForm to the Fraud Control Unit (FCU) you must clear the eForm by using the “clear” button at the bottom of the form. Once this is done the data is *gone*. The FCU will assign the case right away and the investigation should be completed within seven days. Some delays may occur depending on the circumstances of the case.

2. **Completing the Early Fraud Findings Report GEN97b1:**

The Fraud Control Unit investigator reviews the referral submitted by the caseworker on the GEN97a eForm. The investigator may conduct a field visit, and investigate as necessary to resolve the discrepancies. Within seven days of receiving the GEN97a form, the investigator sends the Early Fraud Findings Report eForm (GEN97b1) to the referring caseworker by e-mail. Some delays may occur depending on the circumstances of the case.

The eForm fields on the GEN97b1 can be accessed by “tabbing” to the fields or by placing the cursor at the beginning of the field that you want to enter the data in. The form collects basic information on the caseworker who made the referral, and the following information specific to the Fraud Investigator’s findings:

Case #: Enter the DPA/EIS case number.

Case Name: Enter the PI’s name on the case;

Fraud Case #: Enter the assigned Fraud case number.

ADMINISTRATIVE PROCEDURES MANUAL

112-4

Continued

Report of Findings: Place a check mark in the box by clicking on the any of the following: Residence, HH Composition, Number of Parents in HH, Resources, Income-Earned/Unearned/Self-Empl., or check the Other box. Check all boxes that apply.

Briefly describe findings: In the text field below the “*Instructions*” explain what you found and cite supporting evidence to substantiate the reported findings as related to the caseworker’s suspected incidents of fraud. If more space is needed, continue on page 2 of the eForm in the section titled “Report of Findings CONTINUED.”

After completing the eForm, press the “Email Caseworker” button located at the bottom of the form. The form will automatically open your Outlook “New Mail Message” dialog box. Click on the “To” button and the Global Address List will display. Select the name of the referring caseworker so their name appears in the “To” field.

IMPORTANT: In the “Subject” field of the new e-mail message, use the following format: enter the type of referral, in this case EFD (early fraud detection), client’s last name, first name and DPA case number.

Be sure to print a copy for the investigation case file after you e-mail the eForm to the caseworker. You must clear the eForm by using the “clear” button at the bottom of the form. Once this is done the data is *gone*.

3. **Completing the Action Taken As A Result of EFD Findings GEN97b2:**

After considering the investigator’s findings and making an eligibility determination on the application, the caseworker notifies the Fraud Control Unit of benefit changes, if any, resulting from the investigation using the eForm GEN97b2.

The eForm fields on the GEN97b2 can be accessed by “tabbing” to the fields or by placing the cursor at the beginning of the field that you want to enter the data in. The form collects basic information on the caseworker who received the investigator’s findings, and the following information specific to the Fraud Investigator’s findings, and specifically describes actions taken as a result:

Case #: Enter the DPA case number

ADMINISTRATIVE PROCEDURES MANUAL

112-4 Continued

Fraud Case #: This is the number that the Fraud Control Unit has assigned for the investigation. This number is identified on the GEN97b1.

Action Taken on EFD Findings: Check the appropriate box for whatever action you took as a result of the investigator's findings. Check the program boxes that apply.

Print a copy for the eligibility case file.

E-Mail the form to: Fraud_Allegations@health.state.ak.us. This e-mail address should be in the "To:" section of the e-mail automatically when you click on the Email button at the bottom of the form. Remember to "clear" the form once you've printed and sent a copy to the Fraud Control Unit.

B. POST CERTIFICATION INVESTIGATION

Post Certification Investigation (PCI) referrals can involve suspected applicant or recipient fraud, and investigations are available statewide.

When To Refer A Case

The case should be referred directly to the Fraud Control Unit when a caseworker or QA reviewer is certain or highly suspects a recipient has intentionally broken program rules.

Note: Caseworkers should try to resolve questionable fraud issues before referring the case to the Fraud Control Unit.

How To Make A Referral

Allegations of public assistance fraud come from many sources, including DPA employees, legislators, other departments, and the general public. The status of the client's case determines what action the Fraud Control Unit takes.

If the Fraud Control Unit receives an allegation from outside DPA on an open case or closed case, the FCU worker records the allegation on a Fraud Allegation Report form (FCU 30) and forwards or e-mails it to the assigned caseworker.

ADMINISTRATIVE PROCEDURES MANUAL

112-4 Continued

The caseworker discusses the case with his or her immediate supervisor prior to making a post certification investigation referral. Once a decision is made to refer the case to the Fraud Control Unit, the caseworker will complete the Fraud Complaint Report (GEN 40). The Fraud Complaint Report collects basic information on the referring caseworker and on the Primary Information Person (PI). The caseworker includes information specific to the fraud allegation as follows:

Program Involvement: Indicate the programs for which the client applied or has received benefits.

In the Summary of Reasons to suspect Fraud:

WHEN: Indicate the period of time in which the alleged fraud occurred.

HOW: Clearly describe the suspected fraud and provide any details that would allow a person unfamiliar with a case to understand the allegation.

DOCUMENTS: Identify documentation used to verify suspect information.

WHO: Identify any collateral contacts used to verify suspect information.

The caseworker forwards to the Fraud Control Unit by fax, or scans and e-mails, any documentation that can substantiate the fraud allegation.

Send the completed Fraud Complaint Report to the Fraud Control Unit in the Anchorage by clicking on the Email to Fraud Button. The accompanying documents or attachments that are not e-mailed or faxed (fax 907-269-1062) can be mailed to:

Program Integrity and Analysis Section
Fraud Control Unit
3601 C Street, Suite 200
Anchorage, AK 99503

IMPORTANT: In the “Subject” field of the new e-mail message, use the following format: enter the type of referral, in the case PCI (post certification investigation), client’s last name, first name and DPA case number.

ADMINISTRATIVE PROCEDURES MANUAL

112-4

Continued

Action On Referrals

The Fraud Control Unit screens the referrals to identify the issues, and enters the information on the Fraud Case Management system for tracking purposes. A staff member in the Fraud Control Unit researches policy issues before assigning the case to an investigator.

The Fraud Investigator reviews both the fraud allegation and the client's case file to determine what clear and convincing evidence is needed to prove fraud has occurred. The fraud investigator contacts employers, landlords, schools, agencies, clients, and other necessary sources to obtain the needed evidence. Field visits are regularly conducted as an integral part of the investigation.

1. When the investigator finds fraud did occur the case is referred to the unit's Fraud Loss caseworker, who completes the Fraud Loss Statement form (FCU 50) indicating specific months of loss and the exact amount of fraudulent overpayment for each program. The case is then prepared for an Administrative Disqualification Hearing or criminal prosecution.
2. If evidence gathered during the investigation indicates fraud did not occur, the investigator completes a Fraud Complaint Disposition and Summary of Investigative Findings form, explaining the rationale for the finding.

If the case is open, this report is sent to the caseworker currently assigned to the case. It is this caseworker's responsibility to determine if a client-caused overpayment occurred. If so, the worker completes a Claim Determination form (GEN 95) and sends it to the Claims Unit. Refer to Chapter 111 for information on claims.

If the case is closed, this report is sent to the worker who made the referral. A copy is placed in the eligibility case file. It is the Fraud Control Unit's responsibility to determine if a client-caused overpayment occurred. If so, the Fraud Loss caseworker prepares and submits the Claim Determination form (GEN 95) to the Claims Unit.

3. Occasionally, the unit receives a Fraud Complaint Report about an issue that does not meet the definition of fraud. When this occurs the referral is given to the Fraud Control Unit Manager who will send an explanation of why the allegation does not meet the definition of fraud back to the referring worker.

ADMINISTRATIVE PROCEDURES MANUAL

112-4 Continued

C. FRAUD REFERRALS FROM QUALITY ASSESSMENT

The Quality Assessment Unit can refer cases directly to the Fraud Control Unit when the reviewer finds evidence in the course of the quality control review that the recipient provided false information or intentionally withheld affecting their eligibility.

112-5 CLIENT CONFERENCE

The fraud investigator may conduct a conference with the client upon completion of the post certification investigation that results in a finding of fraud. Face-to-face conferences are held with clients when possible. If it is impractical to hold the conference in person, the investigator will teleconference with the client. Prior to a teleconference, the investigator sends to the client by certified mail and regular mail a Waiver of Administrative Disqualification Hearing notice explaining the evidence obtained during the investigation.

The purpose of a conference is to discuss the intentional program violation with the client and present the state's evidence obtained in the investigation. The client is offered the opportunity to sign the Waiver of Administrative Disqualification Hearing, accept a period of disqualification, and establish a method for repaying any overpayment resulting from the program violation.

If a client elects not to sign the Waiver of Administrative Disqualification, a staff member in the Fraud Control Unit schedules a hearing. If the client requests a hearing during a conference or in writing, a staff member in the Fraud Control Unit schedules a date and sends the client the Advance Notice of Your Administrative Disqualification Hearing (TA #36, FSP #36).

112-6 WAIVER OF ADMINISTRATIVE DISQUALIFICATION HEARING

Clients accused of Food Stamp or Alaska Temporary Assistance program fraud have the right to an Administrative Disqualification Hearing (ADH). Once presented with the evidence of an intentional program violation, clients may waive the right to a hearing. The process includes offering clients an opportunity to sign the waiver rather than facing a formal hearing. Clients can sign the waiver either admitting or not admitting to the facts presented. The signed waiver carries the same penalties as being found guilty in a formal disqualification hearing of an IPV.

ADMINISTRATIVE PROCEDURES MANUAL

112-6 Continued

After completing the fraud loss statement and scheduling a client conference to discuss the findings, the investigator prepares the Waiver of Administrative Disqualification Notice (TA-35, FSP-35). The notice contains an explanation of the intentional program violation, when it occurred, the evidence obtained, any overpayment resulting from the intentional program violation, whether it is a first, second, or third violation, the penalty associated with the violation, and a statement of client rights.

By signing the waiver, clients give up their right to an Administrative Disqualification Hearing, agree to repay any overpayment, and agree to be disqualified from the Food Stamp and/or Temporary Assistance program for the period specified.

Note: See the program's policy manual for specific rules on fraud disqualifications and/or penalties, and to determine if it applies to the individual or to the household.

Staff in the Fraud Control Unit sends signed disqualification hearing waivers to the Program Integrity & Analysis Section, Claims Unit for the Temporary Assistance and Food Stamp Programs. The Claims Specialist notifies the client's caseworker to take action to begin the disqualification period for open cases. For closed cases, the Claims Specialist directly notifies the client of the disqualification period and enters information on the CANO screen in EIS.

112-7 INTENTIONAL PROGRAM VIOLATION PENALTIES

The Intentional Program Violation penalties apply whether a client signs a disqualification-hearing waiver, is found guilty of an IPV in a hearing, or is found guilty in a criminal prosecution by court of law.

The IPV provision for Administrative Disqualifications applies only to the Food Stamp and Alaska Temporary Assistance programs. Individuals disqualified from the Food Stamp or Alaska Temporary Assistance programs **will not** be disqualified from the Medicaid program.

Note: See the program's policy manual for specific rules on fraud disqualifications and/or penalties, and to determine if it applies to the individual or to the household.

ADMINISTRATIVE PROCEDURES MANUAL

112-8 ADMINISTRATIVE DISQUALIFICATION HEARINGS

A Hearing Officer in the department's Office of Hearings and Appeals conducts the Administrative Disqualification Hearings. The hearing may be held either face-to-face or by teleconference. The Hearing Officer provides all clients with an opportunity for a telephonic hearing. Alaska Temporary Assistance rules do not require that clients be offered the option of a face-to-face hearing.

The client must be sent written notification of the hearing at least 30 days prior to the hearing date. The Advance Notice of Your Administrative Disqualification Hearing must contain the date, time, and location of the hearing.

Clients may be granted one hearing postponement of up to 30 calendar days. To request a postponement, the client must contact the Office of Hearings and Appeals or the Fraud Control Unit at least 10 calendar days prior to the hearing date.

Clients failing to appear may request the Hearing Officer to schedule a new hearing date. This request must be made within 10 calendar days after the scheduled hearing. The Hearing Officer applies a strict standard to determine if the client had good cause for failing to appear.

Administrative Disqualification Hearings may be held with or without the client present as long as the client is sent written notification of the hearing at least 30 calendar days prior to the scheduled hearing date. If the client fails to appear, the hearing decision can be based on the evidence presented by the state agency.

At disqualification hearings, clients have rights that include:

- Presenting witnesses
- The right to remain silent
- Examination of the evidence
- Representation by an attorney
- Cross examination of witnesses

Within 90 calendar days from the date of the Advance Notice of Administrative Disqualification Hearing, the Hearing Officer must hold the hearing, render a decision, and provide a written notice of the decision to the client, the Fraud Control Unit, and the Claims Unit. The Hearing Officer also forwards a copy of the disqualification hearing to the client's current caseworker to be retained in the eligibility case file.

ADMINISTRATIVE PROCEDURES MANUAL

112-8 Continued

If an intentional program violation occurred, the Claims Specialist advises the caseworker of the start and end dates of the disqualification period.

Note: Caseworkers should not take action to disqualify an individual for an IPV until instructed to do so by the Claims Specialist in the Claims Unit.

Clients may not request a fair hearing on an adverse Administrative Disqualification Hearing decision. Clients may only appeal an adverse hearing decision to a court of law.

112-9 DEPARTMENT OF LAW, OFFICE OF SPECIAL PROSECUTIONS AND APPEALS

The Department of Law, Office of Special Prosecutions and Appeals, conducts criminal prosecution of welfare fraud. The Office of Special Prosecutions and Appeals accepts referrals only from DPA's Fraud Control Unit.

Note: Caseworkers are not to refer cases directly to the Department of Law.

The FCU carefully selects cases for referral to the Department of Law for criminal prosecution. If the prosecutor decides not to proceed with the case, it is returned to the Fraud Control Unit with an explanation of why it was not accepted for prosecution. The Fraud Control Unit then determines if there are still grounds to prove fraud through the Administrative Disqualification Hearing process.

112-10 CLAIMS UNIT ROLE

The Claims Specialist establishes claims and collects all program losses from clients who received more benefits than they were entitled. This includes maintaining records and collecting IPV overpayments for Temporary Assistance, Food Stamps, Adult Public Assistance, and Medicaid. See the Administrative Manual section 111 for more information on processing claims.

A. DISQUALIFIED INDIVIDUAL FOR IPV

The Claims Specialist receives from:

- The Fraud Control Unit, the signed disqualification hearing waivers
- The Office of Hearings and Appeals section, the administrative disqualification hearing decisions

ADMINISTRATIVE PROCEDURES MANUAL

112-10 Continued

- The Department of Law's Welfare Fraud Section, the notification of convictions on welfare fraud

If the Food Stamp or Alaska Temporary Assistance case is currently open, the Claims Specialist sends a Disqualification Penalty for Intentional Program Violation form and a copy of the signed waiver, disqualification hearing decision or notice of conviction to the current caseworker. This form advises the caseworker to initiate the disqualification period. The form states when the penalty begins, how long it will last, and which EIS notice to send.

B. ESTABLISHING AND COLLECTING FRAUD CLAIMS

The Claims Specialist establishes a claim on EIS and initiates reduction of benefits when the case is open. The Claims Specialist pursues repayment and accounts for all payments received on active fraud claims until the overpayments are paid in full.

The most common method of repayment of fraud claims is monthly benefit reduction of current benefits. Assignment of Permanent Fund Dividends, promissory notes, offsetting federal income tax refunds through the Treasury Offset Program (TOP), and direct monthly payments from the client are other methods of recovering fraud-related overpayments.

The Claims Specialist sends notices to clients making direct payments whenever a payment is received, or if they become delinquent in their payments. Clients who fail to meet the terms of their repayment agreements may be referred to the Department of Law to have their probation revoked. The Claims Specialist also garnishees Permanent Fund Dividends to collect delinquent overpayment debts.