

**County of San Diego, Health and Human Services Agency (HHS)A)
CalWORKs Program Guide**

Definitions

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Revision Date:

April 20, 2020

Background:

An overpayment is any amount of any aid payment received by an Assistance Unit (AU) that they were not entitled to receive. An overpayment may be all, or a portion, of the payment. This includes payments issued for regular aid payment, Immediate Need, Homeless Assistance, Aid Paid Pending (APP) for a state hearing, or Employment Services (ES).

Purpose:

The purpose of this material revision is to add clarification to the Supplemental Payment definition.

Policy:

Action for Civil Judgment: The action taken by a county official to take the customer or former customer to court.

Administrative (Agency) Error Overpayment: An overpayment caused by error on the part of the county when all information necessary to a correct determination of the grant was in the possession of the county.

Aid: The amount of assistance issued to a customer.

Balancing: A method for the recovery of all or a portion of an overpayment by applying it against an underpayment.

Claim ID: When a claim (over/under payment) is determined and authorized in CalWIN, it is assigned an unique ID number (Claim ID) that is linked to the Eligibility Determination and Benefits Calculation (EDBC) run and historical data that resulted in the claim's creation.

Client Error Overpayment (Other Overpayment): An overpayment which does not meet the criteria to be considered an administrative overpayment, a fraudulent overpayment, or an Intentional Program Violation (IPV).

Collect: To recover CalWORKs funds which are overpaid to a person by using methods other than grant adjustment.

Corrective Payment: A payment made to an AU when it is determined that the AU has been underpaid. This usually occurs as the result of a retroactive court order, delayed implementation of regulations, or the correction of a misinterpretation of regulations.

Demand for Repayment: The notification to a customer or former customer that an overpayment occurred for which there is a right for judicial restitution. Where demand for repayment is appropriate, it may be used concurrently with other methods of adjustment.

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Discharge: An expungement process for non-fraudulent overpayments, when the CalWORKs case has been closed and the liable individual(s) has not received CalWORKs for 36 consecutive months or longer. This also includes “mass overpayments” resulting from negligence or major systematic error as defined by the California Department of Social Services (CDSS).

The discharge process does not apply to Aid to Families with Dependent Children (AFDC) overpayments established prior to December 1, 1996.

Extended Filing Date: The date the SAR 7 must be received in order for the customer to have continued CalWORKs eligibility. The SAR 7 must be received by the end of the business day on the first working day of the payment period in order for the customer to continue eligibility without a break in aid.

Fraud: Fraud exists when a person has:

- Knowingly, and with the intent to deceive or defraud, made a false statement or representation to obtain benefits, obtain a continuance or increase of benefits, or avoid a reduction of benefits
- Knowingly, and with intent to defraud, failed to disclose a fact which, if disclosed, could have resulted in denial, reduction, or discontinuance of benefits
- Accepted benefits knowing that there was no eligibility for those benefits, or accepted any amount of benefits knowing that this was greater than the amount to which they were entitled
- Made statements which that individual did not know to be true for the purpose of obtaining benefits, continuing receiving benefits, or avoiding a reduction or denial of benefits

Grant Adjustment: Recovery of an overpayment by reducing the grant of a customer or AU.

Intentional Program Violation (IPV): A determination made by a state or federal court, or pursuant to an Administrative Disqualification Hearing (ADH), that an individual has intentionally:

- Made a false or misleading statement or misrepresented, concealed, or withheld facts, or
- Committed any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity, and
- Committed these acts to establish or maintain CalWORKs eligibility, or to increase or prevent a reduction in the amount of the CalWORKs grant.

Liable Individual: The person who is determined to be accountable for the claim (overpayment). This person will be responsible for payment on the claim via methods such as monthly grant recoupment, cash payments, or tax intercepts.

Mass Overpayment: An overpayment caused by the same action or inaction that impacts either eight percent of the county caseload, or more than 1,000 AU's within the county, whichever is greater.

Month of Discovery: The month in which the county obtained, or could have obtained by taking prompt action, information sufficient to support a determination both that an overpayment occurred and the amount of such overpayment.

Non-fraudulent Overpayment: An overpayment, which is not determined to be fraudulent.

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Overpayment: Any amount of aid an AU has received to which it is not eligible. This may be all or a portion of the aid payment. It includes but is not limited to, an Immediate Need payment, a Special Need payment, ES Supportive Services, or APP for a state hearing.

Recoupment: Recoupment is the method of recovering an overpayment by grant adjustments, or voluntary grant offset from individuals or the AU.

Recovery: A method of getting back CalWORKs funds which were overpaid. Methods of recovery include grant adjustment (recoupment), voluntary grant offset, voluntary cash recovery, demand for repayment, action for civil judgment and balancing.

Regrouping: When the data (i.e. discovery date, error type or claim amount) in a claim is changed in CalWIN and EDBC is run again, a new EDBC number is assigned and the recalculated claim is assigned a new number based on the new EDBC run. The old claim number does not disappear within the system but is closed out as "recalculated." This allows historical data to remain available for tracking purposes and to create an audit trail.

Supplemental Payment: A payment issued to an eligible AU when the budget for the current month is recomputed as a result of a change in anticipated income, and determined that the customer is due a larger aid payment in order to receive the correct amount of CalWORKs for the month.

Technical Overpayment: This overpayment occurs when all four of the following requirements apply:

- The customer fails to meet a condition of eligibility for CalWORKs. Examples include, but are not limited to, failing to:
 - Secure a Social Security Number
 - Assign support rights
 - Meet the Sponsored Non-Citizen requirements
 - Apply for potentially available income
 - Apply for Unemployment Insurance Benefits
- The customer's failure to meet the condition of eligibility is caused by the state, county, or Eligibility Worker error and not by the customer's error
- The amount of aid paid would have been the same had the customer met the condition of eligibility
- This overpayment is discovered, calculated or recouped after January 1, 1985

Note: Technical overpayments are not considered overpayments in the State of California:

- Any technical overpayment which was discovered on or after January 1, 1985 cannot be considered an overpayment
- Recoupment of any technical overpayments, regardless of when they occurred or were discovered, stopped effective January 1, 1985

Underpayment: An Underpayment occurs when the customer receives less than the amount to which the AU is entitled in a given month or months. If an underpayment comes to the attention of the HSS, reasonable steps to correct the underpayment must be taken.

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Note: A payment due to a change in the current month's budget is not an underpayment; rather it is considered a supplement to the grant.

Unlocatable: Means either of the following:

- When the county is unable to determine the whereabouts of the caretaker relative
- When the county is able to locate the liable individual, but unable to execute a legal process to collect.

Voluntary Cash Recovery: Repayment made voluntarily to the county by a customer who has incurred an overpayment.

Voluntary Grant Offset: Voluntary repayment made to the county by a customer's foregoing all or a portion of a grant for which he or she is eligible.

Procedure:

None.

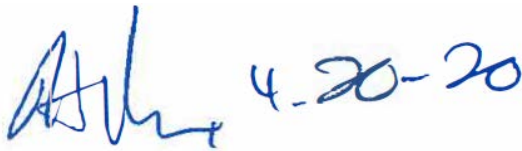
References:

- EAS 44-350.2
- ACL No. 19-102
- ACIN No. I-72-19

Sunset Date:

This policy will be reviewed for continuance by April 30, 2023.

Approval for Release:

Handwritten signature in blue ink, followed by the date "4-20-20".

Rick Wanne, Director
Eligibility Operations