



Ohio Administrative Code

Rule 5101:4-8-23 Food assistance: claims retention rates and accounting procedures.

Effective: December 1, 2020

(A) What are the county agency retention rates?

A retention rate is the amount of incentive the county agency can keep from the overpayment collection. The rates are as follows:

- (1) Intentional program violation claim: thirty-five per cent.
- (2) Inadvertent household error claim: twenty per cent.
- (3) Agency error claim: no retention.

The county agency shall not retain any of the amount by which the original allotment was reduced because of removing the intentional program violation individual from the assistance group. The county agency may retain the corresponding portion of the collected overpayment amount.

When an inadvertent household error and agency error occurred but it cannot be determined which months are from the agency error and which months are an inadvertent household error, the claim shall be classified as an agency error and the county agency shall not retain any portion of the collection. When the county agency discovers overpayments spanning several months, some months attributable solely to assistance group error and some months to agency error, two claims shall be established in order to retain twenty per cent of the collections on the inadvertent household error claim. Overpayments occurring in months attributable to assistance group error shall be calculated independently of the months attributable to agency error. The county agency must complete a separate JFS 07424 "Report of Claim Determination/Lost Benefits".

When an overpayment is a result of an inadvertent household error and agency error with the same month, the claim is considered an agency error and the county agency may not retain any amount from the overpayment.



(B) What is the county agency retention rate when a claim established as an inadvertent household error claim becomes an intentional program violation claim?

The county agency shall retain twenty per cent of the collection (except expungements) on an inadvertent household error claim. The county agency shall retain twenty per cent of the amounts recovered on a claim being handled as an inadvertent household error claim pending a determination by an administrative disqualification hearing officer or a court of appropriate jurisdiction that an intentional program violation was committed, or receipt of either a signed waiver or consent agreement. Once the determination or signed document is obtained, the county agency may recover from the state an additional fifteen per cent incentive on collections made before the change in claim status. The county agency shall update the statewide automated eligibility system when there is a change in claim status. The county agency shall revise the JFS 07424 when the status of a claim is changed from inadvertent household error to intentional program violation.

(C) What are the accounting procedures for monitoring overpayment claims?

(1) The county agency shall maintain an accounting system for monitoring recipient claims against assistance groups. This accounting system shall consist of both the system of records maintained for individual debtors and the accounts receivable summary data maintained for these debts.

At a minimum, the accounting system shall document the following for each claim:

- (a) The date of discovery;
- (b) The reason for the claim;
- (c) The calculation of the claim;
- (d) The date the claim was established;
- (e) The methods used to collect the claim;



- (f) The amount and incidence of any claim processing charges;
 - (g) The reason for the final disposition of the claim;
 - (h) Any collections made on the claim;
 - (i) Any correspondence, including follow-up letters, sent to the assistance group;
 - (j) An intentional program violation claim shall also include the administrative disqualification hearing decision, a disqualification consent agreement, waiver of administrative disqualification hearing, or court order indicating the assistance group was convicted of intentional program violation; and
 - (k) Terminated claims shall also include the basis for termination of collection action.
- (2) At a minimum the accounting system shall also identify the following for each claim:
- (a) Those assistance groups whose claims have become delinquent (the statewide automated eligibility system automatically issues a notice to recipients whose installment agreement repayments are delinquent); and
 - (b) Those situations in which an amount not yet restored to an assistance group can be used to offset a claim owed by the assistance group; and
 - (c) Those assistance groups with outstanding claims that are applying for benefits.
- (D) What happens to the retained incentive funds?

The county agency shall deposit all cash collections reported into its public assistance fund. The county agency public assistance fund then will be adjusted as part of the quarterly reconciliation process to reflect the amount of total collections the county agency is entitled to retain.