BENEFIT RECOVERY ACCOUNTING MANUAL

DEPARTMENT OF WORKFORCE DEVELOPMENT

DIVISION OF WORKFORCE SOLUTIONS

BUREAU OF DIVISION-WIDE SERVICES

MAY 2006

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Chapter 1: THE BENEFIT RECOVERY SUBSYSTEM

1.1.0 When to Use the Benefit Recovery Subsystem

When an overpayment of a benefit occurs, the local agency is required to recover the overpayment amount from the recipient. The Benefit Recovery (BV) Subsystem is a subsystem of CARES that enables a local agency to maintain overpayment and collection information, view benefit recovery information and generate benefit recovery reports. The BV subsystem also maintains data for fraud and front-end verification (FEV) investigations. Information maintained on CARES is the sole source of information used by the State for federal and state reporting, thus it must be updated by the local agencies accordingly.

The BV subsystem will record overpayments for Aid to Families with Dependent Children (AFDC), FoodShare (FS), W-2, Medicaid (MA), Child Care (CC), SeniorCare (SC) and Child Care Providers. BV also records payments and balances for Job Access Loans (JAL) and Learnfare Penalties. For most programs, overpayments can be the result of non-client error, a.k.a. agency error (NC); inadvertent household error, a.k.a. client error (CE); or intentional program violation (IV), a.k.a. fraud by clients. Medicaid (MA) and SeniorCare (SC) overpayments can only occur as a result of client error or

intentional program violation. Child Care Provider overpayments do not have an error type.

Agencies are required to create claims in the BV subsystem when an overpayment has been identified. Calculate the overpayment amount using CARES simulation for FoodShare, and manually for the other programs. Create the claim with the calculated overpayment amount, and overpayment period and error type. After the claim has been established on CARES, it will automatically associate the liable persons with their Assistance Group (AG). The local agency is responsible to pursue collection for all types of overpayments.

1.2.0 Criteria For Claim Creation

Establishing and collecting low dollar claims drains agencies of resources and restricts agencies from concentrating on large overpayment claims. Cost-effectiveness is essential to proper claims management.

The policy for establishing and collecting claims from non-participating households differs from participating households. In the discussion that follows, "participating households" are those households and assistance groups still open and receiving that program's benefits. "Non-participating households" are those households and assistance groups that are closed and not receiving that program's benefits.

Participating Households
Establish claims for all overpayments where the household is participating in the program where the overpayment exists, regardless of dollar amount.

Non-Participating Households
For non-participating households, establish claims where the overpayment is at least $75 for AFDC, W-2, or Childcare and $125 for FoodShare. That is, if you discover an overpayment once the household is no longer receiving benefits, claims under $75 for AFDC, W-2, or Childcare will not need to be established on the CARES BV subsystem. FoodShare claims under $125 do not need to be established on CARES for non-participating households.

1.3.0 Recovery Actions

A claim is not truly established until the parties responsible for an overpayment have been notified of the overpayment. Notification dates are automatically updated in CARES when a system generated notice is sent. If a manual notice is used, BVCL must be updated with

the date of the notification. Proper notification to the recipient of an overpayment claim is required prior to any recovery action. Repayment information will not be accepted in CARES unless a notification date has been populated. The various methods in which recovery can occur are outlined as follows.

1.3.1 Recoupment

CARES will recoup the correct amount out of the monthly FoodShare or W-2 benefits from all open cases where overpayments have been notified for those programs. The amount of the monthly recoupment will vary depending on the program and error type of overpayment as follows:

- FoodShare

    - Intentional Program Violation - 20% of the allotment, or a minimum of $20

    - Client Error - 10% of the allotment, or a minimum of $10

    - Non-Client Error - 10% of the allotment, or a minimum of $10

- W-2

    - Intentional Program Violation - Based on the amount of the claim

        - Less than $300, recoup 10% of the allotment per month

        - At least $300 but less than $1,000, recoup $75 per month

        - At least $1,000 but less than $2,500, recoup $100 per month

        - $2,500 or more, recoup $200 per month

    - Client Error - 10% of the allotment per month

    - Non-Client Error - 10% of the allotment per month

The standard recoupment rate may be overridden if the individual agrees to a higher rate. Refer to the CARES guide, Chapter 9 for additional information on overrides.

1.3.2 Offset

An offset may be done when a recipient has benefits due for a prior period that can be used against an overpayment. This may occur as a result of a recalculation, etc. Type "BIFS" for FoodShare or "BICS" for W-2 on the NEXT TRAN line to create an offset. Type "Y" in the Offset Indicator column on BIFS or BICS to create an offset for FS and W-2 respectively.

1.3.3 Repayment Agreements

CARES will automatically generate repayment agreements at the beginning of the month following a claim's creation. Repayment agreements are by program, by person. If a person has a claim for AFDC, FoodShare, Child Care/W-2, Medicaid and SeniorCare s/he may receive up to five repayment agreements, one for each program, regardless of how many claims there are for a specific program.

At the end of the first business day of the month, a cycle will run which will look at the prior month's claim creations, repayment agreements, and payments made. The system will look for PINs not receiving benefits for the current month and then evaluate if there is a valid repayment agreement for these PINs.

1. If no valid repayment agreement exists, the system will generate one and track it.

2. If a repayment agreement exists, the system will look on BVPA to see if a returned repayment agreement was entered. If it was, the system will look for payments received during that installment period.

Repayment agreements not entered on BVPA automatically generate a dunning. It is extremely important to enter returned repayment agreements on BVPA promptly when they are received to avoid delinquency.

All persons liable for a claim will receive a repayment agreement.

Example: If a husband and a wife are both liable for an overpayment, each will receive a repayment agreement. Both persons are jointly and severally liable so both are expected to complete and sign separate repayment agreements.

If only one person signs the repayment agreement, the repayment agreement should be entered into CARES BVPA under the PIN that signed the repayment agreement. If more than one person signs the

repayment agreement for that claim, split the monthly repayment amount under each PIN and note this in the claim comments on BVCC.

All payments and outstanding repayment agreements must be returned to the local agency no later than the 25th of the month. Enter all payment and agreement information into CARES by the end of the month and according to the repayment agreement or the person.

Persons currently receiving assistance will receive a system generated repayment agreement the month after their case closes. Workers may also generate a manual repayment agreement if the person would like to make payment arrangements at any time. Use the BVSL benefit recovery standard letter transaction to create a repayment agreement.

The case number to which the person was last known will appear on BVPA and the repayment agreement. This is the case number for which the repayment agreement can be viewed in the client notice history subsystem.

When an individual has a current repayment agreement and a new claim is created, a new agreement will be generated at the beginning of the month following the new claim creation. The new agreement will have current outstanding overpayment information and needs to be filled out and returned by the client and entered on BVPA to avoid delinquency.

1.3.3.1 Payment Arrangements

If a case or "AG" is not receiving benefits, or recoupment is not possible, the liable individuals on a claim need to make payment arrangements in order to avoid delinquency.

The state's repayment policy on public assistance overpayments for W-2, AFDC, MA, FS, SC and CC is as follows:

- If an overpayment(s) is under $500.00, the client must pay monthly installments of at least $50 per month.

- If the overpayment(s) is over $500.00, the client must pay equal monthly installments to have their balance paid in full within three years.

If a client is unable to make these arrangements, they must contact the local agency or the Public Assistance Collection Unit at 1-800-943-9499 to negotiate an acceptable arrangement. The minimum payment accepted is $20 per month. Failure to make the minimum payment amount required may result in delinquency.

All liable individuals must make payments on an overissuance. If a client and spouse are jointly liable for an overpayment, they may both sign this agreement. The total payment indicated will be split between the client and the spouse for compliance and default purposes. The total payment for both individuals must not be less than $40 per month. All liable parties are jointly and severally liable which means that each person is responsible for the total amount due.

1.3.3.2 Dunning Notices

If a repayment agreement has been generated, the system will evaluate whether it was returned by checking the fields on BVPA. If it was, the system checks that a payment was received according to the entered repayment agreement information. If either the repayment agreement was not entered on BVPA or the payment amount did not meet the entered amount on BVPA, a dunning notice will be generated and mailed to the client indicating their payment/installation has not been received. For each month there is a maximum of one dunning notice per program for a PIN.

Individuals will receive up to three dunning notices over the life of the debt, each notice more strongly worded than the last. After the third dunning notice and non-compliance, a referral will be made to DWD's Public Assistance Collection Unit for additional collection action.

Dunning notice numbers may be over-ridden if an agency believes the client should not have received a dunning notice. That is, if a person has received one dunning notice, a supervisor may over-ride the dunning notice number on BVPA to zero so the person will not receive the next dunning notice in sequence. Dunning notices may not be incremented; they must go in sequence. When the dunning numbers are decreased, an alert will be sent to the Public Assistance Collection Unit's Benefit Recovery Coordinator.

Individuals making repayments with no repayment agreement will receive a dunning notice. A completed and signed copy of the repayment agreement must be provided to the local agency and this information must be entered in CARES on BVPA.

1.3.3.3 Repayment Summary Notices

Individuals making monthly repayments will receive the repayment summary notice. Repayment Summary Notices are produced by program. This notice gives the client the amount of the payment

received, and their new outstanding balance for the program. They are mailed at the beginning of the month following the payment.

1.3.4 FoodShare Repayments

If the "CO" code was used to record FoodShare claim payments made by returned Food Stamp coupons, the Coupon Account and Destruction Report FCS-471 must accompany all voided stamps that are being returned to the state as a payment of a claim. See Chapter 3 for further instruction on requirements associated with FoodShare repayments.

An individual may make a claim payment from existing EBT benefits by signing an FNS-135 (HCF 09002) Affidavit of Return or Exchange of Coupons. A designated financial worker will process this type of repayment through the EBT vendor's administrative terminal. This transaction will automatically update CARES repayment history with the "CO" code and the amount of the repayment. See Chapter 3 for instructions on how to post an EBT repayment.

Food Stamp coupon and EBT repayments will appear together on the local agency's CBV262RA at the end of each month as coupon "CO" collections. Refer to Chapter 8 for instruction on how to use EOS reports to reconcile FoodShare/EBT repayments at month end.

1.3.5 Tax Intercept

Debts as a result of AFDC, FoodShare, W-2, CC and JAL are certified for state tax intercept after they have gone delinquent. FoodShare claims are also certified for federal tax intercept with the Treasury Offset Program. Debts may be certified when the following criteria has been met:

1. The debt is on CARES and the debtor has been properly notified of the debt. After three dunning notices have been sent to the debtor, the debt will be certified for offset.

2. The debt is at least $20 for the state tax offset program and $25 for the treasury offset program (TOP).

3. An "Intent to Certify" notice for tax offset will be sent to a debtor if the individual is in delinquent status according to the program of the claims. Separate notices are sent for state and federal intercept.

Once an individual is referred for tax offset, they will continue to be referred until the claim is paid in full or the recovery is stopped on a claim such as for recoupment or a stop recovery is entered for bankruptcy or a fair hearing.

1.3.6 Lien and Levy

Delinquent AFDC, CC and W-2 claims are eligible for lien and levy. A lien is a final judgment constituting a perfected lien upon the person's right, title, and interest in all real and personal property located in the county in which a warrant is entered. The Department may also levy on personal property belonging to the debtor, including wages due and deposits in a financial institution account. Debts are eligible for lien and levy when the following criteria has been met:

1. A delinquent debt may be subject to warrant and execution (lien), levy, and tax intercept. A debt shall be considered delinquent if the Department does not receive a debtor's payment by the due date 3 times over the life of the debt. A delinquent debt retains delinquent status regardless of any future payment on the debt.

2. The debtor is entitled to an exemption from levy of the greater of a subsistence allowance of 75% of the debtor's disposable earnings then due and owing or an amount equal to 30 times the federal minimum hourly wage for each full week of the debtor's pay period and the first $1,000 of an account in a depository institution.

3. The minimum amount that must be due before warrant and execution (lien) and levy procedures may be commenced is $300.

4. Collection fees are established by the state collection unit when a fee is incurred for establishing a levy or docketing a warrant. The client is responsible for all fees associated with a levy or warrant. The collection fees must be paid in full before any collected revenue posts to the debt. CARES will automatically post to all CF claims before any AFDC, CC, or W2 claim. Collection Fees are claims of category type CF in BV.

1.3.7 ePayments

ePayments work like paper checks. It is a paperless, secure and an easy way for clients/ providers to make payments on their debts. The payee gives US Bank their bank name and account number and then

US Bank electronically retrieves the money from the payee's checking account. On the Web site, http://dwd.wisconsin.gov/epayment/, there are instructions for first time users, contact information for the Public Assistance Collection Unit for questions or problems and an interface with CARES to get current debt balances and update address information before making a repayment. The payee must have their CARES PIN or provider number, which is listed on the repayment agreement, to access the system. Debts are displayed for the payee by program. Programs with more than one claim have a balance displayed that includes all claims of that program type. The payee may make a payment toward any debt displayed, including multiple programs at one time. When a payee enters an amount in one or more payment fields, the total payment entered is displayed for them at the bottom of the page. All ePayments will be recorded in CARES by the Public Assistance Collection Unit.

Recurring payments can be set up through the ePayment Center so that the same payment is taken from the payees account every month. The payee must monitor these transactions as they are responsible to stop the recurring payments when their balance is paid in full. The state cannot access their information to stop a recurring payment. The client is sent a repayment summary from CARES every month a payment is made with updated balances until the claims are paid in full.

Note: ePayments may not be made on SeniorCare claims.

1.4.0 Repayments

Repayments may be made by various methods depending on the type of claim or overpayment an individual has incurred. Repayments may be made in the form of cash, FoodShare coupons and EBT benefits or in-kind services. FoodShare coupons and EBT benefits may be used only for FoodShare overpayments and in-kind services are used exclusively for Job Access Loans. Cash lump sum repayments and installment repayments may be made toward all types of claims or overpayments. When entering "IN" or in-kind as the payment type, you must use "JAL" as the payment source code. For "CO" or coupon and "CA" or cash you may use any payment source code. Please see appendix C for a complete list of payment source codes.

1.4.1 Payment Processing

When a cash or FoodShare payment is received, record the payment in CARES within 5 working days of receipt. Payments must be applied by

program and according to the signed repayment agreement. The "BVCP" screen allows payments to be recorded to one claim at a time (by recipient's PIN number or social security number and program). Use BVCP when applying a specific amount to specific claims, for example DOC payments for a fraud claim. To check for existing repayment agreements, go to BVPA with the PIN number of the recipient and program.

The "BVMP" "Post Multiple Repayments" screen allows payments to be recorded by program with the recipient's PIN number for multiple individuals. The CARES logic will automatically assign the payment to fraud, client error, and non-client error (in that order) and also to the oldest claim first in each error type.

Post the payment on CARES using either "BVMP" or "BVCP". CARES will automatically assign the collection date as the date the payment was posted. Do not enter an adjustment date for this "original" entry. (Adjustment dates are not used for original payment entries.) Payment source codes must also be entered. The posted cash payments will appear on CARES report CBV262RA, form C139 or report CBV266RA, form C142 for JALs, and any cash adjustments and refunds will appear on the CBV066RA report, form C117 at the end of the month. DO NOT send copies of EOS reports or cash collections to the state. Refer to Chapter 8 for an explanation of how to use EOS reports to reconcile collections at month end.

Collections received from a collection agency for any overpayment should be recorded at gross to the individual's claim. Report the fee charged by the collection agency as an expense.

Tax intercept collections are posted to an individual's claim at the gross amount. The fee is reported as an expense on the local agency's behalf.

1.5.0 Correcting Transactions

Use the reversal or adjustment procedures when you find that a transaction was improperly posted in CARES. Use refund procedures when a debtor has made payments in excess of the amount of their claim.

1.5.1 Payment Reversals

Payments may be reversed to correct incorrectly posted payments or for checks returned for insufficient funds. Reversals can be made on

the BVRP screen using the claim number. The reason for reversals should be recorded in BVCC.

On occasion, a payment that was reversed may need to be reposted to another claim to correct an error. In this instance, make the correction using the date of the original CARES entry. The correcting entry will be recorded as a "CCA" for a cash adjustment or a "NCA" for a non-cash (coupon) adjustment on the CBV066RA report. It is ONLY appropriate to use the adjustment date when reposting a CARES payment that has been reversed.

For example, on 11/15/99, you find a collection you posted on 10/2/99 for $100 was posted to the wrong claim. Instead of posting to John Harp, you posted the collection to John Harvey. You must reverse the $100 collection from John Harvey (use BVRP Reverse Claim Payment and enter "ERR" for reversal reason and an "x" next to the collection you are reversing) and re-post that $100 collection to John Harp with the adjustment date 10/2/99. The "reposting" of the collection with an adjustment date of 10/2/99 will offset the reversal entry you did for the collection originally entered on 10/2/99. (In other words, no new cash will be taken away from the local agency by the state.)

Use BVCC to enter remarks to explain why the reversal and re-posting was made and other pertinent information to help in creating audit trail.

1.5.2 Claim Adjustments

If an overpayment is set up incorrectly on CARES, the local agency will have 60 days to adjust the claim. After the 60-day period has expired, the local agency must submit documentation to the state and request the appropriate adjustment. When a claim is adjusted, the local agency must send a revised notice to the individual.

If the claim is more than 60 days old, please fill out a Request for Write-off or Adjustment form and fax it to 608-266-8302 or send it to:

> Public Assistance Collection Unit
> P. O. Box 8938
> Madison WI 53708-8938

1.5.3 Refunds

Payments posted to a claim which are greater than the claim amount due will result in a refund. When that happens, the claim will appear on the CBV242RA report, form C137 (Claims With Refund Due). This

report must be referenced weekly to determine if any refunds are due. Refund amounts appear on the "BVCR" or "BVCD" screens. Refund payments must be initiated within 10 days of being identified as a refund. The agency should verify the accuracy of all the information relating to the claim before issuing a refund. The following questions should be answered during this verification:

- Was the original claim created for the correct amount?

- Are payments, recoupments, adjustments, and reversals properly posted to the claim?

- Is there another claim for the individual to which the refund may be applied?

For example, on 11/15/99, you find a claim (claim A) with a refund of $30 after you posted a cash collection of $100 on 10/2/99. You want to apply the refund to another claim (claim B). You may reverse the $100 from claim A, repost $70 to claim A and then post $30 to claim B. Enter the adjustment date of 10/2/99 for both entries.

If a credit balance resulted from recoupments, enter a refund of cash on BVCR. If the credit can be applied to another claim post a payment of "CA" cash to that claim. In BVCC explain that the entries are a correction of a credit balance due to recoupment. If a refund is needed, the agency that posted the last payment (as indicated on CBV242RA report) should request a check amount equal to the entire refund amount due, even when the refund amount is greater than the collection initially received by your agency. Request a check according to the agency's internal accounting procedures. DO NOT ISSUE AN AUXILIARY/SUPPLEMENT FOR REFUNDS DUE TO A CLIENT.

Once the check is ready to mail, record the refund on CARES by going to BVCR and enter "Y" for yes in the "Refund Issuance Switch" field. Identify the refund type ("CA" for cash). Enter the refund check number and date of issuance in BVCC. The refund information will appear on the CBV410A, form C169 (Refund Issuance Report by Agency) and the CBV066RA, form C117 (Status of Claims Against Households Detail Report) as "CFD" cash refund issued at the end of the month.

The state will adjust the CORe cash take-back profiles for the local agency by the refund amounts made. This will in effect return all refund dollars to the local agency including anything greater than the amount the agency collected.

For example: John Dole has an AFDC claim with an original claim balance of $1,000. The state collected $200 and posted it to CARES on 10/3/99. Adams County posted $50 on 10/5/99. The claim was dismissed or discharged due to a fair hearing decision on 10/10/99. On 10/20/99, the state reduced the original claim to zero. The CARES logic assigns the refund to Adams County, the agency that did the last posting. A $250 refund due will appear on Adams County's CBV242RA report for October 1999. Adams County should refund $250 to the individual. The cash take-back calculation for Adams County will reflect a $250 refund was made.

Note: Before mailing a refund check, make sure the client's check payments have cleared the bank or wait until 10 days after the last deposit is made to make sure the client's check will not be returned for insufficient funds.

Note: DO NOT issue an auxiliary or supplement for a refund. The benefit history for the client may consider the "refund" part of the benefits issued for the individual.

Chapter 2: AFDC/W-2

2.1.0 W-2 Voluntary Returns

Before processing a voluntary W-2 check return, be sure to check BVCI to see if the remitter has an outstanding claim for an overpayment. If a claim has been recorded, refer to Chapter 1 and process the return as a repayment. Overpayments should not be established when a check has been returned.

When a recipient voluntarily returns his/her W-2 check to the local agency and no claim exists, agency staff should record this type of return/collection on BIRB using code "RM" (Return to Madison). If a recipient voluntarily returns the W-2 benefit in the form of a personal check (i.e., not the original W-2 check that was issued by the state), use return method "2" (cash) in BIRB. If it is a partial return, leave the check number off and return it as a "2." History will debit the amount indicated on the screen. Cash or personal check returns are immediately updated and subtracted from the total issued on IQAT. If the original W-2 checks are returned, as soon as the checks are recorded as "RM" on BIRB, the codes "CN" (canceled) and "RNR" (Return No Replacement) appear in the individual's benefit history, and IQAF will correctly reflect the return. No incentives are earned on voluntary returns.

2.2.0 Undeliverable W-2 Checks

When a W-2 check is undeliverable, the post office will return the check to the local agency. The local agency must immediately record such returns on BIRB using one of the return codes. If the check is later released or remailed to the client, the local agency will record the release on BIRR (Release/Re-issue Returned Benefits). Prior to the end of the month, the local agency should record the remaining checks

with disposition code "RM" (Return to Madison) on BIRB. When the returned check is recorded by the local agency in CARES, it is immediately reflected on IQAF. As soon as the local agency records code "RM" on BIRB, the check is canceled, and the code "CN" (canceled) shows in the individual's IQAF benefit history. The check amount is debited from the recipient's disbursement record detailed on IQAT. No incentives are earned on undeliverable checks.

Stale dated checks are checks that were never cashed. The state will automatically cancel all stale dated (CSD) checks 1 year and 3 months (15 months) after the check issuance date. Payments on IQAF will be coded with the CSD code. The entry coded with CSD on IQAF will be subtracted from the client's year to date issuance history. If the client requests replacement of a check that has become stale dated and cancelled, process a supplemental issuance for the period of the stale dated check.

2.3.0 Disposition of Returned and Undeliverable W-2 Checks

The EOS CARES-BI512RA-EOM report EOS form name C050 "AFDC/W2 Returned Benefits Report By County" will summarize all returned checks that have been entered into the CARES Benefit Issuance history for the month. The total on this report and the total amount of the checks that have been collected during the month and coded in CARES should be equal.

Send a copy of this report and the returned checks to the address below (see section 2.4.0).

2.4.0 Lost, Stolen or Destroyed W-2 Checks

State Statutes 20.912(5) and 49.19(14)(a) authorize replacement of lost, stolen or destroyed financial aid checks.

When a W-2 check has been reported lost or stolen, report the loss to the law enforcement agency designated by the agency director.

Mutilated or damaged checks are those that can be verified from a check register. The mutilated or damaged State of Wisconsin paper check should be mailed directly to:

DCF Finance
201 East Washington Avenue, Room A200
P.O. Box 8916
Madison, WI 53708-8916

Telephone 608-267-9620 (Back-up 608-266-7295)

Along with the mutilated or destroyed check, send the check number and name and address of the payee for verification and mailing. See the stop payment procedures (section 2.4.1.1) below for entering the data onto CARES.

2.4.1 Reporting the "Lost, Stolen or Destroyed" Benefits

The Affidavit of Lost, Destroyed or Stolen Benefits (FIS-12768) must be completed in full by the recipient at the time the W-2 check is reported lost, stolen, or destroyed. The oath at the bottom of the form must be administered to the client and notarized. The FEP must request a stop payment on CARES screen BISP (See section 2.4.1.1 for details).

Within 10 working days of entering the request to stop payment on screen BISP in CARES, the agency must send the affidavit to DCF Finance (see address in section 2.4.0). Best practice would be to send the affidavit and any other accompanying documentation via certified mail or courier (such as FedEx).

An alert (Alert No. 027 - Affidavit for Stop Payment) will go to the payee's FEP if the state has not received the client's affidavit within 15 days of the stop payment entry in CARES. If the agency receives the alert, but has already sent the affidavit, assume it was lost in the mail and send a copy of the original to the state.

2.4.1.1 Stop Payment Procedures

The FEP or designee must immediately enter stop payment requests into CARES screen BISP when checks are reported lost or stolen by a participant.

- Tran to IQAF to get the benefit number for which the stop payment is being requested.

- Tran to BISP using "case/cat/seq/benefit number" in the parm.

- The cursor will be at the Stop Payment Reason field. Type one of the following: LST (Lost), STN (Stolen) or DES (Destroyed). Press Enter.

- Your stop payment request will be transmitted to DCF Finance.

- A request to stop a payment can be cancelled the same day it is requested. Once a stop payment has been entered on BISP, tran

back to BISP the same day and enter a 'Y' for the question 'Cancel Stop Payment?'. This will negate the request.

DCF Finance processes stop payment requests daily. The status of the stop payment request on the IQAF screen changes to SSP (Seeking a Stop Payment from Treasury) or CCC (Cashed-Copy Coming) usually within 24 hours of the time an agency keys a stop payment request to BISP. If the status of SSP or CCC does not appear within 48 hours, call DCF Finance.

DCF Finance keys the replacement check information to CARES. The recipient's benefit will show a disposition reason of SSR (Successful Stop Payment with Replacement) and the detail screen (IQAD) will show the replacement check number and date. Date of replacement is the date the replacement check left Madison for delivery to the local agency.

Replacement checks are not issued via CARES. If for some reason an agency must place a stop payment on a replacement check, contact DCF Finance at the telephone number stated in section 2.4.0.

If the local agency receives the check after a stop payment has been processed, the agency should write Payment Stopped across the face of the check and return it to DCF Finance (see address in section 2.4.0).

2.4.2 Checks Cashed After Being Reported Lost or Stolen

If the check that has been reported lost or stolen was cashed, DCF Finance faxes a copy of the cashed check to the local agency. The recipient should examine the copy of the cashed check. If the recipient indicates he or she did not endorse or receive any benefits from the check, the following forms/steps must be completed.

- The recipient must complete the Affidavit - Forged Endorsement (DOA-2789). The oath at the bottom of the affidavit must be administered to the client and notarized. The recipient must be aware of the Notice of Penalties.

- Indicate the CARES case number and CARES benefit number in the upper left-hand corner of the Affidavit.

- The Handwriting Specimens (DOA-2790), must also be completed by the recipient in the presence of a witness in conjunction with the affidavit - Forged Endorsement form.

- Make a copy of the recipient's driver's license, county ID, or any other item containing the client's signature.

- The client must sign and date the back of the copied check.

Give the client a set of copies of the information listed above and send the originals to DCF Finance (see address in section 2.4.0).

The documentation is forwarded to US Bank - Milwaukee. US Bank will initiate a forgery investigation. This investigation requires more time than the state is allowed to issue a replacement check. Therefore, the state issues a replacement check within two days of receipt of a forgery affidavit.

Once DCF Finance keys the replacement check into CARES, the Disposition Reason code on IQAF will state CWR (Cashed With Replacement). The detail screen (IQAD) will list the replacement check number and date. The check date is the date the replacement check left Madison for delivery to the W-2 agency.

- If the recipient has claimed a forgery, the financial institution or vendor is asked to reimburse the state for the replacement check generated for the client. If the financial institution or vendor refuses to reimburse the state, the state keys "RRF" to the IQAF screen (Refund Refused by the Financial Institution). This action also doubles the amount of the benefit on IQAF. This keying action also sends an alert to the FEP asking that an Benefit Recovery claim be established (Alert 025 - Initiate Recoupment.)

- The local agency will also receive written notice to recover funds due to a possible overpayment, and to pursue investigation of possible fraud.

- DCF Finance keys "RAF" (Refund Received From Financial Institution) if the reimbursement has been received. The RAF code will appear on the client's IQAF screen.

If there is no endorsement on the photocopy, or if the endorsed name is not that of the recipient, request the check be replaced due to no endorsement or lack of proper endorsement. The state will replace the check and seek a reimbursement by contacting the original cashing institution.

2.4.3 Certified Photocopies of Checks

A law enforcement agency, district attorney's office, attorney, or other agency may request certified copies of payee's checks for court or other proceedings. An agency should send a request for certified checks to DCF Finance (See address in section 2.4.0).

The request should include client name, check number, date of check, and amount of check.

2.5.0 AFDC/W-2 Subrogation/Third Party Liability (TPL)

Recovery of AFDC or W-2 payments from a third party, such as an insurance company must be reported to the state to offset the benefit costs. Report this type of collection directly on the CORe expenditure report line codes 0288 for AFDC and 0292 for W-2. See section 8.7.0 for additional information on this subject.

2.6.0 Estate Collections

Recipients are subject to the estate recovery program. This program involves recovery from the estates of recipients whose AFDC or W-2 benefits were correctly paid. Recovery may be made from liens against homes, claims against estates, windfalls, payments or settlements as a result of a lawsuit for any damage (injury) claim up to the unreimbursed benefits. See section 8.7.0 for reporting instructions for estate collections.

Chapter 3: FOODSHARE AND EBT

3.1.0 FoodShare Procedures

3.1.1 Food Stamp Coupon Claim Payments

Wisconsin issues benefits via EBT. However, a client may have Food Stamp coupons from a prior benefit period. Clients may choose to make payment on FoodShare claims by returning unused Food Stamp coupons. These payments will be recorded in the Benefit Recovery Subsystem following the procedures outlined in section 1.4.0. Food Stamp coupons that have been turned in to the local agency as payment of a claim must be voided and recorded on a FCS-471, Coupon Account and Destruction Report. Send this completed form and the voided Food Stamp coupons that have been received as a payment of a claim to:

FoodShare Accountant
Department of Workforce Development
Administrative Services Division
201 East Washington Avenue, Room A200
Madison WI 53707-7935

3.1.2 Food Stamp Coupon Voluntary Returns

Check BVCI to determine whether or not a client has an outstanding FoodShare claim before processing a voluntary return of food stamp coupons. Please see section 3.1.1 on FoodShare claim payments if a FoodShare claim exists.

If no claim exists, return to DHFS/DHCF any food stamp coupons refunded to you by a FS group at your earliest opportunity. Void the stamps and send them to:

Tim Burnett
Department of Health and Family Services
Division of Health Care Financing
P.O. Box 2057
Madison, WI 53701-2057

List the household, case number, benefit number or month of benefit, amount returned, and reason for return. This ensures that the returned stamps are posted to the correct benefit allotment. DHFS/DHCF staff will post these returns to the individual's benefit issuance history in CARES.

Food stamp coupons may be returned because the FS group refunds them or the coupons were found. Document the case record appropriately.

Note: When Agencies return coupons related to an overpayment they must void the stamps and fill out an FNS-471 as described in section 3.1.1.

3.1.3 Correcting Double Postings of FoodShare in CARES

If coupons were processed by the agency as a claim payment in the BV subsystem and then mistakenly returned to DHFS/DHCF as a voluntary return, a double posting may occur. To correct this double posting, the local agency will be required to complete the following steps:

1. Reverse the coupon posting on BVRP

2. Adjust the claim amount down in the amount of the returned coupons on BVCL if the claim was created in the last 60 days. If the claim is older than 60 days, see section 1.5.2 on claim balance adjustments.

3. Enter an explanation of these actions on BVCC

3.1.4 Owner Unknown Food Stamp Coupons

Return any food stamp coupons where the owner is unknown to DHFS/DHCF. Void the stamps and send them to:

Tim Burnett
Department of Health and Family Services
Division of Health Care Financing
P.O. Box 2057
Madison, WI 53701-2057.

Indicate that the owner of the coupons is unknown.

3.2.0 Electronic Benefit Transfer (EBT) Procedures

3.2.1 EBT Repayments

All EBT returns are referred to as "repayments" by the EBT vendor. The term repayment here applies to both voluntary returns of benefits and to claim payments. Before a repayment can be made via EBT, federal regulations require that the client sign a FNS-135 (HCF 09002), Affidavit of Return or Exchange of Food Coupons, indicating the amount and the reason for the return. EBT repayments are entered into the EBT vendor administrative terminal Account Repayment screen by designated local agency fiscal staff. Complete instructions for the EBT vendor administrative terminal functions can be found in FoodShare Handbook chapter 7.2.1. The process for Account Repayment is summarized as follows:

1. Select ACCOUNT REPAYMENT from the main menu

2. Enter the CASE NUMBER

3. Press the Tab key

4. Enter the PROGRAM CODE: 01 is currently the only option

5. Press the Tab key

6. Enter the recipient's SOCIAL SECURITY NUMBER

7. Press the F4 key -- verify that the correct recipient information is returned

8. Enter the REPAYMENT AMOUNT (cannot be more than the available amount, do not enter dollar signs)

9. Press the F10 key to process the recovery information. The repayment amount will be deducted from the recipient's EBT account balance immediately

10. Do a screen print after the repayment has been processed

11. Press the F16 key to exit

Attach the administrative terminal screen print to the agency copy of the completed FNS-135 that authorized the repayment. File these documents by the month in which the repayment was made.

The repayment information that is entered into the EBT vendor administrative terminal will interface with CARES each night when batch files are processed. When CARES receives the repayment information, it will check to see if the case has an outstanding FoodShare claim. If a claim has been established, the repayment will be applied to the oldest outstanding claim in date order, oldest first and will appear in BVPH. If no FoodShare claim has been established, the repayment will be processed as a voluntary return. The repayment will appear in IQFS as a return of benefits.

3.2.2 Inactive Accounts

An inactive account is an account that has not been accessed by the FoodShare AG for 60 days or longer.

If the account is not accessed within 60 days, the EBT vendor will provide this information to CARES on the daily aging report. CARES will issue a warning letter to the FoodShare AG. The worker will also receive the alert "NO EBT CARD USED IN 60 DAYS".

If the account is not accessed within 300 days, the EBT vendor will provide this information to CARES. CARES will generate the alert "300 DAY WARNING EBT BAL >$5" to the worker if the account balance is greater than $5. If there is an outstanding claim against the primary person and the balance is greater than $25, the BV coordinator listed on CARES table TCRD will get the alert "300 DAY WARNING EBT BAL > $25".

Upon receiving these alerts, the local agency should check BVCI to see if the cardholder has an outstanding FoodShare claim. You may also review CARES-BI727A-BOM - EBT Account Balances Over $5 That May be Expunged (C099). The report is produced the first business day of the month and reflects cases that have reached 300 days of non-activity in the previous month. The report identifies the EBT account balance, the estimated expungement date, outstanding claims and the claim balance.

If a FoodShare claim is outstanding, seek the cardholder's permission to apply the benefits to the claim. Follow the procedures for EBT Repayments as outlined in section 3.2.1 above when permission is received.

3.2.3 Expunged Accounts

When 365 days have passed since a purchase was transacted on the EBT account, FoodShare benefits will be expunged (no longer available to the FoodShare AG).

CARES will first apply the expunged amount to any outstanding claims (oldest claim first). The amount of the expungement will appear as a balance adjustment. The local agency is not entitled to an incentive on expunged funds that are applied to outstanding claims. In order to receive incentive, the agency must follow the EBT Repayment procedures outlined in section 3.2.1 before the expungement occurs. Any remaining amount of expungement after claim repayments have been applied is reflected as a returned benefit on IQFS, IQFD, and IQFT when CARES updates these screens.

Do not issue an auxiliary to replace benefits returned due to expungement if the benefits are 365 days old. The FoodShare AG does not have a right to the expunged benefits that are 365 days old.

If some benefits are less than 365 days old, the FS AG may request that those benefits be reissued. The agency must issue an auxiliary for each month that had expunged benefits. The benefit period and amount should match the returned amount on IQFS. Use auxiliary reason 935 for an open case or 936 for a closed case.

3.3.0 Cash or Check Voluntary Return of FoodShare Benefits

Voluntary cash or check repayments of FoodShare benefits when NO claim is outstanding must be made to the USDA. Check BVCI to make sure the client does not have an outstanding FoodShare claim before processing a voluntary return. If no claim is outstanding, please follow these steps to ensure the client receives credit for their voluntary return:

1. The client should make their check payable to USDA-FNS. If the client wishes to pay in cash or has already made the check payable to the local agency, the local agency should deposit those funds into a clearing account and issue a check from the same account for the same amount to the Department of Workforce Development.

2. The local agency should draft a short memo to DWD stating that a voluntary return of FoodShare benefits has been received. The memo should include the client's name, social security number,

case number, address, and the amount of the return. Enter information into case comments.

3. Send the check and the memo to the following state address:

   Food Stamp Accountant
   Department of Workforce Development
   Administrative Services Division
   201 East Washington Avenue, Room A200
   Madison, WI 53707-7935

   Upon receipt of this information, DWD will manually enter the amount received on line 14 of the FNS 209 report. The same amount will be manually entered on line 20A of the FNS 209 report. The FoodShare accountant will keep all of the supporting detail as well as send copies of it to FNS with the quarterly check and report.

4. The Food Stamp accountant will mail the check and memo to:

   USDA-FNS-MWRO Lockbox
   P.O. Box 953807
   St Louis, MO 63195-3807

Chapter 4: MEDICAID OR MEDICAL ASSISTANCE AND SENIORCARE

4.1.0 Calculating Overpayments
4.1.1 Accessing MMIS
4.1.2 Ordering a History
4.2.0 Medicaid (MA) Estate Recovery Program (ERP)
4.3.0 MA Subrogation/Casualty/Injury or Third Party Liability
4.4.0 Voluntary Returns from Individuals Not Subject to ERP
4.5.0 SeniorCare Recovery

4.1.0 Calculating Overpayments

Agencies must calculate overpayments for Medicaid (MA) fraud and client error. Agency errors cannot be recovered in Medicaid programs. The agency needs to contact EDS and request a service/benefits history to derive the overpayment amount. Or, the agency can access EDS's Medicaid Management Information System (MMIS) database to directly query the Medicaid eligibility file (This file is operated by EDS - Federal in Dallas, Texas). MMIS allows you to receive a current status report for any Medicaid case. You can view the eligibility, third party liability, and nursing home segments on a terminal in your local office. HMO-s need to be addressed separately and contact to EDS may not be necessary.

4.1.1 Accessing MMIS

Begin at the WSRCC screen and:

1. Type "EDSNET" and press Enter. This logon gets you to the initial EDS security screen.

2. After the welcoming screen appears (Welcome to the Dayton IPC) type "EDSNET" and press Enter again. The EDSNET screen then appears.

3. Type your six character logon ID. Then press the space bar twice or press the tab or return key once. Do not press Enter. Next type in your password and then press Enter. Your password must be 8 characters and either 6 alpha and 2 numeric, or 7 alpha and 1 numeric. For example: alpt23wr, or alpt2wre.

4. The applications selection screen now appears. Type "1" and press Enter.

5. The cursor is at the word "welcome". Type "WIOL" over the word welcome and press Enter.

6. The Wisconsin On-Line Menu appears. This menu displays all possible system action codes. You are limited to the following query codes: "RB", "RC", "RE", "RL", "RM", "RN", "RT" and "RU". Enter the following data on this screen:

   1. The desired system action code.

   2. The 4 digit clerk number assigned by EDS.

   3. The MA number or the provider number in the KEY field. Enter the SSN and d, do not use spaces or dashes. Enter the provider number only when you can access those screens.

   4. Enter.

   5. To move to another screen and view additional data, move the cursor to the SYS ACTION field and type in the new system action code and press Enter.

7. Logoff the system. To logoff, press PF1 from any screen in the system. The Wisconsin screen appears. Type in "LOGOFF" and press Enter. This returns you to the WSRCC screen.

"RC" screen displays medical claims that have been processed in the last 24 to 30 months. This includes claims that have been paid, denied, or suspended awaiting research.

4.1.2 Ordering a History

You are able to order paper copies of claim history reports from EDS using the RC screen. The following reports are available:

- HMBR418

- HMBR419

- HMBR421

- HMBR423

- HMBR426

Use the TYPE field to select the type of report you wish to order.

Follow these instructions for ordering a beneficiary history report from the RC screen.

1. Type the client's 10 digit MA ID number in the MA# field. If you fail to enter an ID you will receive the error message: "PLEASE ENTER MA# AND PRESS ENTER". The cursor remains in the MA# field until you enter a number.

2. Key in the type of history you are requesting. Key 1 of the following in the TYPE field:

   - "418" = HMBR418

   - "419" = HMBR419

   - "421" = HMBR421

   - "423" = HMBR423

   - "426" = HMBT426

   If you enter a type other than one of these you will receive the error message "REPORT TYPE INVALID OR BLANK - PLEASE CORRECT."

3. Use the "RC" screen to obtain the benefits history directly. You may specify your assigned four character location code in the LOC field. If you fail to enter this field or if you enter it incorrectly, you will receive the error message "LOC INVALID OR BLANK - PLEASE CORRECT".

4. Type in the four character identifier in the REQUESTER field. This is your agency's way of identifying who requested the report. If you fail to enter the requester or there are less than four characters in the field, you will receive the error message "REQ FIELD INVALID OR BLANK - PLEASE CORRECT."

5. If you are ordering an HMBR419 report, key the begin date for the report in the FDOS field. This is required for ordering the HMBR419 report only. Entering a date in the FDOS (From Date of Service) field or the TDOS (To Date of service) field defines a specific period of time for which the data will be gathered. Entries to these fields are optional for all other reports. Make date entries for these fields in the format "mmddyy". To receive a full beneficiary history, press enter. If the entries are all correct you will receive the message: NO ERRORS EXIST - PRESS PF6 TO TRANSMIT REQUEST.

6. Press PF6 to send your request. You will receive the message "TRANSACTION SUCCESSFUL".

All report requests are batched weekly and run on a weekend report production cycle. To be included in the weekly batch, all requests must be sent by Friday at 4:00 PM.

Reports are then sorted and mailed on the following Monday.

If the recipient was covered by a HMO, the payments will equal the amount of insurance premium paid by the state, not the actual cost of the service. If the recipient was not in an HMO, the payments will equal the amounts paid by EDS to the providers. Because the providers have one year to submit bills for services rendered, the local agency should contact EDS to obtain information about the date of service rendered.

If service has been rendered during the overpayment period but the amount of overpayment is unknown, the local agency should do a referral so the recipient's name will appear on the CBV134RA (MON REFER/ESS RPT) report. The local agency should set up the Medicaid claim when the total overpayment amount within a particular overpayment period is known.

The local agency should work with the individual to obtain a repayment agreement for all Medicaid overpayment claims. (There is no recoupment option available for MA.) See section 1.3.3 for addition information on repayment agreements.

The official notice for a Medicaid claim is combined with the repayment agreement and sent to the liable individual(s). When the repayment agreement is signed, the information should be entered into CARES as this has an affect on the dunning notices.

Note: The overpayment and the payments should be entered into the CARES system for the person who was receiving Medicaid. All payments made for that claim should be entered for that person's claim. See section 1.4.1 for additional information on processing repayments.

For example: If John Harp, guardian of Jean Harp who is staying at a nursing home, committed fraud. John Harp is ordered to pay restitution. Create a claim on CARES for Jean Harp. Add John Harp as liable individual in BVCL. Record all payments received from John Harp against Jean Harp's claim.

Because recoveries of incorrect payments are reported as lump sums on CORe, the recoveries do not automatically off-set the actual paid Medicaid claims within Medicaid Management Information System (MMIS). This creates the potential for inaccurate recoveries from the estate because ERP uses the paid claims data from MMIS to compute the claim amount against the estate. Therefore, in cases where recoveries are made, ERP may be "over-recovering" from the estate, unless they receive notification of the recovery. Therefore, it is important to notify ERP of recoveries made for persons age 55 or older, as well as recoveries for anyone in an institution under the age of 55. See section 6.1 of the Medicaid Eligibility Handbook for ERP contact information.

4.2.0 Medicaid (MA) Estate Recovery Program (ERP)

Some recipients are subject to the Estate Recovery Program. This program involves recovery from the recipients whose MA benefits were correctly paid. For information on Estate Recovery, reference the Wisconsin Medicaid Eligibility Handbook, section 6.1.

4.3.0 MA Subrogation/Casualty/Injury or Third Party Liability

When the local agency recovers the MA payments from a third party, such as from an insurance company for the MA services rendered, this is referred to as "MA Subrogation Collections". The local agency should report this type of collection to the state to offset the MA costs and by reporting directly on CARS profile 291 on the DMS-expenditure report. The local agency should report 100% of the collection on this profile as a NEGATIVE amount. The CARS system will take back 85% of what is reported on this profile leaving the agency with incentive of 15%.

4.4.0 Voluntary Returns from Individuals Not Subject to ERP

Voluntary returns are MA benefits returned by an individual who no longer wants or needs the benefits. Ensure that the individual does not have an open MA Claim by checking BVCI before processing a voluntary return. If the individual does have an open claim, refer to Chapter 1 on benefit recovery.

Voluntary repayments made by individuals who are not subject to ERP (e.g., individuals under 55 and not in a nursing home) for purposes of MA eligibility or a prepayment of an MA deductible are reported directly on CARS profile 909 on DMS-expenditure report by the agency. (In other words, payments received from recipients who are not subject to estate recoveries and do not have an overpayment are

reported on CARS profile 909.) Report 100% of the collection on this profile as a NEGATIVE amount. The CARS system will take back 100% of this profile. No incentive is earned on this type of recovery.

4.5.0 SeniorCare Recovery

SeniorCare claims may be established in BV by the CAPO. The CAPO will establish all claims, send out all notice and worksheets and attend all hearings for SeniorCare claims. Payments will be directed to the Public Assistance Collection Unit, but may be entered in BV by local agencies if they are received.

SeniorCare claims are handled on their own repayment agreement, separate from Medical Assistance (MA) claims. Payments for SeniorCare should be posted to the SeniorCare category (SC), and not to MA. SeniorCare is its own category and is treated as such in BV.

Chapter 5: CHILD CARE

The Wisconsin Shares child care subsidy program is part of the CARES Benefit Recovery (BV) subsystem. All of the benefit recovery processes for child care client overpayments are processed through the BV subsystem. The benefit recovery process for child care providers is in two CARES subsystems, the Child Care Payment System (CCPS) and BV.

A child care overpayment can be incurred by either a child care client or a child care provider. It is recommended that when child care overpayments are detected, the overpayment be calculated and recovery be initiated within one month following the quarter in which the overpayment was discovered. This is a recommendation not a requirement.

5.1.0 Child Care Client Overpayments

These are payments made to a provider for a Child Care recipient for whom payment should not have been made for at least one of the following reasons:

1. There was a misstatement or omission of fact by the person applying for Child Care benefits or by anyone receiving benefits on the recipient's behalf.

2. There was a failure to timely report financial or non-financial changes which would have affected the client's eligibility.

3. The agency made an error in the eligibility determination and the family received Child Care benefits they were not entitled to as a result.

Note: It is the position of the Child Care Section that providers who care for children pursuant to an authorization to do so in good faith should not be penalized if the family of the child they care for is determined to be ineligible for benefits. The provider is therefore

entitled to keep payments made to them for that care. In these situations, and depending on the individual case circumstances, recoveries should be pursued from the ineligible client.

Give proper notification to all clients when overpayments occur due to their ineligibility. The overpayment notices for clients are automated through BV. Due to the unique ways of calculating Child Care subsidies, as opposed to other benefits, CARES will not, at this time, produce a worksheet for mailing with Child Care overpayment notice. Local agencies are expected to complete, and mail direct to the family, a Child Care Overpayment Worksheet (DWSW-11192-E) describing how the amount of the overpayment was calculated. The appendix of the Day Care Manual has a sample of this form.

Refer to Chapter 1 on Benefit Recovery for additional information on notices, repayment agreements and collection procedures.

5.1.1 Benefit Recovery Procedures for Clients

All Child Care client overpayments are processed through the normal claim/repayment agreement process. Claims are to be entered for these cases and collections are recorded in BV.

Note: Prior to December of 2004, Child Care client overpayments were recovered from the individual's W-2 cash benenfit, if received. The Department of Workforce Development discontinued this practice because the department's statutory authority to do so was questionable.

5.2.0 Child Care Provider Overpayments

These are overpayments made to a provider on behalf of a Child Care-eligible client due to:

1. Inaccurate reporting by the provider.

2. Agency error.

Overpayments of this type may be recovered through the Child Care Payment System (see below).

5.2.1 Active Child Care Providers

The Child Care Payment System (CCPS) has functionality for recording and processing the recovery and recoupment of overpayments (negative adjustments) to active child care providers made by CCPS. Once the negative adjustment is entered on the CCAP screen, the

overpayment notice will be sent to the provider during the next CCS cycle (Saturday batch cycle). Recoupment of future Child Care provider checks will begin two weeks later for providers who remain active in the Wisconsin Shares child care subsidy program.

Returns/recoveries of the original issuance (check) should continue to be recorded in CCPS on screen CCFR and submitted to the Bureau of Finance pursuant to earlier instructions.

5.2.2 Inactive Child Care Providers

A provider is considered inactive in the Wisconsin Shares child care subsidy program and referred to BV when a negative adjustment has been entered and all 4 of these criteria have been met:

1. The provider has not received payments at any location for the past 6 weeks.

2. There are no special payments outstanding.

3. There are no open authorizations against which attendance can be logged for the past 6 months.

4. There is no attendance recorded that is yet to be paid.

When a provider is inactive, claims are created on BVCO based on the negative adjustments (entered on screen CCAP and displayed on screen CCPR) that have not been recovered during the CCS cycle. Repayment Agreements, Repayment Summaries and dunning notices are sent during the BOM cycle.

5.2.3 Recording Voluntary Child Care Provider Payments

All Child Care provider voluntary collections are recorded in CCPS on screen CCPR. The collection is deposited in the local agency bank account. The monthly EOS Report CC62 CC Provider Overpayment Collection report is generated. This report is used by DWD staff to adjust (reduce) the local agency's Child Care Administration budget line by the collection amount. The local agency must enter the correct agency code on screen CCPR in order to ensure that the correct agency receives the adjustment to their Child Care Administration budget line.

Once a voluntary payment is received, an updated Overpayment Notice is sent to the provider from the next CCS cycle.

If a voluntary payment is entered in error or if a check is returned for insufficient funds, the entry of voluntary payment is reversed on the screen CCRR. Once the screen CCRR is completed, a Reversal Notice is sent to the provider from the next CCS cycle. The Reversal Notice informs the provider that the overpayment thought to have been repaid is once again outstanding.

5.3.0 Child Care Client and Provider Voluntary Payments When the Issuance Was Not Made From CARES/CCPS

Child Care client and provider overpayments and collections when the original issuance was made outside of CARES/CCPS cannot be tracked in CARES/CCPS. The overpayment notice and record keeping are manual processes. If a Child Care client or provider overpayment is voluntarily repaid, the local agency deposits the repayment in the agency bank account and the agency completes the CC Cash Collections/Repayments to CORe code #9003 form (DES-11087). The completed form is returned to the Bureau of Finance where the CORe Child Care Administration budget lines are adjusted by the collection amount.

Chapter 6: JOB ACCESS LOANS (JAL)

Job Access Loans (JALs) are short term, no interest loans designed to assist with emergency needs to support employment. The loans are used to meet immediate expenses that have a direct relationship to obtaining or maintaining employment.

Individuals who are W-2 eligible must meet additional JAL eligibility criteria and are not automatically entitled to a JAL. Rather, loans are granted on a case-by-case basis by the W-2 agencies.

Cash repayments will be available for future loans. By achieving the maximum cash repayment possible, W-2 agencies will ensure that JALs will be available, at a minimum, through the end of the funding period.

6.1.0 Loan Granting

The loan recipient must develop a repayment plan approved by the FEP. The repayment plan must include the maximum level of cash repayment and the shortest repayment period that the W-2 agency determines is possible for the recipient. The Job Access Loan Application/Repayment Agreement must be completed and signed before the loan is granted.

Once the loan is approved, the W-2 agency distributes the JAL directly to the loan recipient and records the loan and all repayments in CARES. The W-2 agency claims reimbursement on its Central Office Reporting (CORe) Expenditure Report form. The total amount reimbursed through CORe cannot exceed the amount allowed by the agency's contract.

6.1.1 Job Access Loan Application CARES Processing

All JAL's applied for; granted or denied, must be entered in CARES. Application Entry and Client Registration can be used to determine if the applicant is financially and non-financially eligible for W-2 services. In addition to determining W-2 eligibility, the FEP must manually

determine if the applicant meets the specific JAL eligibility criteria. This eligibility criteria is defined in section 13.2.0 of the W-2 Manual, Eligibility Determination. Use CARES Job Access Loan Information screen (BVJL) to record the loan application. Tran to BVJL with the parameter field blank for new applications. CARES will assign a JAL claim number to the application. The status of the loan application and repayment information will be maintained through BVJL.

The monthly EOS report CBV272A, JAL Claims, form C144, will display the detail of JAL activity by agency.

6.2.0 Loan Repayments

The loan may be paid back in cash or through a combination of cash and volunteer (in-kind) service. The individual must repay at least 25 percent of the value of the loan in cash. However, the most desirable method is 100% cash repayment. Monthly cash repayments are required. Monthly in-kind repayments are required, if appropriate.

6.2.1 Posting Loan Repayments in CARES

Monthly cash repayments and in-kind hours worked are required to be entered into the CARES Benefit Recovery system within 5 working days of receipt. Repayments for JALs are entered using the CARES Benefit Recovery Cash Payment (BVCP) screen with the parameter of the PIN/program or Benefit Recovery Multiple Payment (BVMP) screen with the parameter of the program. The program must be designated as JAL.

If the open loan account in CARES is not credited with the full monthly repayment, a dunning notice is issued. For example, if the JAL Application/Repayment Agreement requires both a cash payment and a specified number of in-kind service hours to be worked, both a cash payment and the required number of hours worked must be entered onto BVCP, or a dunning notice is issued.

Delinquency occurs after there are three missed or late repayments over the life of the debt. Upon delinquency, all in-kind repayments agreed to in the loan revert to cash repayments and must be paid back in cash. Once delinquent, the PACU will refer JAL debt for state tax intercept collection.

If the agency finds it appropriate, repayment agreements can be adjusted or extended. Any changes made must be keyed to BVJL by the 25th of the month and will effect repayments beginning that month.

The monthly EOS report CBV266A, JAL Collections by Agency, form C142, will display the details of payment activity for the period. Cash collections will appear as payment type "CA", in-kind service payments will appear with code "IN".

6.2.2 Payment Adjustment Dates

"ADJUSTMENT DATE" is not used for the original payment entry. It is used only when a repayment is reversed and reapplied. For information concerning the use of the ADJUSTMENT DATE field, refer to the CARES Benefit Recovery Manual section 9.4.1 Recording a Payment, or contact the Public Assistance Collection Unit in the Division of Workforce Solutions.

6.3.0 JAL Application and Repayment Schedule

This schedule is used to enter JAL application and repayment information into CARES:

Enter approved JAL into CARES	Repayment due	Enter repayment into CARES
JALs approved during a calendar month must be entered that same month into CARES (on screen BVJL).	The first JAL loan repayment is due the 25th of the following month (and subsequent payments are due on the 25th of subsequent months).	The W-2 agency has until the last day of the month to enter the loan repayment activity into CARES (on screen BVCP).

Chapter 7: COMMUNITY AIDS REPORTING SYSTEM (CARS) AND THE CENTRAL OFFICE REPORTING SYSTEM (CORe)

7.1.0 CARS
7.1.1 MA Subrogation Payments
7.1.2 Voluntary MA Returns from Individuals Not Subject to ERP
7.2.0 CORe

7.1.0 CARS

CARS is no longer used to report collections by agencies on overpayments. The only collections still tracked on CARS are MA Subrogation and voluntary MA returns from individuals not subject to ERP. All other agency collections are now tracked on CORe.

7.1.1 MA Subrogation Payments

Payments of this type will be made for the reimbursable percentage of all reported expenditures. MA Subrogation collections described in section 8.7.4 will appear in the sum-sufficient section of the DMS-CARS 603 Report under CARS profile 291.

7.1.2 Voluntary MA Returns from Individuals Not Subject to ERP

Voluntary repayments made by individuals who are not subject to ERP (e.g., individuals under 55 and not in a nursing home) for purposes of MA eligibility or a prepayment of an MA deductible are reported directly on CARS profile 909 on DMS-expenditure report by the agency. (In other words, payments received from recipients who are not subject to estate recoveries and do not have an overpayment are reported on CARS profile 909.) Report 100% of the collection on this profile as a NEGATIVE amount. The CARS system will take back 100% of this profile. No incentive is earned on this type of recovery.

7.2.0 CORe

The Central Office Reporting system (CORe) is used to track all DWD grant expenditures and payments for Wisconsin counties and various private agencies (all programs will be included on CORe by July 2005). Reports, forms, code definitions, and other processing instructions are included on the CORe website at http://dwd.wisconsin.gov/core/.

Chapter 8: MONTHLY RECONCILIATION

Reconciliation of agency records to data reported in CARES is an essential process that must be performed on a monthly basis. Information reported in CARES is the sole source used by the State in preparing State and Federal reports, therefore, it is critical that the information stored there is as accurate as possible. CARES is also the source of the take-back and incentive calculations that are reported through CORe (Central Office Reporting system) which impacts the local agency's funding. The following procedures will help to ensure that information recorded in CARES is in agreement with agency records and is correctly reflected in CORe. Refer to appendix G for an example of collections reconciliation.

8.1.0 Benefit Recovery CARES Reports

CARES reports that are required to facilitate reconciliation procedures are found in EOS (Enterprise Output Solution), an electronic report distribution system. Monthly reports are produced the first Monday night of the month. A complete listing of all Benefit Recovery reports can be viewed by typing "C1.." in the Form Field Name when signed into EOS. The Public Assistance Collection Unit publishes the Benefit Recovery Reports Manual which contains descriptions and examples of each report as well as EOS navigation tips. The EOS reports that are essential to month end reconciliation procedures are describes as follows:

CBV062RA - FNS 209 Status of Claims Against Households Report (FoodShare Claims). This report has two main sections. The first section summarizes the changes affecting outstanding FoodShare claim balances for the period. The second section summarizes the

collection activity that took place during the period. This report also calculates the amount of incentive earned by the local agency. This report is form number C113 for monthly data and C114 for quarterly data.

CBV064RA - AFDC Claim Activity Summary Report. This report is the same as the CBV062RA except that it records AFDC claim activity. This report is form number C115 for monthly data and C116 for quarterly data.

CBV066RA - AFDC/FS Claim Activity Detail by Originating Agency (This report also includes detail activity for Childcare, MA, and W-2 claims). The report shows the detail of all claim balance adjustments, new claims, closed claims, changes in type of claim, collection adjustments, collections by another agency and refunds. This report is form number C117 for monthly data and C118 for quarterly data.

CBV242RA - Claims with Refund Due (all programs that have claims). This is a weekly report that identifies all claims that have received payments in excess of the claims amount. A refund must be issued within ten days of appearing on this report (see section 1.5.3 for additional information). This report is form number C137 and it is run weekly.

CBV252ARA - Report of Active Claims with Notification Date (all programs that have claims). This report provides the detail of all active claims that have been recorded in CARES. This report is form number C138 and it is run monthly.

CBV252BRA - Report of Active Claims without Notification Date (all programs that have claims). This report details any claims that have been entered into CARES, but have not been properly notified according to CARES. Any claims that appear on this report should be properly notified and updated in CARES immediately. This report is form number C175 and it is run monthly.

CBV262RA - Overpayment Collections by Agency (all programs that have claims). This report shows the detail of all cash, coupon or EBT repayments collected for a claim in a given period. This report is form number C139 for monthly data and C140 for weekly data.

CC435A – CC Provider Overpayment Collections (child care provider claims). This report shows the detail of all cash, check or money order repayments collected for a claim in a given period. This report is form number CC62 and it is run monthly.

8.2.0 Reconciliation of Cash Claim Collections

All cash collections received as payment on a claim must be entered in an agency's receipt books and a receipt must be issued for each collection. Collections must be put in a safe place until a deposit can be made. Deposits should be made daily, if not, at least weekly. Collections for AFDC, FS, MA, CC and W-2 claim payments should be recorded in unique accounting codes to facilitate proper reporting. Collections received as payment on a claim must be entered in CARES in a timely manner (within 5 working days of receipt.)

Refer to appendix D for a worksheet that can be used to facilitate the reconciliation of agency records to EOS Reports and the applicable CORe line code. When referring to the EOS reports, only take into account those transactions that were processed by the local agency. All entries with agency code "99" or processed by a "DWD" user id should be disregarded in performing the local agency reconciliation worksheet. The basic formula that should be used in this reconciliation is as follows. See the example in appendix G for an illustration of this process.

Agency Cash Receipts =	CBV262RA +/-	CBV066RA =	CORe
Ledger/journals recorded in a unique collection account	Amount agency posted as cash collections (CA)	plus or minus CCA minus CFD posted by the agency	applicable "take-back" line code

Example: Collection of cash for any type of overpayment

Agency Ledger/Journal =	CARES CBV262RA +/-	CARES CBV066RA =	CORe Take-back
$200	$250	CCA (NSF CHK) (-$50)	$200

8.2.1 Cash Collection Take-back

The state uses the above formula to determine the amounts to process on CORe for the "take back" of cash collected by the local agency. The state will process the information on CORe and the local agency will

see the take-back as a negative amount on the CORe Agency Contract Detail – Monthly Report. The CORe cash take-back line codes are as follows:

Line Codes	Description
0961	FS Cash Take-Back
0971	AFDC Cash Take-Back
0981	MA Cash Take-Back
9006	CC Cash Take-Back
9009	W-2 Cash Take-Back
0982	SC Cash Take-Back
0983	CF Cash Take-Back

8.3.0 Reconciliation of FoodShare Coupon Claim Collections

Even though all Wisconsin FoodShare benefits are issued via EBT, clients may have Food Stamp coupons that they wish to apply toward a claim. It may be necessary to combine the Food Stamp coupon and EBT reconciliation procedures as the CBV262RA will report both Food Stamp coupon repayments and EBT repayments with the "CO" code.

The collection of Food Stamp coupons to reduce a FoodShare claim in CARES must also be reconciled to the Agency's internal records. Appendix E provides a reconciliation format that may be helpful for agencies in reconciling the FoodShare collections. When referring to the EOS reports, only take into account those transactions that were processed by the local agency. All entries with agency code "99" or processed by a "DWD" user id should be disregarded in performing the local agency reconciliation worksheet. CORe take-back procedures do not apply to FoodShare coupon repayments, therefore there is no CORe line code to reconcile to. The basic formula used in this reconciliation is as follows:

Agency Coupon Receipts =	CBV262RA +/-	CBV066RA =
FoodShare receipts for the month	Amount agency posted	plus or minus Non-Cash

& FCS-471 (copy retained by Agency)	as coupon collection (CO)	Adjustments (NCA)

Example: Collection of coupons for FoodShare overpayment

Agency Receipt Book =	CARES CBV262RA +/-	CARES CBV066RA =
$90	$100	NCA (-$10)

The amounts derived from CBV262RA and CBV066RA reports should equal the amount on line eleven on the FCS-471 "Coupon Account and Destruction Report." These amounts may not be equal to the amounts on the CBV062RA report, line fifteen. The CBV062RA line fifteen may include coupons that were posted by another agency to claims originating in your agency. If the collection posted by your agency is credited to another agency, the last column on the CBV262RA report will indicate that agency's number (originating agency). When another agency has posted coupon collections to your agency, the CBV066RA will show a NCF (Non-cash collection from another agency.)

8.4.0 Reconciliation of EBT Repayments for FoodShare Claims

The deduction of EBT Benefits to reduce a FoodShare claim in CARES must be reconciled to the Agency's internal records. Appendix F provides a reconciliation format that may be helpful for agencies in reconciling EBT Claim repayments. CORE take-back procedures do not apply to EBT repayments, therefore there is no CORE profile to reconcile to. The basic formula used in this reconciliation is as follows:

Agency Records =	CARES CBV262RA +/-	CARES CBV066RA =
Signed copies of FNS-135 & Screen Print from CSI system	Amnount CSI system updated in CARES as EBT repayment (CO)	plus or minus Non-Cash Adjustment (NCA) by agency

8.5.0 Reconciliation of Outstanding Claim Balances

Agencies should review outstanding claim counts and balances on EOS reports for accuracy. If a discrepancy is found, it should be corrected in CARES immediately. See section 1.5.0 for some of the more common corrective actions that may be used. The balances reported on summary reports should match the corresponding information presented on the detail reports.

Item on Summary Report (CBV062RA or CBV064RA)	Detail Report
New Claims	CBV066RA
Balance Adjustments	CBV066RA
Closed Claims	CBV066RA
Outstanding Ending Claim Count and Balance	CBV252RA
Cash Collections for the month	CBV262RA
Coupon and/or EBT Repayments for the month	CBV262RA
Recoupments/Offsets for the months	CBV052RA
Collection Adjustments	CBV066RA
Refunds Issued	CBV066RA

8.6.0 Incentives for Overpayment Collections

Under state statutes s. 49.125(2), s. 49.195(3), and s. 49.497(2), counties and tribes earn 15 percent of amounts collected on FoodShare, AFDC, and MA fraud and client error type claims when the recovery is due to the efforts of an employee or officer of the agency. These incentives are calculated from collection information reported in CARES. For FoodShare and AFDC, the calculation involves adding together all cash collections, coupon/EBT claim repayments, recoupments, offsets, cash and non-cash adjustments, transfers and refunds for fraud and client error claims and multiplying by 15%. The result of this calculation is displayed on the applicable summary report (see below). No such summary report currently exists for the MA

program. To calculate MA incentives, several EOS reports are required (see below). The incentive amounts are entered by the State on the CORe line codes below:

CORe Line Code	Description	Source Report(s)
0965	FS Agency Incentive	CBV062RA, line 22
0975	AFDC Agency Incentive	CBV064RA, line 22
0980	MA Agency Incentive	+ CBV262RA, agency cash collections + CBV264RA, state cash collection +/- CBV066RA, cash adjustments - CBV066RA, cash refunds multiply the result by 15%

No incentives are paid for W-2, Childcare, SeniorCare, Collection Fees or JAL collections. No incentive will be paid for EBT expunged amounts that are applied to claim balances. See Chapter 3 for additional information on expunged accounts

8.7.0 Incentive for Special Collection Actions

Collections may be received from estate settlement or third parties that represent a return of benefit costs. In these cases, no overpayment has occurred and no claim has been established. Agencies will receive incentive for these collections due to their efforts as follows:

CARS Profiles/CORe Line Codes	Description	Incentive %
291	MA Subrogation/TPL	15%
0288	AFDC subrogation/TPL	15%
0289	AFDC estate collections	15%
0292	W-2 subrogation/TPL	15%
0293	W-2 estate collections	15%

8.7.1 W-2/AFDC Estate Collections

Recipients of W-2 or AFDC benefits are subject to the estate recovery program. This program involves recovery from the estates of recipients whose W-2 or AFDC benefits were correctly paid. Recovery may be made from liens against homes, claims against estates, windfalls, payments or settlements as a result of a lawsuit for any damage (injury) claim up to the unreimbursed benefits.

The local agency should report 100% of this type of collection as a NEGATIVE amount on CORe line codes 0289 for AFDC and 0293 for W-2. CORe will take back 85% of what is reported on these line codes leaving the agency with a 15% incentive.

8.7.2 W-2/AFDC Subrogation/Third Party Liability (TPL)

Recoveries of AFDC and W-2 payments from a third party, such as an insurance company, as part of the settlement for W-2 or AFDC benefits issued should be reported to the state to offset benefit costs. Report 100% of the collection as a NEGATIVE amount on CORe line codes 0288 for AFDC and 0292 for W-2. CORe will take back 85% of what is reported on these line codes leaving the agency with a 15% incentive.

8.7.3 MA Estate Collection

For information on Estate Recovery collections, please reference the Medicaid Eligibility Handbook, section 6.1.

8.7.4 MA Subrogation/Third Party Liability Program

Recoveries of MA payments from a third party, such as an insurance company, for the MA services rendered should be reported to the state to offset benefit costs. Report 100% of the collection as a NEGATIVE amount on CARS profile 291. For Income Maintenance agencies, the CARS system will take back 85% of what is reported on this profile, thus leaving the agency with a 15% incentive. W-2 agencies will not receive incentive for these collections.

Chapter 9: DEBT WRITE-OFF POLICY

Submit any claim that needs to be adjusted or written-off after 60 days to PACU in writing. The write-off and adjustment form can be found online at DCF-F-140-E.

9.1.0 Write-Off Policy

The debt write-off policy has been approved by the United States Department of Agriculture and the Federal Department of Health & Human Services. It is applicable to all claims and overpayments including AFDC, FoodShare, MA, SC, W-2 and Childcare overpayments and to Job Access Loans and Learnfare Penalties.

No write-off will be approved for participating households except where debts have been determined to be legally uncollectable (various collection efforts have been exhausted) or where collection action has been barred (e.g. bankruptcy cases).

Four conditions apply to all debts recommended for write-off:

1. Reasonable efforts must have been made to collect the debt or a determination of uncollectability made prior to collection efforts attempted.

2. Each recommendation must include all information requested on the write off request form and must be signed by the worker and supervisor.

3. Each write-off is subject to final approval of the Collections Unit Section Chief.

4. Any debt written off can be re-established at any time and collected at a later date.

9.2.0 Criteria For Claim Write-Off

Claims that may be written-off must meet the following criteria and include proper documentation to support the write-off.

1. Claims found to be invalid due to a fair hearing decision, administrative disqualification hearing, or a court determination. The request must include the fair hearing number.

2. Claims for a deceased debtor. If available, copies of death certificates or local verification must be included. An inquiry should be made regarding the status of the deceased's estate for possible probate action.

3. Claims that cannot be substantiated from case record files. A written explanation signed by the local agency manager is required.

4. Claims for a debtor who is protected by the Federal Bankruptcy Code provisions where it is believed the debt will be discharged. Proper bankruptcy papers or signed verification of the valid bankruptcy should be included with the request if available.

Delinquent debts will be pursued by the State. PACU may refer delinquent debts to a collection agency, report them to a Credit Bureau, write them off, levy, lien or tax intercept for them, whatever is deemed appropriate and legally viable. For cases where inadequate information has been provided, the PACU will notify the local agency to request the additional required information prior to write-off of the debt.

9.2.1 Fair Hearing

Fair Hearing Requests may temporarily stop collection efforts including recoupments for open cases and recovery efforts on closed cases. PACU monitors all fair hearings and enters an override on BVRI for the particular claim that is under appeal and notes the situation in claim comments on BVCC.

The state is represented by a person from the local agency on all hearings except SeniorCare, where the state will be represented by the CAPO.

A Fair Hearing may be granted to hear various issues including general collection actions; state tax intercept, lien actions, and levy actions. Collection action is stopped by PACU while a hearing takes place for intercept and general collection action hearings; it is not stopped when a client requests a fair hearing for lien or levy actions.

9.2.2 Deceased Debtor

When a client is deceased, the local agency should notify the PACU so the state can pursue collection action for an outstanding claim against any remaining liable adult household members or the estate, for possible probate action. A deceased individual's amount may be written-off if there is no estate, or no other liable person for the debt.

9.2.3 Bankruptcy

If a debtor is filing bankruptcy, this information should be forwarded to the state for immediate attention. The state may file the adversary proceeding if the local agency or the state is listed as a creditor.

Documentation of the commencement of a Chapter 7 or 13 proceeding should accompany the recommendation for write-off if available. The required documentation varies depending on the type of bankruptcy and the type of overpayment.

For a Chapter 13 bankruptcy discharge, documentation must include overpayment notice worksheets, cause of overpayment, and collateral information.

For all fraud debts, include a copy of the fraud investigation, court outcome, pretrial or pre-charge agreements, and administrative disqualification hearings.

Client error claims may be deemed as fraud in many bankruptcy cases. Information substantiating the debt must be presented to the bankruptcy court. Information may be as simple as presenting the original applications for assistance. PACU will follow up with local agencies on a case by case basis for these types of situations.

All collection efforts will be stopped (stayed) by PACU pending the outcome of a bankruptcy proceeding.

9.3.0 Collections Received After Claim Write-Off

If collections are received on claims that were adjusted or written-off, the local agency must set up a new claim on CARES with the same

overpayment periods, but with the overpayment amount equal to the amount of the collection, instead of the original overpayment amount. Comments on the BVCC screen should be made clarifying the entry for an audit.

9.4.0 Responsibilities

Local agencies are responsible for setting up overpayment claims, entering repayment agreements, recording claim payments, updating information, and staying collections when appropriate on CARES. Local agencies must notify the state if bankruptcy has been initiated. All records, including demand letters previously sent by the agencies and other records must be maintained for three years after the claim reaches a zero balance or three years after the debt is written off. See Ops Memo 99-37 for additional information on record retention.

The state is responsible for pursuing additional collection efforts or writing-off of the debt where appropriate. The state will write off debts that have been discharged by a fair hearing decision or bankruptcy court, or after all collection efforts have failed and the debt is outside the statute of limitations.

9.5.0 Compromise

PACU has a no compromise policy on all debts. However, the state may waive recovery of an overpayment if the department has made reasonable efforts to recover the overpayment from the debtor and determines it is no longer cost effective to continue collection efforts. Please refer to Ops Memo 02-08 for additional information regarding compromise.

APPENDIX

Appendix A: Definitions

Benefit	Value of assistance a household/AG is authorized to receive.
Case	An assistance unit/group, made up of a person or group of individuals whose income, resources and needs are considered in total for purposes of determining eligibility and the amount of benefit/s.
Claim	An amount that a benefit recipient must pay back due to an overpayment claim or ineligibility for payments that were received.
Closed Case	A case is closed when the AG is not receiving benefits.
Closed Claim	A claim is closed when it is "paid in full".
Collection	Payment received for outstanding claims - Payments may be recoupment, cash, or food stamps, EBT or offsets.
Dormant	An EBT account that has been inactive for 90 days (no purchases have been made).
Expungement	The return of EBT authorizations to the USDA which automatically occurs when an EBT account has been inactive for 365 days.
Offset	An underpayment of a benefit applied to an over-issuance.
Overpayment	A financial assistance payment allotment received by or for an assistance group for the payment month which exceeded the amount for which that unit was eligible.
Recovery	Repayment or recoupment. Repayment may be made in cash, coupons or EBT and include tax intercept, estate recovery and third party collections.
Referral	An indicator of a potential overpayment or a case that meets the error prone profile established by the local agency for client supplied data.

Refund	An amount due to an individual for paying back more than was owed on a claim.
Suspended	After a prescribed number of collection efforts a claim is held for three years. At the end of that time, if no further collection has occurred, the claim can be written off.
Tax Offset	An offset of a debtor's state and/or federal tax refund.
Voluntary Return	Benefits returned by an individual or assistance group who are no longer requesting benefits and do not have an existing claim for an overpayment.
Written Off	Claim balance adjusted to zero that has met the criteria required for debt write off.

Appendix B: Acronyms

AFDC	Aid to Families with Dependent Children
AG	Assistance Group
ASD	Administrative Services Division
BI	Benefit Issuance, subsystem of CARES
BV	Benefit Recovery, subsystem of CARES
CARS	Community Aids Reporting System
CARES	Client Assistance for Re-employment and Economic Support System
CC	Child Care
CCPS	Child Care Payment System
CF	Collection Fee
CORe	Central Office Reporting System
DHCF	Division of Health Care Financing
DOR	Department of Revenue
DWS	Division of Workforce Solutions
EBT	Electronic Benefit Transfer
EDS	Electronic Data Systems

EOS	Enterprise Output System
ERP	Estate Recovery Program
FEP	Financial & Employment Planner
FEV	Front End Verification
FNS	Food and Nutrition Service
FS	FoodShare
FR	Fraud
HMO	Health Maintenance Organization
IHE	Inadvertent household error AKA client error
IV	Intentional Program Violation AKA Fraud
IRS	Internal Revenue Service
JAL	Job Access Loan
MA	Medicaid AKA Medical Assistance
MMIS	Medicaid Management Information System
NC	Non-client error AKA agency error
PACU	Public Assistance Collection Unit
PIN	Personal Identification Number
SC	SeniorCare
TOP	Treasury Offset Program
TPL	Third Party Liability
USDA	United States Department of Agriculture
W-2	Wisconsin Works

Appendix C: Payment Source Codes

The available source codes may be seen when on the BVCP/BVMP screens. When your cursor is on the "source code" segment you can enter the pound (#) sign, hit enter and view the source codes. Local agencies must assign the appropriate code with each payment

entered. The source codes will assist the state in identifying effective collection methods.

Code	Description	Authority
ACH	Automated Clearing House	State Only
ATL	Attorney Letters	State and Local
B13	CH 13 Bankruptcy Trustee Payments	State Only
CA1	FTROP Voluntary Payments	State and Local
CA2	Transworld Systems	State Only
CA3	Collection Agency	State and Local
CA4	Collection Agency	State Only
DOC	Probation & Parole Payments/DOC	State and Local
DOJ	Department of Justice	State Only
DPA	Deferred Prosecution Agreements	State and Local
DTI	DOR Tax Offset	State Only
EBT	Electronic Benefits Transfer	State and Local
FSO	Federal Salary Offset	State Only
ITI	Federal tax Offset	State Only
JAL	Job Access Loan	State and Local
LTO	Lottery Offset	State Only
RPA	Repayment Agreement	State and Local
SSO	State Salary Offset	State Only
UCO	Unemployment Compensation	State Only
VCC	Voluntary Cash/No RPA	State and Local
WAG	Wage Garnishment	State and Local
WCO	Workers Compensation	State Only

Appendix D: Agency Cash Claim Collections Reconciliation Worksheet

This reconciliation worksheet is helpful when you reconcile cash received/recorded on your agency's ledger with cash you have posted to CARES. When completing this worksheet, include only the CARES transactions processed by your agency. Disregard any entries posted by agency "99" or a "DWD" user id. This worksheet duplicates the process that is used to calculate CORe takeback amounts each month.

1. RECONCILING MONTH/PROGRAM:

_____

2. Per agency's cash ledger/journal (gross/original)
$_____

3. Adjustments (such as Non-sufficient funds, refunds, etc.)
_____
_____
$_____

4. Net agency's cash receipt (line 2 +/- line 3)
$_____

5. CARES CBV262RA report total cash receipt
$_____

6. CARES CBV066RA report agency's entries "CCA" (Cash Collection Adjustment)
_____
_____
$_____

7. CARES CBV066RA report agency's entries "CFD" (Cash Refund)
_____
_____
$(_____)

8. Total cash receipt per CARES reports (ln 5+ ln 6+ ln 7)
$_____

9. Variance (line 4 - line 8) $_____

10. Detail of variance:
10a. Timing _____

10b. Items requiring corrective action (inform state if state must take action.)

_____

$_____

12. CORe voucher _____ Line Code_____

$_____

13. Variance (line 9 - line 12) $_____

14. Items requiring corrective action (inform state if state must take action.)

_____

$_____

Appendix E: Food Stamp Claim Collections Reconciliation Worksheet

This reconciliation worksheet is helpful in reconciling food stamps received/recorded by your agency with food stamps posted on CARES by your agency. Disregard any entries reported in CARES by agency id's or user id's other than those that belong to your agency.

1. RECONCILING MONTH: _____

2. Per Agency's Food Stamp "Receipt Book" (gross/original)
$_____

3. Minus: FS/coupons found or voluntary return (No overpayment exists.)

_____

_____

$_____

4. Net agency's Food Stamp receipts (line 2 - line 3)
$_____

5. CARES CBV262 RA report total "CO" coupons posted
$_____

6. CARES CBV066RA report agency' entries "NCA" (Non-cash Adjustment)

_____

_____

_____

$_____

7. Total FS/coupon receipts per CARES reports (line 5 + line 6)
$_____

8. Ln 11, FNS-471 "Coupon Account & Destruction Report"
(amount should agree with amount on line 7)
$_____

9. Variance (line 4 - line 7/line 8) $_____

10. Detail of variance:
10a. Timing, Error in Posting:

_____

_____

10b. Items requiring corrective actions (inform state if state needs to
take action.)

_____

_____

$_____

Appendix F: EBT Claims Collections Worksheet

This reconciliation worksheet is helpful in reconciling EBT repayments
recorded by your agency with EBT repayments posted on CARES.

1. Reconciling Month _____

2. EBT Payments per agency's copies of FNS-135 "Affidavit
of Return or Exchange of Food Coupons" and EBT Vendor Repayment
screen prints $_____

3. Minus: Repayments processed as a voluntary return
from Monthly FS Returned Benefits Report(CBI511D)
Add entries with Return Reason "E6"

These are repayments that DO NOT appear on
BVPH on the day following processing in the EBT Vendor
system (Access to Benefit Issuance reports is required)
(_____)

4. Agency's total EBT Claim repayments (line 2 - line 3)
$_____

5. CARES CBV262RA – Add together payment source "EBT"
entries under Office 5099 for your county number.
(This step will be automated in the new EBT repayment
report that is being developed)

(line 4 should equal line5) $_____

6. Add: Paper food stamp coupons returned
as payment on a claim (Reported on FCS-471)
Displayed on CBV262RA as "CO" payments under the
appropriate office number. $_____

7. Total of line 5 & 6 $_____

8. Total amounts reported on line 15 of the FNS-209(CBV062RA)
$_____

9. Variance (line 7 - line 8) $_____

10. Detail of variance:

_____

_____

(inform state if state needs to take action.)

Appendix G: Collections Reconciliation Example

This example is meant to illustrate how claim collection activity can be reconciled to CARES and CORe reports at the end of each month. A FoodShare claim is used in this example because those types of claim can be paid by various methods. The procedures for reconciling cash collection activity in this example also apply to other types of claims.

Scenario:

Any County HSD (5001) has received the following collections for FoodShare claims during the month of March 2005:

Date	Form of Payment	Amount	Claim Type
03/05	Cash	$118.00	Fraud
03/05	EBT	$65.00	Non-Client Error
03/07	Check	$50.00	Client Error
03/07	FoodShare Coupons	$20.00	Fraud

Except for the EBT payment, these payments were posted in CARES on the day they were received. The EBT payment was entered into the EBT Vendor's administrative terminal on the same day the client requested this action. Any County HSD records cash claim payments

received in its business office in an accounting code that is unique for each type of program it has claims outstanding for.

On 3/09 a client requests their EBT account to be closed and voluntarily returns the remaining $35.00 of benefits in their account. This client does not have an outstanding FoodShare claim.

On 3/10 the $50.00 check that was received on 03/07 is returned for non-sufficient funds (NSF).

On 3/18 the weekly Claims with Refund Due report (CBV242RA) is reviewed. It is noted that the client who paid $118.00 in cash earlier this month is due a refund of $24.00. The refund is the result of a recoupment that was applied to the claim after the client came in to pay the claim in full. A refund for $24.00 is issued on 3/20.

The CORe Agency Contract Detail – Monthly report that will reflect the cash take-back and incentive that applies to this collection activity follows the EOS reports. This report will be produced three months after the activity takes place.

Finally, reconciliation worksheets that have been completed with information from the scenario described above.

Agency Cash Claim Collections Reconciliation Worksheet

1. RECONCILING MONTH/PROGRAM:
_FoodShare Claims_03/05_

2. Per agency's cash ledger/journal (gross/original)
$_168.00_____

3. Adjustments (such as Non-sufficient funds, refunds, etc.)
_NSF Check ($50.00)_____
_Refund issued ($24.00)_____
$_(74.00)_____

4. Net agency's cash receipt (line 2 +/- line 3)
$_94.00_____

5. CARES CBV262RA report total cash receipt
$_168.00_____

6. CARES CBV066RA report agency's entries "CCA" (Cash Collection Adjustment)
_CCA 50.00-_____

_____
$_(50.00)_____

7. CARES CBV066RA report agency's entries "CFD" (Cash Refund)
_CFD 24.00_____

_____
$(_24.00_____)

8. Total cash receipt per CARES reports (ln 5+ ln 6+ ln 7)
$_94.00_____

9. Variance (line 4 - line 8) $_0.00_____

10. Detail of variance:
10a. Timing _____
10b. Items requiring corrective action (inform state if state must take action.)

_____
$_____

12. CORe voucher _99999_____   Line Code_961___
$_94.00_____

13. Variance (line 9 - line 12) $_____

14. Items requiring corrective action (inform state if state must take action.)

_____
$_____

Food Stamp Coupon Claim Collections Reconciliation Worksheet

1. RECONCILING MONTH: _March_2005__

2. Per Agency's Food Stamp "Receipt Book" (gross/original)
$_20.00_____

3. Minus: FS/coupons found or voluntary return (No overpayment exists.)

_____
$_____

4. Net agency's Food Stamp receipts (line 2 - line 3)
$_20.00_____

5. CARES CBV262 RA report total "CO" coupons posted
$_20.00_____

6. CARES CBV066RA report agency' entries "NCA" (Non-cash Adjustment)

_____

_____

_____

$_____

7. Total FS/coupon receipts per CARES reports (line 5 + line 6)
$_20.00_____

8. Ln 11, FNS-471 "Coupon Account & Destruction Report" (amount should agree with amount on line 7)
$_20.00_____

9. Variance (line 4 - line 7/line 8) $_0.00_____

10. Detail of variance:
10a. Timing, Error in Posting:

_____

_____

10b. Items requiring corrective actions (inform state if state needs to take action.)

_____

_____

$_____

EBT Claim Collections Worksheet

1. Reconciling Month _March 2005__

2. EBT Payments per agency's copies of FNS-135 "Affidavit of Return or Exchange of Food Coupons" and CSI Repayment screen prints $_100.00_____

3. Minus: Repayments processed as a voluntary return from Monthly FS Returned Benefits Report(CBI511D) Add entries with Return Reason "E6"

These are repayments that DO NOT appear on BVPH on the day following processing in the CSI system (Access to Benefit Issuance reports is required) (_35.00_____)

4. Agency's total EBT Claim repayments (line 2 - line 3)
$_65.00_____

5. CARES CBV262RA – Add together payment source "EBT" entries under Office 5099 for your county number.
(This step will be automated in the new EBT repayment report that is being developed)

(line 4 should equal line5) $_65.00_____

6. Add: Paper food stamp coupons returned
as payment on a claim (Reported on FCS-471)
Displayed on CBV262RA as "CO" payments under the appropriate office number. $_20.00_____

7. Total of line 5 & 6 $_85.00_____

8. Total amounts reported on line 15 of the FNS-209(CBV062RA) $_85.00_____

9. Variance (line 7 - line 8) $_0.00_____

10. Detail of variance:

_____

_____

(inform state if state needs to take action.)

Appendix H: State Contacts

Section	Name and Contact Information
CORe Line Codes Take-Back and Incentives	Jody Keller, Accountant Department of Workforce Development Division of Administrative Services 201 East Washington Avenue, Room G400 P.O. Box 7946 Madison, WI 53707-7946 Telephone Number (608) 267-3400 Fax Number (608) 267-7952 E-mail: kellejo@dwd.state.wi.us
Collections CARES Benefit Recovery Bad Debt Write-Off Accounting Manual	Fay Simonini, Section Chief Department of Workforce Development Public Assistance Collection Unit 201 East Washington Avenue, Room A200 P.O. Box 8938 Madison, WI 53708-8938 Telephone Number (608) 267-2187 Fax Number (608) 266-8302 E-mail: simonfa@dwd.state.wi.us
Food Stamp Returns Non-Claim Related EBT	Tim Burnett Department of Health and Family Services

	Division of Healthcare Financing 1 West Wilson Street P.O. Box 2057 Madison, WI 53701-2057 Telephone Number (608) 267-4573 Fax Number (608) 267-2269 E-mail: burnetf@dhfs.state.wi.us
FoodShare Claim Reporting **FoodShare Claim Payments**	Su-Yu Lu-Maples Department of Workforce Development Administrative Services Division 201 East Washington Avenue, Room A200 Madison, WI 53703 Telephone Number (608) 266-2620 Fax Number (608) 267-3240 E-mail: lumapsu@dwd.state.wi.us