



**George E. Pataki**  
Governor

**NEW YORK STATE**  
**OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE**  
40 NORTH PEARL STREET  
ALBANY, NY 12243-0001

**Robert Doar**  
Commissioner

## Administrative Directive

### Section 1

<b>Transmittal:</b>	05-ADM-15
<b>To:</b>	Local District Commissioners
<b>Issuing Division/Office:</b>	Division of Employment and Transitional Supports
<b>Date:</b>	September 6, 2005
<b>Subject:</b>	Food Stamp Claims and Collection Processes
<b>Suggested Distribution:</b>	Temporary Assistance Directors, Food Stamp Benefits Directors, WMS Coordinators, Staff Development Coordinators, Accounting Supervisors, Fraud and Investigative Coordinators
<b>Contact Person(s):</b>	Forms Questions: Bob Gullie 1-800-343-8859, Extension 6-1095 Program Questions: Food Stamp Bureau - (518) 473-1469 Larry Pittz –Treasury Offset Program (TOP)- (518) 486- 1076 Cash Accounting Management (CAMS) Virginia Scala Regions I-V (518) 474-7549 Marian Borenstein NYC (212) 961-8250
<b>Attachments:</b>	<b>LDSS-3156:</b> Notice of Food Stamp Benefits Overpayment (Demand Letter) Timely and Adequate (Rev.5/05), <b>LDSS-3156 NYC:</b> Notice of Food Stamp Benefits Overpayment (Demand Letter) Timely and Adequate (NYC) (Rev.5/05), <b>LDSS-4053:</b> Food Stamp Benefits Compromise/Repayment Agreement Request (Rev.5/05) and <b>LDSS-4857:</b> Food Stamp Benefits Compromise/ Repayment Agreement Acknowledgement (5/05)
<b>Attachment Available On – Line:</b>	Yes <input checked="" type="checkbox"/>

### Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
04 ADM-1 03 INF-15 05 LCM-4		NYCRR 387.19	7 CFR 273.18	FSSB Section 15 CAMS Manual Chapter 7	

## Section 2

### I. Summary:

- Effective April 2005, the Food Stamp Treasury Offset Program (TOP) resumed operation. Local districts may experience an increase in client contact seeking explanations of the collection notice, assistance in entering into compromise/repayment agreements, or administrative review of their claims.
- Notices about establishing and collecting claims have been revised to encourage front-end collection and require entry of payment amounts for compromised claims.
- Policies relating to local district discretion in establishing, terminating and compromising claims are explained in detail in the body of this ADM.
- Thresholds for establishing food stamp overpayment claims in the Upstate (outside New York City) area are \$125 for active cases and \$500 for closed or closing cases.
- The Cash Management System (CAMS) has been enhanced to improve tracking of collections and delinquency in support of TOP automated collection referrals.

### II. Purpose

This Administrative Directive announces the resumption of automated collection of food stamp (FS) overpayments from closed cases which are not currently repaying the debt voluntarily. It covers three major areas concerning:

- claims establishment and related administrative processes;
- TOP features and procedure; and,
- and CAMS processes.

Claims recovered from active cases via benefit reduction. Local districts should experience an increase in collection reimbursement as a result of this process.

### III. Background

TOP is a centralized collection process that enables states to collect FS debts owed to the federal government via a computerized matching and intercept program. Authority for the program was extended by the Debt Collection Improvement Act of 1996 and is administered by the U.S. Treasury Department's Financial Management Service (Treasury). Closed FS cases with outstanding balances from overpayments are referred to TOP and certified as valid debt. Treasury then matches the account against various federal benefits in an attempt to intercept payments. A wide variety of payments are subject to recovery including federal tax refunds, Social Security benefits and federal pensions. TOP was inactive for over three years pending settlement of litigation (Thompson v. Wing). This matter is now resolved.

While TOP was suspended, OTDA reinforced claims establishment procedures, redesigned the TOP system and developed supporting changes in CAMS to allow tracking of collections and of the time lapsed between notices and collection activities. Further, specific instructions were

disseminated on claims procedures in directives that outlined how to establish claims, how to compromise a claim to encourage collection through repayment agreements and when and how to administratively terminate claims. These activities are intended to improve the integrity of the claims inventory, especially with respect to closed cases, and to avoid the growth of uncollectible debt. We also revised the TOP and CAMS process to conform with federal policy revisions that occurred while the State TOP program was inactive.

## **IV. Program Implications**

### **A. Claims Establishment**

The FS claims establishment policy continues to emphasize proper documentation. The retention of notices and availability of the case record is vital to collection, we encourage local districts to use the Client Notice System (CNS) to ensure proof of notice. Districts have discretion to compromise the amounts of food stamp claims especially if it means being able to execute a viable repayment agreement with the closed case. A great deal of latitude is afforded to districts allowing compromise of claims for greater or lesser amounts than would be arrived at using the formula in 03 INF-15. Added to that caseload management tool is the expanded ability to administratively terminate a claim that appears to be uncollectible. In light of the administrative funding cap, districts are urged to consider cost benefits in their administrative activities and act accordingly. Both Compromise and Termination are collection tools aimed at encouraging voluntary repayment and eliminating bad debt, respectively.

Districts are reminded that claims are not ordinarily associated with benefits issued under expedited processing rules when verification was pended. This situation is described in FSSB Section 15.

The threshold for establishing FS claims on active cases in districts outside New York City is now raised from \$35 to \$125. The closed case threshold is raised to \$500. Districts may, but are not required to, establish claims on active cases for amounts less than the mandatory threshold. The New York City threshold for active and closed cases remains at \$500.

### **B. Compromise and Repayment Agreements**

- To facilitate collection at the local district level, changes have been made in the Food Stamp Benefits Demand Letter (LDSS-3156) that is sent when the case closes.
- The accompanying Repayment Agreement has now been revised and re-named Food Stamp Benefits Compromise/Repayment Agreement Request (LDSS-4053). The form allows the client to respond to the district by requesting a compromise and/or a repayment agreement that alters the payment schedule.
- While both options remain at the discretion of the local district, the decision on the request must be communicated to the household using the Food Stamp Benefits Compromise/Repayment Agreement Acknowledgement (LDSS-4857) so that written record of the request and decision are available.
- Once compromised, the claim cannot be compromised again and the agreed upon amount remains the balance to be collected.

- Modifications or denials of requests for compromises or repayment agreements are subject to agency conferences but clients are **not** entitled to fair hearing on the issue.
- When clients with closed cases are contacted for collection by TOP, they will again be informed of the compromise/repayment agreement process. If clients adhere to the terms of a repayment agreement, they will not be subject to automated collection on that claim.
- Households returning to active FS recipient status will have the claim collected by benefit recoupment.
- Notices will be available in manual and CNS versions.
- All claims for closed or closing **R27** (AE's) and **R29** (IHE's) will contain compromise language and require entry of a first month payment amount (**1<sup>st</sup> MO PAY AMT**). This amount is at the discretion of the district. If a different Repayment Agreement amount is reached after this mailing, the new repayment agreement amount must be entered into CAMS.
- A new FS Reason code, **R39**, Food Stamp Claim Compromise/Repayment Agreement Acknowledgement was developed to respond to client requests for Compromise. It will allow entry only for closed cases using **Transaction Type 00**.
- A new Foods Stamp Claim Compromise/Repayment Agreement Acknowledgement Screen (**WCN112**) is available and must be used to collect information for this notice.

### C. Termination of Closed Case Claims

Termination is the administrative process of removing a claim from the inventory of collectable debts. It can be used to eliminate claims that have little or no likelihood of collection or the collection of which would likely result in hardship to the household. Criteria for termination of closed or closing cases remains unchanged, including any one or more of the following:

- the outstanding balance of the claim is \$500 or less;
- the claim has been delinquent for three (3) years;
- all adult household members are deceased;
- the claim has been found to be invalid in a fair hearing, court or administrative hearing; or
- the district determines a claim to be administratively uncollectible. In determining that a claim may be administratively uncollectible, consideration of hardship is part of the process of determining whether it is administratively practicable to collect a debt from a non-participating household. This consideration comes into play both in termination and compromise situations. These situations do not constitute a program requirement but are part of the process in which we encourage repayment agreements and cull uncollectible accounts.

**NOTE:**

- If a terminated household returns to active FS recipient status, the district can reactivate the claim and recover from current household benefits. For this reason, unless the district is not pursuing the debt, a claim must be established and notice sent to the household even if the closed or closing case is going to be subsequently terminated.
- Termination requires no notification to the household and removes the case from district and State level claims reports. It is, however, available in CAMS inquiry. All information about this terminated overpayment is retained in CAMS.

**D. Treasury Offset Program**

With the exception of those cases requiring an Administrative Review, actions taken by TOP on the collection of claims will be largely transparent to the district. Districts should be aware of the process; however, because recipients of TOP correspondence may call with inquiries. TOP re-start will initially be in two phases “sixty-day letters” will be mailed to clients in NYC first and then, in all other districts. These cases will begin to be certified for collection in August and September, respectively. The letters inform the client the details of the debt, t that they are subject to collection and that they may apply for a repayment agreement at their LDSS. Clients may then do one of three things:

- Take No Action –the case will be certified for collection;
- Request and enter into a repayment agreement and if appropriate a compromise – this case will be removed from TOP as long as they remain current with their payments; or
- Request an Administrative Review – the debt will not be certified until the claim has been reviewed and deemed certifiable.

If there is an indication that a debt is subject to Bankruptcy, they are not subject to TOP certification.

Defaulted repayment agreements unless re-negotiated with the district, are certifiable to TOP.

If local districts add collection penalties to claims debts TOP will not collect such penalties.

After the initial mailings, the number of notifications and inquiries will diminish to reflect cases currently becoming subject to collection on a weekly basis to TOP and should be manageable.

TOP will track a number of activities as required by the (Thompson v. Wing) litigation but, this will represent no local workload. Reimbursement to the local district that transmitted the claim will be remitted according to current procedures.

**E. CAMS**

When a collection is received by the State, only the local district share will be distributed back to the counties. The following section identifies the distribution reports produced by the state from the CAMS that are received by the local districts. These reports must be retained for six years.

## TOP Reports Produced by CAMS

### 1. Collection Distribution Summary for TOP (CAMS0051)

This report summarizes the final federal, State, and local shares for each cycle. The local share identified on the report is the amount distributed to districts through a quarterly adjustment to the Federal Share Settlement.

### 2. Rebates for TOP Cycle (CAMS0052)

Rebates represent situations in which an automatic posting was attempted, but all or a portion of the claim could not be posted. Usually these situations occur when the client has paid the claim, but the federal offset was also collected. The un-posted amount will be identified as a rebate. The client address on the report is the most current federal address. It should be used by the districts when they send the rebate amount back to the individual.

### 3. Unapplied Reversals for TOP Cycle (CAMS0053)

CAMS0053 represents reversed rebates. This unique situation occurs when a previous period rebate is being reversed in the current cycle. This means that the individual has received a refund of the federal offset amount from both the local district and Treasury. Since the individual has received the refund twice, a claim must be established for the disputed amount and efforts made to have the individual pay the new claim balance.

### 4. Collections Applied/Reversed to Food Stamp Claims for TOP Cycle (CAMS0054)

The Applied/Reversed report identifies all claims that have automatically been posted. The claim balance will be decreased for collections and increased for reversals. The amounts are totaled between the Inadvertent Household Error (IHE) and Intentional Program Violation (IPV) categories to determine the retention percentages. Reversed postings are sent to the client by the Treasury and no action is required by the district.

Please note that the DSS-3214 (Status of Claims Against Households) includes these collections on line 3B (Balance adjustments). Since the local share is being distributed through the settlement process, no retention percentages are being included for these collections on line 22 (Retention Amount). Additional information of TOP is available in the CAMS manual: Chapter 7.

**BICS Production Request (BPR) Reports:** A new BPR request is available through selection 61 of the BICS Run Request Menu. The Request for Treasury Offset Report generates a TOP Claim status report which shows all TOP claims in a district.

**CAMS Inquiries:** Five new inquiries have been added to CAMS to allow inquiry by SSN (statewide or local), and by claim number (within a district). These inquiries are accessed through a new selection on the LDMENU. Selection 26 'Treasury Offset Menu' accesses the LCMTMN screen which provides access to:

- LIAR 30 – Responsible Individual Inquiry (statewide by SSN)
- LIAR 31 – TOP Claim Inquiry (by district and claim number) with a detail history inquiry
- LIAR 32 - Detail TOP History Inquiry
- LIAR 33 TOP Collection Inquiry by SSN
- LIAR 34 TOP Schedule Inquiry by year.

**CAMS Repayment Agreement:** CAMS has screens to identify and track repayment agreement information for cases with repayment agreements. These screens are used to track food stamp repayment information. The food stamp repayment data is used for the Treasury Offset Program and USDA documentation. See section IIIG of the CAMS manual.

Additional information is available in the updated 2005 CAMS manual.

## **F. TA Impact**

Temporary Assistance Implications: Public Assistance overpayments cannot be collected through the TOP or any other tax offset program. However, it is still important that Public Assistance overpayments are correctly established and documented, that correct notice of overpayment is provided, that overpayment records are retained and that all sources of repayment are considered to reduce the debt appropriately.

## **V. Required Action**

Districts must review local collection and notification procedures to ensure compliance. Districts will reproduce notices locally until printed supplies arrive.

## **VI. Systems Implications**

CAMS tracking and input are described above.

The CNS system supports these notice requirements by modifying the language text for the repayment agreement and inserting the compromise text for AEs. and IHEs., see WMS/CNS Coordinator July 5, 2005 Coordinator Letter for specific code instructions.

## **VII. Forms Information**

The above referenced client notices are scheduled to be printed and delivered to the Albany and NYC/HRA warehouses by September 30, 2005. As soon as the notices are available, OTDA Document Services will distribute supplies to local districts. When you receive the revised notices, please immediately destroy the old forms and replace them with the new forms.

Additionally, for local district staff, electronic PDF versions of all of the notices referenced in this ADM can be accessed on the OTDA Intranet website at [http://otda.state.nyenet/otda/ldss\\_eforms/default.htm](http://otda.state.nyenet/otda/ldss_eforms/default.htm) .

Any future requests for printed copies of the revised English and their Spanish counterparts or English or Spanish master copies, if that form is not printed, should be submitted on OTDA-876 (Rev.6/98): "Request For Forms or Publications" form, and should be sent to:

Office of Temporary and Disability Assistance  
Document Services  
P.O. Box 1990  
Albany, New York 12201

Questions concerning ordering forms should be directed to Document Services at 1-800-343-8859, ext. 4-9522.

### **VIII. Effective Date**

These changes are effective for June 1, 2005 for provisions concerning the TOP re-implementation and CAMS.

These changes are effective for July 1, 2005 for the provision concerning the raising of the claims establishment threshold for active cases with potential claims between \$35- \$125.

Issued by:



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Name: Russell Sykes  
Title: Deputy Commissioner  
Division/Office: Division of Employment and Transitional Supports



**NOTICE OF FOOD STAMP BENEFITS OVERPAYMENT (DEMAND LETTER) (Timely and Adequate)**

NOTICE DATE:		NAME AND ADDRESS OF AGENCY/CENTER OR DISTRICT OFFICE		
CASE NUMBER	CIN NUMBER			
CASE NAME (And C/O Name if Present) AND ADDRESS				
<div style="border: 1px solid black; width: 100%; height: 100%; margin: 5px;"></div>		GENERAL TELEPHONE NO. FOR QUESTIONS OR HELP _____		
		<b>OR</b> Agency Conference _____		
		Fair Hearing information and assistance _____		
		Record Access _____		
		Legal Assistance information _____		
OFFICE NO.	UNIT NO.	WORKER NO.	UNIT OR WORKER NAME	TELEPHONE NO.

**OVERPAYMENT INFORMATION**

1.  **New Overpayment Amount \$** \_\_\_\_\_ **Date of Discovery** \_\_\_\_\_

We discovered that from \_\_\_\_\_ to \_\_\_\_\_ you or your household got more in Food Stamp Benefits than you should have (overpayment). This is because:

1a.  We incorrectly gave you or your household more benefits than you should have gotten (Agency Error); see Reason below:

1b.  You or your household failed to provide correct or complete information which resulted in us giving you more benefits than you should have gotten (Inadvertent Household Error) due to the Reason below. We may investigate further to decide if the error you or a member of your household made was an intentional violation of the Food Stamp Benefits rules. If we decide that it was, you or that household member will not be able to receive Food Stamp Benefits for a period of time. The amount you owe us may also increase. With an intentional violation, we can go back six years instead of one to calculate the amount of Food Stamp Benefits you owe. We will send you another notice if we find there was an intentional violation.

Reason: \_\_\_\_\_

This decision is based on 18 NYCRR 387.19. We may calculate the amount of this type of overpayment back to a period of twelve (12) months from the date of discovery. Enclosed is a form that shows how your overpayment was calculated.

2.  **Amount You Still Owe on Past Overpayment(s) \$** \_\_\_\_\_

You or your household were notified before of a Food Stamp Benefits overpayment(s). The amount on Line 2 is what you still owe. You have a right to a fair hearing that this amount is correct and shows all payments that have already been made. You are not allowed a fair hearing on the fact that you have an overpayment, since you were already notified of the overpayment and were allowed a fair hearing at that time.

3.  **TOTAL You Owe for All New and Past Overpayment(s) \$** \_\_\_\_\_ . (Total of Lines 1 + 2)

**REPAYMENT INFORMATION** – All adult members in the household at the time the overpayment occurred are required, according to 18 NYCRR 387.19, to repay this agency by:

1.  Reduction of Your Food Stamp Benefits For Active/Open Cases:
- 1a.  **New Recoupment** – We will reduce your Food Stamp Benefits (recoupment) to pay back your overpayment. See separate notice about this recoupment and how it will affect your Food Stamp Benefits.
  - 1b.  **Existing Recoupment** – Because you have an existing recoupment, no further reduction of your Food Stamp Benefits will be made at this time. When this current recoupment has been completed, we will take at least ten percent (10%) of your Food Stamp Benefits until this new overpayment has been collected.
  - 1c.  **Continue Recoupment** – We will continue your current recoupment until your current overpayment is paid off.
- In addition to your recoupment, you may voluntarily pay back more, including using benefits from your EBT account.
2.  Collection Methods for Closed Cases (you may request one or both collection methods):
- **Repayment Agreement** - The enclosed Food Stamp Benefits Compromise/Repayment Agreement Request gives you ways to repay. You must sign, date and return the enclosed Food Stamp Benefits Compromise/Repayment Agreement Request.
  - **Request for Compromise** – You may request a compromise (reduction) of your debt. We may approve or deny your request for a Repayment Agreement or Compromise. Your request will be considered and acknowledged in a separate notice.
  - **Within thirty (30) days**, a payment must accompany your response to this demand letter.

If you have a Food Stamp Benefits Inadvertent Household Error (IHE) and/or an Agency Error (AE) overpayment that has not been paid back, and your case is now closed or being closed, you may be able to get a compromise (reduction) of what you owe. If you cannot repay the full balance of what you owe, talk to your local department of social services. Intentional Program Violations are not considered for compromise (reduction).

**If you have an overpayment that is not paid back, it will be referred for collection in a number of ways, including automated collection by the federal government. Federal benefits (such as Social Security) and tax refunds that you are entitled to receive may be taken to pay back the overpayment. The debt will also be subject to processing charges. This decision is based on 31 CFR 285.**

If you do not access your Food Stamp Benefits (FSB) within 270 days, they will be expunged (taken back). If you have a FSB overpayment, your expunged benefits will be put towards your overpayment. If you apply for FSB again, and have not repaid the amount you owe, your FSB will be reduced if you begin to get FSB again. You will be notified, at that time, of the amount of reduced benefits you will get.

**BE SURE TO READ THE BACK OF THIS NOTICE TO SEE WHAT RIGHTS YOU HAVE TO APPEAL THIS DECISION.**

Enclosure

**DISTRIBUTION:** *White*-Client/Fair Hearing Copy      *Yellow*-Client Copy      *Pink*-Agency Copy

NAME:	ADDRESS:	CASE NUMBER:
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- Responsibility To Report Changes – See enclosed LDSS-3151: “Food Stamp Change Report Form” for information on when to report changes.

## **CONFERENCE AND FAIR HEARING SECTION – DO YOU THINK WE ARE WRONG?**

If you think our decision is wrong, you can ask for a review of our decision. We will correct our mistakes. You can do both 1 and 2:

1. Ask for a meeting (conference) with one of our supervisors;                      2. Ask for a State fair hearing with a State hearing officer.

- 1. CONFERENCE** (informal meeting with us) – If you think our decision was wrong, or if you do not understand our decision, please call us to set up a meeting. To do this, call the conference phone number on the **front** of this notice or write to us at the address on the **front** of this notice. Sometimes this is the fastest way to solve any problem you may have. We encourage you to do this even when you have asked for a fair hearing.

If you only ask for a meeting with us, we will not keep your benefits the same while you appeal. Your benefits will stay the same only if you ask for a State fair hearing. (See Keeping Your Benefits The Same).

- 2. STATE FAIR HEARING** – You have **90** days from the date of this notice to ask for a fair hearing.

If this notice is telling you that you got too much in Food Stamp Benefits and that you must pay them back and you do not agree, you **MUST** call for a fair hearing within 90 days of the date of this notice. If you do not call for a fair hearing within 90 days of the date of this notice, you cannot claim in the future that the agency’s decision that you owe the debt was wrong.

**KEEPING YOUR BENEFITS THE SAME:** We will not change your Food Stamp Benefits if you ask for a fair hearing before the effective date stated in this notice. However, if you lose the fair hearing, you will have to pay back any benefits you got, but should not have gotten, while you were waiting for the decision. If you do not want your benefits to stay the same until the decision is issued, you must tell the State when you call for a fair hearing or, if you send back this notice, check the box below:

- I do not want to keep my Food Stamp Benefits the same until the fair hearing decision is issued.

**HOW TO ASK FOR A FAIR HEARING:** You can ask for a fair hearing by **mail**, by **phone**, by **fax** or **online**.

**Mail:** Send a copy of this notice *completed* to the Office of Administrative Hearings, New York State Office of Temporary and Disability Assistance, P.O. Box 1930, Albany, New York 12201. Please keep a copy for yourself.

- I want a fair hearing. I do not agree with the agency’s action. (You may explain why you disagree below, but you do not have to include a written explanation.)

**Phone:** 800-342-3334 (PLEASE HAVE THIS NOTICE WITH YOU WHEN YOU CALL.)

**Fax:** Fax a copy of the front and reverse of this notice to: (518) 473-6735 or

**Online:** Complete an online request form at: <http://www.otda.state.ny.us/oah/forms.asp>.

If you cannot reach the New York State Office of Temporary and Disability Assistance by phone, by fax or online, please write to ask for a fair hearing before the deadline.

**WHAT TO EXPECT AT A FAIR HEARING:** The State will send you a notice that tells you when and where the fair hearing will be held.

At the hearing, you will have a chance to explain why you think our decision is wrong. You can bring a lawyer, a relative, a friend or someone else to help you do this. If you cannot come yourself, you can send someone to represent you. If you are sending someone who is not a lawyer to the hearing instead of you, you must give this person a letter to show the hearing officer that you want this person to represent you at the hearing.

At the hearing, you and your lawyer or other representative will have a chance to explain why we are wrong and a chance to give the hearing officer written papers that explain why we are wrong.

To help you explain at the hearing why you think we are wrong, you should bring any witnesses who can help you. You should also bring any papers you have, such as: pay stubs, leases, receipts, bills, doctor’s statements.

At the hearing, you and your lawyer or other representative can ask questions of witnesses which we bring or which you bring to help your case.

**LEGAL ASSISTANCE:** If you think you need a lawyer to help you with this problem, you may be able to get a lawyer at no cost to you by contacting your local Legal Aid Society or other legal advocate group. For the names of other lawyers, check your Yellow Pages under “Lawyers”.

**ACCESS TO YOUR FILE AND COPIES OF DOCUMENTS:** To help get ready for the hearing, you have a right to look at your case file. If you call or write us, we will provide you with free copies of the documents from your file that we will give to the hearing officer at the fair hearing. Also, if you call or write us, we will provide you with free copies of other documents from your file that you think you may need to prepare for your fair hearing. To ask for documents or to find out how to look at your file, call us at the Record Access phone number on the **front** of this notice or write to us at the address on the **front** of this notice.

If you want copies of documents from your case file, you should ask for them ahead of time. They will be provided to you within a reasonable time before the date of the hearing. Documents will be mailed to you only if you specifically ask that they be mailed.

**INFORMATION:** If you want more information about your case, how to ask for a fair hearing, how to see your file, or how to get additional copies of documents, call us at the phone numbers on the **front** of this notice or write to us at the address on the **front** of this notice.

# IMPORTANT NOTICE

**Important Notice: If you need help reading this notice, contact your worker.**

**Aviso importante: Si necesita ayuda para leer este aviso, comuníquese con su trabajador(a) de casos.**

**إخطار هام: إذا احتجت إلى مساعدة في قراءة هذا الإخطار،  
خاطب مسؤول ملفك.**

**重要通知：如需幫助閱讀此通知，請與您的  
個案負責人接洽。**

**Avis important: Si vous avez besoin d'assistance pour lire  
cet avis, veuillez contacter votre travailleur.**

**Avi enpòtan. Si w bezwen èd pou li avi sa a, antre an  
kontak ak travayè w la.**

**중요한 통지서: 이 통지서를 읽는데 도움이 필요하시면,  
담당 직원에게 연락하십시오.**

**Важная информация. Если при чтении этого  
извещения у Вас возникнут трудности, обратитесь к  
сотруднику, ведущему Ваше дело.**

**Thông báo quan trọng. Nếu cần được giúp đỡ để đọc bản thông  
báo này, xin liên lạc với nhân viên xã hội của quý vị.**

**וויכטיגע מעלדונג איז: אויב איר דארפט הילף צו לייענען די  
מעלדונג, פארבינדט זיך מיט אייער ארבעטער.**

**NOTICE OF FOOD STAMP BENEFITS OVERPAYMENT (DEMAND LETTER) (Timely and Adequate) (NYC)**

NOTICE DATE:	NAME AND ADDRESS OF AGENCY/CENTER OR DISTRICT OFFICE
CASE NUMBER	CIN NUMBER
CASE NAME (And C/O Name if Present) AND ADDRESS	
<div style="border: 1px solid black; width: 100%; height: 100%; margin: 5px;"></div>	GENERAL TELEPHONE NO. FOR QUESTIONS OR HELP _____ <hr style="border-top: 1px dashed black;"/> <b>OR</b> Agency Conference _____ Fair Hearing information and assistance _____ Record Access _____ Legal Assistance information _____

OFFICE NO.	UNIT NO.	WORKER NO.	UNIT OR WORKER NAME	TELEPHONE NO.
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**OVERPAYMENT INFORMATION**

1.  **New Overpayment Amount \$ \_\_\_\_\_ Date of Discovery \_\_\_\_\_**  
 We discovered that from \_\_\_\_\_ to \_\_\_\_\_ you or your household got more in Food Stamp Benefits (FSB) than you should have (overpayment). This is because:
- 1a.  We incorrectly gave you or your household more benefits than you should have gotten (Agency Error); see Reason below.
- 1b.  You or your household failed to provide correct or complete information which resulted in us giving you more benefits than you should have gotten (Inadvertent Household Error) due to the Reason below. We may investigate further to decide if the error you or a member of your household made was an intentional violation of the Food Stamp Benefits rules. If we decide that it was, you or that household member will not be able to receive Food Stamp Benefits for a period of time. The amount you owe us may also increase. With an intentional violation, we can go back six years instead of one to calculate the amount of Food Stamp Benefits you owe. We will send you another notice if we find there was an intentional violation.
- Reason: \_\_\_\_\_

This decision is based on 18 NYCRR 387.19. We may calculate the amount of this type of overpayment back to a period of twelve (12) months from the date of discovery. Enclosed is a form that shows how your overpayment was calculated.

2.  **Amount you still owe on Past Overpayment(s) \$ \_\_\_\_\_**  
 You or your household were notified before of a Food Stamp Benefits overpayment(s). The amount on Line 2 is what you still owe. You have a right to a fair hearing that this amount is correct and shows all payments that have already been made. You are not allowed a fair hearing on the fact that you have an overpayment, since you were already notified of the overpayment and were allowed a fair hearing at that time.
3.  **TOTAL you owe for all New and Past Overpayment(s) \$ \_\_\_\_\_.** (Total of Lines 1 + 2)

**REPAYMENT INFORMATION** – All adult members in the household at the time the overpayment occurred are required, according to 18 NYCRR 387.19, to repay this agency by:

1.  Reduction of Your Food Stamp Benefits For Active/Open Cases:
- 1a.  **New Recoupment** – We will reduce your Food Stamp Benefits (recoupment) to pay back your overpayment. See separate notice about this recoupment and how it will affect your Food Stamp Benefits.
- 1b.  **Existing Recoupment** – Because you have an existing recoupment, no further reduction of your Food Stamp Benefits will be made at this time. When this current recoupment has been completed, we will take at least ten percent (10%) of your Food Stamp Benefits until this new overpayment has been collected.
- 1c.  **Continue Recoupment** – We will continue your current recoupment until your current overpayment is paid off.
- In addition to your recoupment, you may voluntarily pay back more, including using benefits from your EBT account.
2.  Collection Methods for Closed Cases (you may request one or both collection methods) :
- **Repayment Agreement** - The enclosed Food Stamp Benefits Compromise/Repayment Agreement Request gives you ways to repay. You must sign, date and return the enclosed Food Stamp Benefits Compromise/Repayment Agreement Request.
  - **Request for Compromise** – You may request a compromise (reduction) of your debt. We may approve or deny your request for a Repayment Agreement or Compromise. Your request will be considered and acknowledged in a separate notice.
  - **Within thirty (30) days**, a payment must accompany your response to this demand letter.

If you have a Food Stamp Benefits Inadvertent Household Error (IHE) and/or an Agency Error (AE) overpayment that has not been paid back, and your case is now closed or being closed, you may be able to get a compromise (reduction) of what you owe. If you cannot repay the full balance of what you owe, talk to your local department of social services. Intentional Program Violations are not considered for compromise (reduction).

**If you have an overpayment that is not paid back, it will be referred for collection in a number of ways, including automated collection by the federal government. Federal benefits (such as Social Security) and tax refunds that you are entitled to receive may be taken to pay back the overpayment. The debt will also be subject to processing charges. This decision is based on 31 CFR 285.**

If you do not access your Food Stamp Benefits (FSB) within 270 days, they will be expunged (taken back). If you have a FSB overpayment, your expunged benefits will be put towards your overpayment. If you apply for FSB again, and have not repaid the amount you owe, your FSB will be reduced if you begin to get FSB again. You will be notified, at that time, of the amount of reduced benefits you will get.

**BE SURE TO READ THE BACK OF THIS NOTICE TO SEE WHAT RIGHTS YOU HAVE TO APPEAL THIS DECISION.**

Enclosure

**DISTRIBUTION:** *White*-Client/Fair Hearing Copy      *Yellow*-Client Copy      *Pink*-Agency Copy

NAME:	ADDRESS:	CASE NUMBER:
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Responsibility To Report Changes – See enclosed LDSS-3151: “Food Stamp Change Report Form” for information on when to report changes.

## **CONFERENCE AND FAIR HEARING SECTION – DO YOU THINK WE ARE WRONG?**

If you think our decision is wrong, you can ask for a review of our decision. We will correct our mistakes. You can do both 1 and 2:

1. Ask for a meeting (conference) with one of our supervisors;
2. Ask for a State fair hearing with a State hearing officer.

1. **CONFERENCE** (informal meeting with us) – If you think our decision was wrong, or if you do not understand our decision, please call us to set up a meeting. To do this, call the conference phone number on the **front** of this notice or write to us at the address on the **front** of this notice. Sometimes this is the fastest way to solve any problem you may have. We encourage you to do this even when you have asked for a fair hearing.

If you only ask for a meeting with us, we will not keep your benefits the same while you appeal. Your benefits will stay the same only if you ask for a State fair hearing. (See Keeping Your Benefits The Same).

2. **STATE FAIR HEARING** – You have **90** days from the date of this notice to ask for a fair hearing.

If this notice is telling you that you got too much in Food Stamp Benefits and that you must pay them back and you do not agree, you **MUST** call for a fair hearing within 90 days of the date of this notice. If you do not call for a fair hearing within 90 days of the date of this notice, you cannot claim in the future that the agency’s decision that you owe the debt was wrong.

**KEEPING YOUR BENEFITS THE SAME:** We will not change your Food Stamp Benefits if you ask for a fair hearing before the effective date stated in this notice. However, if you lose the fair hearing, you will have to pay back any benefits you got, but should not have gotten, while you were waiting for the decision. If you do not want your benefits to stay the same until the decision is issued, you must tell the State when you call for a fair hearing or, if you send back this notice, check the box below:

I do not want to keep my Food Stamp Benefits the same until the fair hearing decision is issued.

**HOW TO ASK FOR A FAIR HEARING:** You can ask for a fair hearing by:

**Mail:** Send a copy of the entire notice *completed* to the Office of Administrative Hearings, New York State Office of Temporary and Disability Assistance, P.O. Box 1930, Albany, New York 12201. Please keep a copy for yourself.

I want a fair hearing. I do not agree with the agency's action. (You may explain why you disagree below, but you do not have to include a written explanation.)

**Phone:** 800-342-3334 (PLEASE HAVE THIS NOTICE WITH YOU WHEN YOU CALL.)

**Fax:** Fax a copy of the front and reverse of this notice to: (518) 473-6735.

**Walk-In:** Bring a copy of this entire notice to the New York State Office of Temporary and Disability Assistance at 14 Boerum Place, Brooklyn, New York or 330 West 34<sup>th</sup> Street, NYC.

**Online:** Complete an online request form at: <http://www.otda.state.ny.us/oah/forms.asp>.

If you cannot reach the New York State Office of Temporary and Disability Assistance by phone, by fax, by walk-in or online, please write to ask for a fair hearing before the deadline.

**WHAT TO EXPECT AT A FAIR HEARING:** The State will send you a notice that tells you when and where the fair hearing will be held.

At the hearing, you will have a chance to explain why you think our decision is wrong. You can bring a lawyer, a relative, a friend or someone else to help you do this. If you cannot come yourself, you can send someone to represent you. If you are sending someone who is not a lawyer to the hearing instead of you, you must give this person a letter to show the hearing officer that you want this person to represent you at the hearing.

At the hearing, you and your lawyer or other representative will have a chance to explain why we are wrong and a chance to give the hearing officer written papers that explain why we are wrong.

To help you explain at the hearing why you think we are wrong, you should bring any witnesses who can help you. You should also bring any papers you have, such as: pay stubs, leases, receipts, bills, doctor’s statements.

At the hearing, you and your lawyer or other representative can ask questions of witnesses which we bring or which you bring to help your case.

**LEGAL ASSISTANCE:** If you think you need a lawyer to help you with this problem, you may be able to get a lawyer at no cost to you by contacting your local Legal Aid Society or other legal advocate group. For the names of other lawyers, check your Yellow Pages under “Lawyers”.

**ACCESS TO YOUR FILE AND COPIES OF DOCUMENTS:** To help you get ready for the hearing, you have a right to look at your case file. If you call, write or fax to us, we will send you free copies of the documents from your files, which we will give to the Hearing Officer at the Fair Hearing. Also, if you call, write or fax to us, we will send you free copies of other specific documents from your files which you think you may need to prepare for your Fair Hearing. To ask for documents or to find out how to look at your file, call (718) 722-5012, or fax (718) 722-5018 or write to **HRA Division of Fair Hearing, 14 Boerum Place, Brooklyn, New York 11201**.

If you want copies of documents from your case file, you should ask for them ahead of time. They will be provided to you within a reasonable time before the date of the hearing. Documents will be mailed to you only if you specifically ask that they be mailed.

**INFORMATION:** If you want more information about your case, how to ask for a fair hearing, how to see your file, or how to get additional copies of documents, call us at the phone numbers on the **front** of this notice or write to us at the address on the **front** of this notice.

**FOOD STAMP BENEFITS COMPROMISE/REPAYMENT AGREEMENT REQUEST**

NOTICE DATE:		NAME AND ADDRESS OF AGENCY/CENTER OR DISTRICT OFFICE			
CASE NUMBER		CIN NUMBER			
CASE NAME (And C/O Name if Present) AND ADDRESS					
<div style="border: 1px solid black; width: 100%; height: 100%; display: flex; justify-content: space-between; align-items: center;"> <span style="font-size: 2em;">{</span> <span style="font-size: 2em;">}</span> </div>		GENERAL PHONE NO. FOR QUESTIONS OR HELP _____			
		<b>OR</b> Agency Conference _____			
		Record Access _____			
				Legal Assistance information _____	
OFFICE NO.	UNIT NO.	WORKER NO.	UNIT OR WORKER NAME		PHONE NO.

Case Payee's SSN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

You were already notified that you had a food stamp overpayment(s) due to the reason(s) below.  
 Agency Error (AE)     Inadvertent Household Error (IHE)     Intentional Program Violation (IPV)

Your Food Stamp Benefits Case is now closing or is closed. **You must repay this overpayment per 18 NYCRR 387.19.**

- You must:
- Read this Repayment Agreement
  - Sign at the **X** below and date it
  - Return it with your first monthly payment of \$\_\_\_\_\_ within the next thirty (30) days from the date of this notice or you will be delinquent and your debt will be referred for collection.
  - Continue to send the monthly payment so that the payment reaches us by the \_\_\_\_\_ of each month or \$\_\_\_\_\_ on \_\_\_\_\_ and \_\_\_\_\_ if the payment schedule is bi-weekly. This must be done each month until your debt is paid, or you will be delinquent and your debt will be referred for collection.

Local Districts are permitted to Compromise on the amount of the debt you owe. If we allow a compromise, the amount you must repay may be reduced and the new amount will be in the Food Stamp Benefits Compromise/Repayment Agreement Acknowledgment that we will send to you. (IPV's are not considered for Compromise (reduction).

If you cannot pay the monthly amount above, write down what you can pay per month and explain why you cannot pay the full amount:

I will make a one time only payment of \$\_\_\_\_\_ because \_\_\_\_\_.

**or**

I can pay only \$\_\_\_\_\_ per month because \_\_\_\_\_.

If you have FS benefits in your EBT account that you would like the agency to take back as partial or full repayment of your debt, please fill out the box below and also sign below:

- EBT Account – I want the local department of social services to take everything in my EBT Food Stamp Benefits account, up to the total amount of my overpayment(s). I understand that if there is not enough in my EBT Food Stamp Benefits account to pay back my overpayment(s), I must also explain above how I will repay the rest.

Your Address (if different than above) is: \_\_\_\_\_.

Your Phone Number **or** Where we can reach you (\_\_\_\_\_) \_\_\_\_\_.

**Signature** of head of household **X** \_\_\_\_\_ Date \_\_\_\_\_

We will contact you to discuss the repayment method you have chosen and give you a written statement showing how much you will be repaying (and how long your payments will continue should you choose to repay through monthly payments.)

If a phone number and/or address is in the box below, use this to contact us and to send back your Food Stamp Benefits Compromise/Repayment Agreement Request. If the box is blank, use the phone number and address at the top of the page.

**RETURN THIS FORM TO US RIGHT AWAY**

**WARNING:** IF YOU DO NOT RETURN THIS FOOD STAMP BENEFITS (FSB) COMPROMISE/REPAYMENT AGREEMENT REQUEST, YOU WILL BE SUBJECT TO AUTOMATIC COLLECTION. SEE THE BACK OF THIS NOTICE FOR MORE INFORMATION ON AUTOMATIC COLLECTION.

If your household's financial circumstances change, you may contact us at the phone number above to try to renegotiate your FSB Compromise/Repayment Agreement Request. If you have any questions, please call us at the number above.

**Accounting Use Only – FS Repayment 01 – (Completed by worker after agreement is accepted)**

Repayment Agreement Date \_\_\_\_\_

Repayment Amount \$ \_\_\_\_\_ Per \_\_\_\_\_ (frequency)

Recurring Payment Due Date \_\_\_\_\_

Was a Claim Compromised?  No  Yes, from \$ \_\_\_\_\_ to \_\_\_\_\_ Claim No: \_\_\_\_\_

Date Entered on Admin. Screen \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Transaction Amount \$ \_\_\_\_\_, \_\_\_\_\_ . \_\_\_\_\_

Entered By : \_\_\_\_\_ Date Verified \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**FOOD STAMP BENEFITS COMPROMISE/REPAYMENT AGREEMENT REQUEST**

Name:	Address:	Case Number:
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## **Warning!**

Even if you are no longer getting Food Stamp Benefits, you must repay us, according to 18 NYCRR 387.19.

If you fail to sign and return this agreement or fail to make your required payments on time, you will be delinquent and this overpayment will be referred for collection in a number of ways, including automated collection by the federal government. Federal benefits (such as Social Security) and tax refunds that you are entitled to receive may be taken to pay back the overpayment. The debt will also be subject to processing charges. Also, if you get restored benefits or new food stamp benefits in the future, we will reduce those benefits to pay back this overpayment. This is based on 31 CFR 285.

Your local district will consider your request for Food Stamp Benefits Compromise and/or Repayment Agreement terms only once for your claim.

You will receive a Food Stamp Benefits Compromise/Repayment Agreement Acknowledgment informing you of the districts decision on your request.

**FOOD STAMP BENEFITS COMPROMISE/REPAYMENT AGREEMENT ACKNOWLEDGMENT**

NOTICE DATE:		NAME AND ADDRESS OF AGENCY/CENTER OR DISTRICT OFFICE		
CASE NUMBER	CIN NUMBER			
CASE NAME (And C/O Name if Present) AND ADDRESS				
<div style="border: 1px solid black; width: 100%; height: 100%; display: flex; align-items: center; justify-content: center;"> <span style="font-size: 2em;">{</span> </div>		GENERAL PHONE NO. FOR QUESTIONS OR HELP _____		
		<b>OR</b> Agency Conference _____ Record Access _____ Legal Assistance information _____		
		OFFICE NO.	UNIT NO.	WORKER NO.

**COMPROMISE:** Your request for a compromise of your overpayment has been:

- Accepted
- Denied
- Modified as follows: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**REPAYMENT AGREEMENT:** Your request to establish a repayment agreement has been:

- Accepted
- Denied
- Modified as follows: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Your payment of \$ \_\_\_\_\_ must be received within the next 30 days of this notice and you must continue to send the monthly payment so that the payment reaches us by the \_\_\_\_\_ of each month or \$ \_\_\_\_\_ on \_\_\_\_\_ and \_\_\_\_\_ if the payment schedule is bi-weekly. Your payment means that you accept the terms of this acknowledgment. If you fail to maintain the payments and do not renegotiate a new payment agreement, your debt will be delinquent and will be forwarded for collection. Collection activities are discussed below.

**If you have an overpayment that is not paid back, it will be referred for collection in a number of ways, including automated collection by the federal government. Federal benefits (such as Social Security) and tax refunds that you are entitled to receive may be taken to pay back the overpayment. The debt will also be subject to processing charges. This decision is based on 31 CFR 285.**

If you do not access your Food Stamp Benefits within 270 days, they will be expunged (taken back). If you have a Food Stamp Benefits overpayment, your expunged benefits will be put towards your overpayment. If you apply for Food Stamp Benefits again, and have not repaid the amount you owe, your Food Stamp Benefits will be reduced if you begin to get Food Stamp Benefits again. You will be notified, at that time, of the amount of reduced benefits you will get.



**FOOD STAMP BENEFITS COMPROMISE/REPAYMENT AGREEMENT ACKNOWLEDGMENT**

Name:	Address:	Case Number:
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**CONFERENCE – DO YOU THINK WE ARE WRONG?**

If you think our decision was wrong, you can ask for a review of our decision. We will correct any mistakes.

Ask for a meeting (conference) with one of our supervisors

**CONFERENCE** (Informal meeting with us) If you think our decision was wrong, or if you do not understand our decision, please call us to set up a meeting. To do this, call the conference phone number on the **front** of this notice or write to us at the address on the **front** of this notice. Sometimes this is the fastest way to solve any problem you may have.

**Accounting Use Only – FS Repayment 01 – (Completed by worker after agreement is accepted)**

Repayment Agreement Date \_\_\_\_\_  
 Repayment Amount \$ \_\_\_\_\_ Per \_\_\_\_\_ (frequency)  
 Recurring Payment Due Date \_\_\_\_\_  
 Was a Claim Compromised?  No  Yes, from \$ \_\_\_\_\_ to \_\_\_\_\_ Claim No: \_\_\_\_\_  
 Date Entered on Admin. Screen \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Transaction Amount \$ \_\_\_\_\_ , \_\_\_\_\_ . \_\_\_\_\_  
 Entered By : \_\_\_\_\_ Date Verified \_\_\_\_ / \_\_\_\_ / \_\_\_\_