



**Bureau of Fraud Investigation
State Wage Match Procedure
(Project 463- SNAP)
December 26, 2013**

Prepared by:

**Management Analysis, Policy & Data
Investigation, Revenue and
Enforcement Administration**

PROCEDURE NOTE:

This procedure manual (including any modifications) is prepared for informational purposes only. The purpose of this procedure manual is to provide support and guidance to the management and staff of the NYC/HRA Investigations, Revenue, and Enforcement Administration (IREA). Nothing in this manual is intended to create nor does it create any enforceable rights, remedies, entitlements, or obligations. IREA reserves its right to change or suspend any or all parts of this manual at any time.

I. AUDIENCE

This procedure is intended for all Investigation, Revenue, and Enforcement Administration (IREA) Bureau of Fraud Investigation (BFI) staff: Director, Deputy Assistant Director (D.A.D.), Senior Fraud Investigators, Fraud Investigators, and Clerical support staff.

II. BACKGROUND

U.S. Department of Agriculture (USDA) regulation requires that all state and local agencies perform an evaluation on cases that result in a Supplemental Nutrition Assistance Program (SNAP) overpayment. The New York State Office of Temporary and Disability Assistance (OTDA) is responsible for administering the SNAP program, formerly known as food stamps. OTDA's Administrative Directive, Establishing and Collecting Food Stamp Overissuance Claims (04-ADM-01) provides guidance and policy directives for establishing SNAP claims and collections. HRA's Family Independence Administration (FIA) Policy Directive, Processing Of Food Stamp Claims (07-11-ELI), outlines the steps to pursue an overpayment of SNAP benefits that the client was not entitled to. BFI is responsible for investigating SNAP cases where possible fraud or overpayment occurred due to unreported income.

III. OVERVIEW

The State Wage Match (Project 463), also referred to as an RFI Match, is a data match of SNAP clients with reported earned income. The match is run each month by OTDA and is sent to IREA Systems. IREA Systems formats the data and forwards it to Management Analysis, Policy and Data's (MAPD) Data Analytics Unit (DAU). DAU reviews the data to identify cases which are likely to result in a positive disposition.

[REDACTED]

[REDACTED] DAU selects those cases where the client's household was ineligible for benefits and the income was not disclosed to the agency. IREA Systems then inputs the cases in the Investigative Reporting Information System (IRIS). IREA Systems ensures that the cases are not duplicates of current or recent investigations.

IV. INVESTIGATIVE STEPS

A. Initial clearances

[REDACTED] The investigator should promptly print out the Welfare Management System (WMS) clearances and Resource File Integration (RFI) information for each Project 463 investigation. The WMS screens to print include:

- WMS Case Menu Screen 22, Case Composition–Suffix/Individual Summary (Figure 1).
- WMS Case Menu Screen 22X, Client Information (Figure 2).
- Most recent RFI screens for Wage Reporting System (WRS) and Unemployment Insurance Benefits (UIB), if any. [REDACTED]

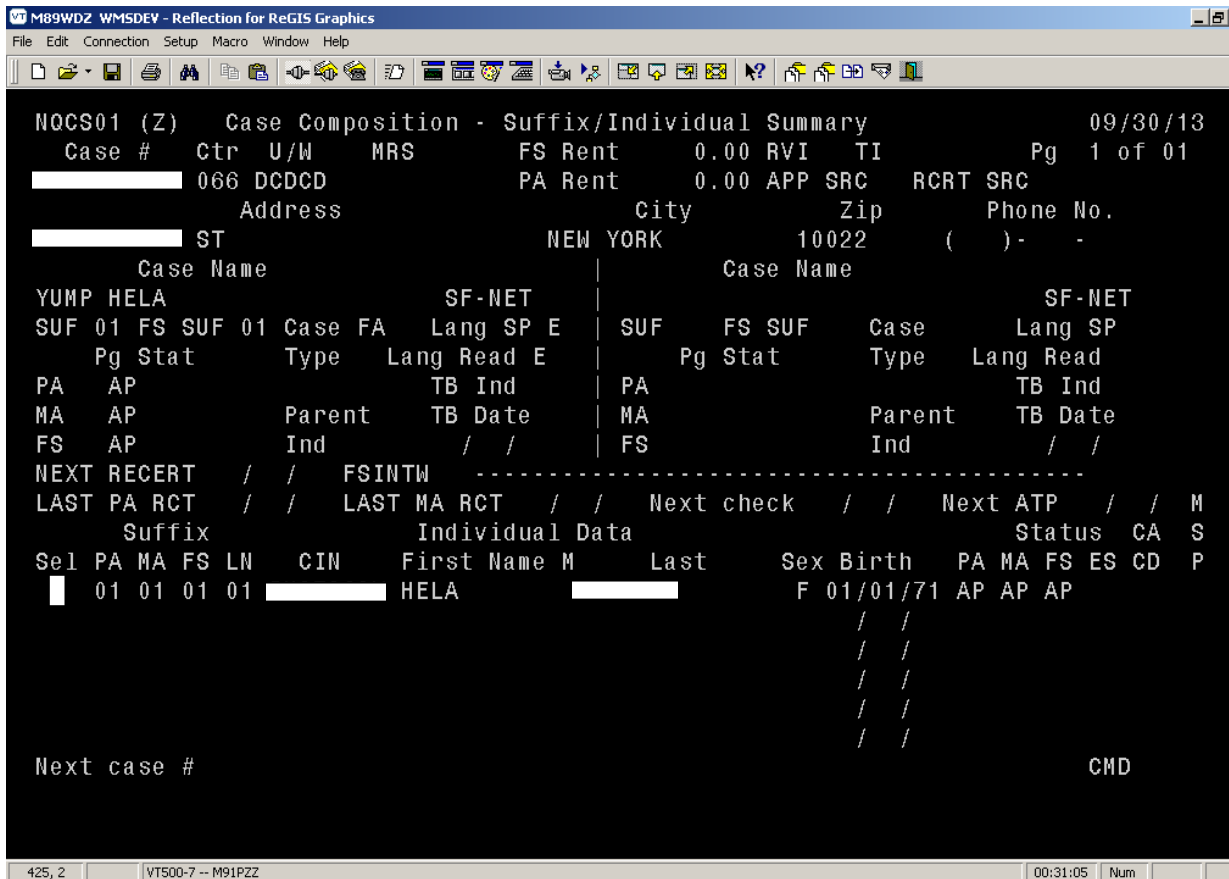


Figure 1

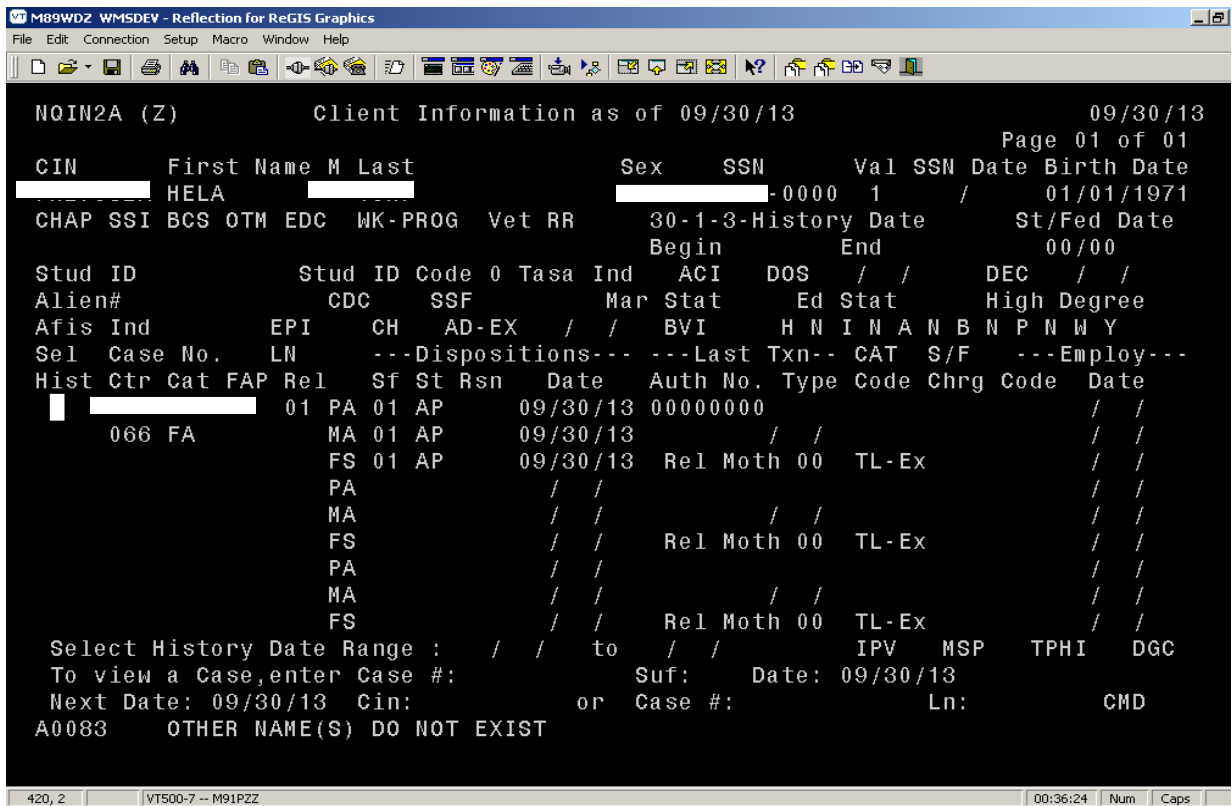


Figure 2

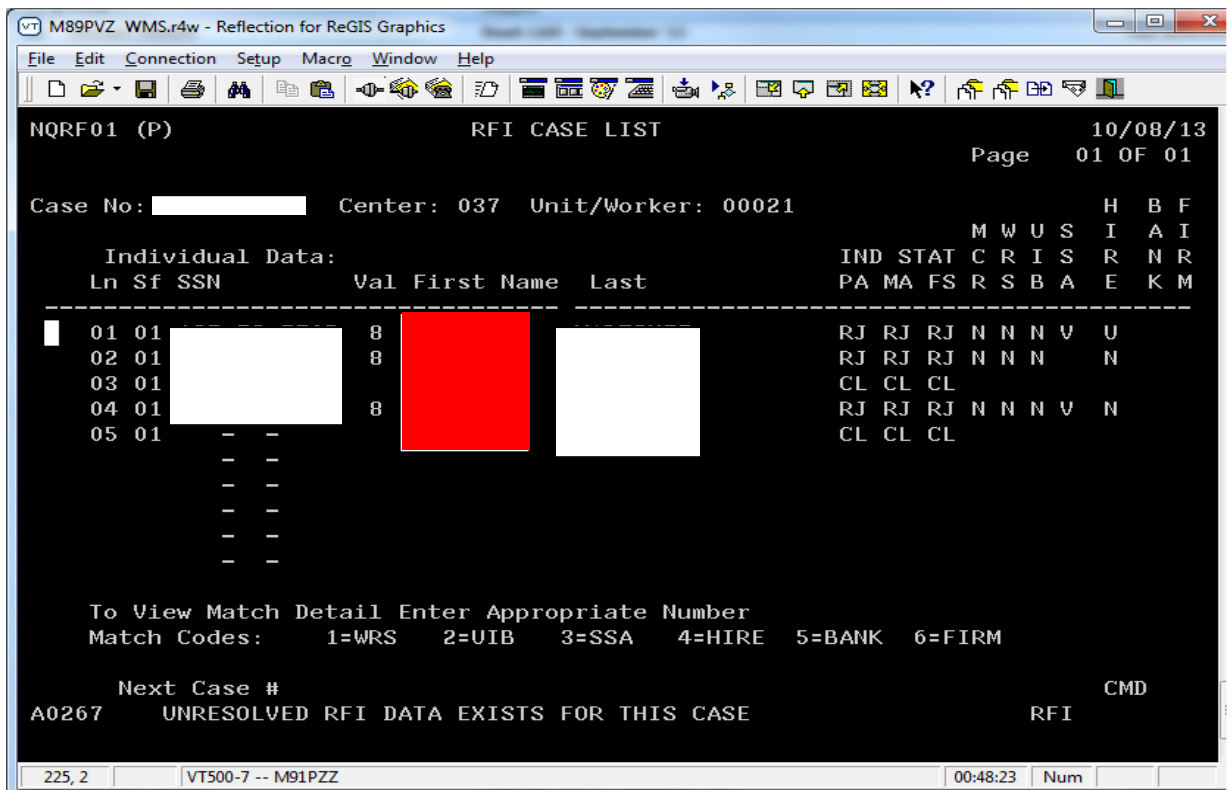



Figure 3

B. Payroll Inquiry Form (BFI-130)

Unless the employer is a New York City agency, the investigator should promptly mail the Payroll Inquiry Form (BFI-130) (Attachment 1) to the employer's reported address. If the employer is a city agency, the investigator must request a Payroll Management System Report from the agency liaison. The BFI-130 should never be sent to a P.O. Box address. The BFI-130 states that the employer is required to provide BFI with client payroll information. If payroll information is not received within 10 business days of the mailing of the BFI-130, the investigator must call the employer's payroll or legal department to inquire, and if necessary, fax another copy of the BFI-130. The phone numbers can generally be obtained on the internet (google.com, 411.com, etc.). If an employer does not respond, the employer phone number cannot be obtained, and the supervisor is unable to assist, the investigator must seek supervisory approval for the field visit to obtain the necessary information. If available, the investigator should bring the client's picture to present to the employer for identification. When there is no response, the investigator should review LexisNexis to determine if the client may be an owner or an employer.

**C. Budgeting**

When the payroll information is received, the investigator must budget the income. This step requires the investigator to review the WMS screens, HRA One Viewer, Paperless Office System (POS) comments section, and the Enterprise Data Warehouse (EDW) Grant Profile, and determine the household size. In addition, the investigator must recognize households that are budgeted using the 130% or 200% Federal Poverty Level (FPL) test. When there is an elderly, disabled, or blind person in the household a 200% FPL test is utilized. In all other instances the budget is calculated at 130% FPL.

Determining the Claim Period

The claim period is the period of time that an overpayment was made and for which reimbursement is sought. It is important to determine how far back an overpayment was made and the start month for the claim. Determine the first month of overpayment by reviewing the client's application.

For information left unreported or inaccurately reported in the application, the initial month of overpayment is the month the application for SNAP benefits was submitted. This includes changes that occurred between the date of the application interview and the date eligibility was determined.

Example: If an applicant household applies on January 10, is accepted for SNAP benefits on February 1, but failed to report household circumstances known to him/her at the time of the application process, the initial month of overpayment would be January.

Three Types of Change Reporting

- 1) 10-day reporting (also referred to as 10-10-10)
- 2) 6-month reporting
- 3) 24 month reporting

10-day Reporting Rules – for SNAP only cases

This discrepant information relates to a situation that began while the client was receiving assistance. The first month of overpayment for changes that were not reported by a 10-day reporting client is the second month after the month in which the change occurred.

Example: If the change occurs April 15, the start date determined for the overpayment is June 1.

This allows for the SNAP reporting standard of 30 days which is the timeframe applied if the change is reported on time. The timeframe includes the 10 days after the end of the calendar month in which the change occurred for the participant to report the change, 10 days for case action(s), and 10 days for timely notice (i.e., 10-10-10).

The following households are subject to 10-day reporting rules:

- Households certified for less than four months
- Households with no income and applying only for SNAP
- Group home residents in receipt of SSI or SSD
- Migrant or seasonal farm-worker households
- Homeless households (Shelter code 23)
- Household in which all adult members are over the age of 60 or disabled and all income is unearned

Between contact points (e.g., periodic reports, recertification) 10-day reporting clients must report changes within 10 days after the calendar month in which the change occurred.

Example: A client received income from a new source on February 15, 2013, but did not report it. The client should have reported the change by March 10, 2013 (10 days after the end of the calendar month in which the change occurred).

6-Month Reporting Rules

All SNAP households who do not fall under the 10-day reporting rule criteria are classified as 6-month reporting households. A 6-month reporting household must report current household circumstances and income:

- At recertification interviews.
- When an increase in income causes the household's income to exceed 130% (or 200% where applicable) of the poverty level for the household size for any calendar month. This report must be made within 10 days after the end of the calendar month in which the income increase was received.
- During the sixth month of the household's certification period referred to as six-month contact.

Once the budget is completed, the investigator will determine an overpayment amount, if any.

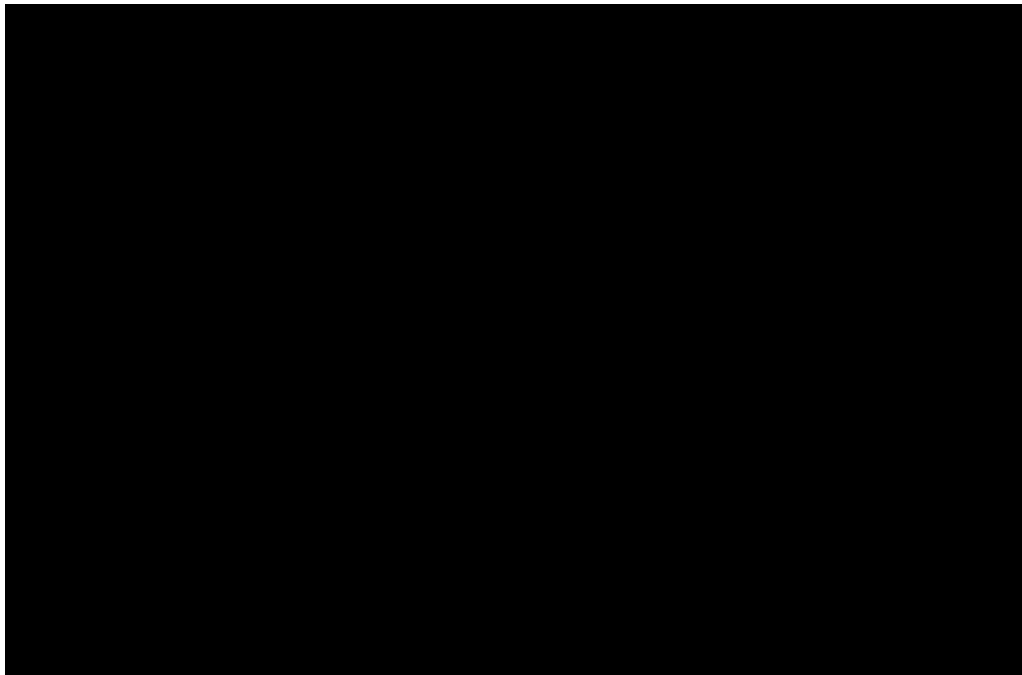
24-Month Reporting Rules

Households consisting entirely of unemployable or elderly and/or disabled persons with very stable income and no earnings, may have their eligibility certification period up to 24 months. Local districts must have contact with these households at the 12 month points.

Example: The 24 Month Reporting Rule will occur most often for Social Security, SSI, disability or pension recipients.

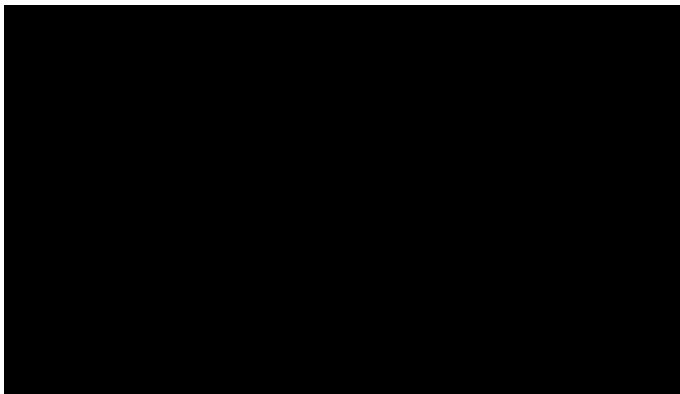
Calculating the Amount of the Claim

The SNAP overpayment claim is the difference between the SNAP benefits the household received and the benefits it was eligible to receive. The investigator uses the information gathered to calculate the claim period and the amount of the claim. The investigator prepares a claim package:



Supervisory Review

1. Supervisor reviews the disposition detail and budget in IRIS.
2. Reviews the following in the SNAP CR package:



3. If claim package is incorrect or incomplete, supervisor returns the case to the investigator with instructions for corrective action.
4. If package is correct, supervisor signs off on Case Action Referral Form – BFI 138.
5. Supervisor signs off Report of Investigation – BFI 21B.
6. Supervisor decontrols package in IRIS and submits to CAIII for log in.

D. SNAP applications, recertifications, and employment letters

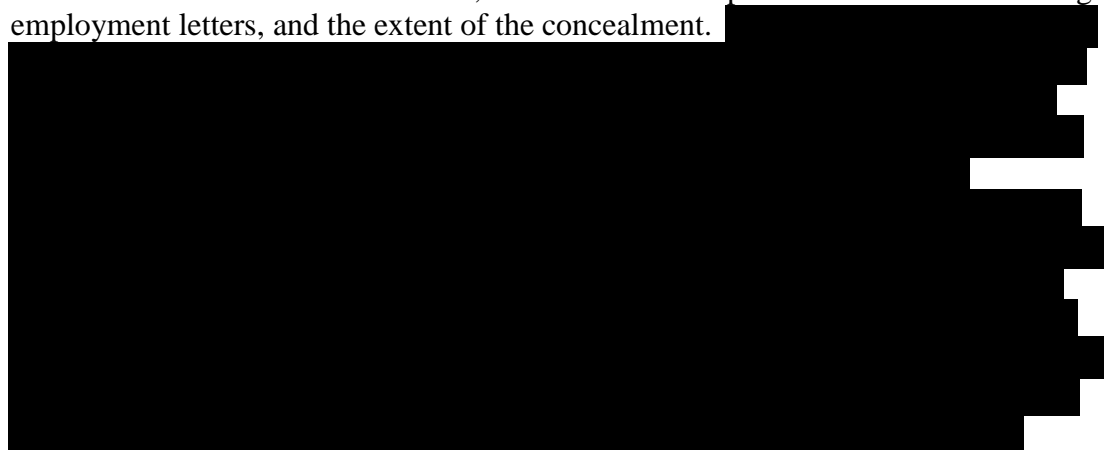
The investigator must review the final budget and payroll information against the most recent client SNAP applications, recertifications, and employment letters. The budget, along with the information the client provided to the agency, will determine the appropriate investigative disposition.

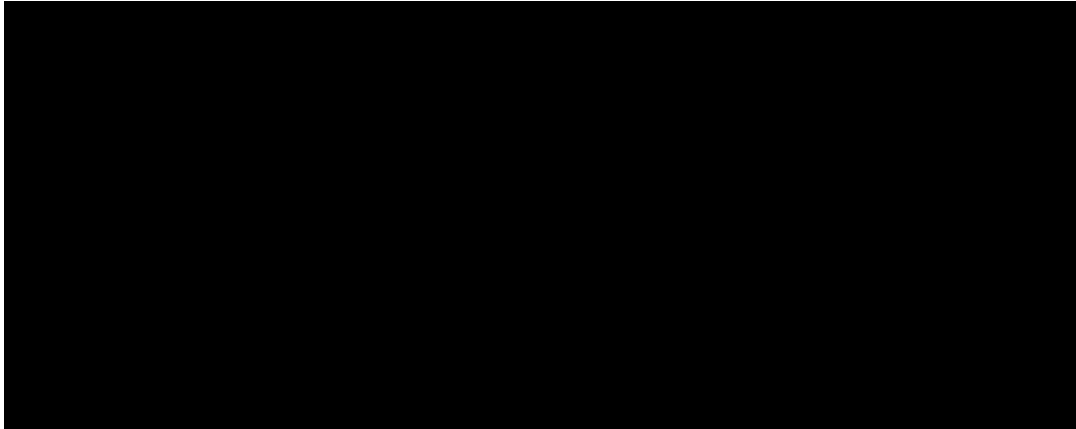
E. Interview



F. Referral for Criminal Prosecution

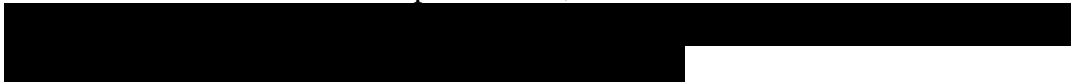
If the client concealed their income at the time of the application or recertification, and BFI has a complete signed application or recertification, the investigator must consider referring the case for criminal prosecution. The issues to consider include the amount of the concealed income, whether the client provided false or misleading employment letters, and the extent of the concealment.



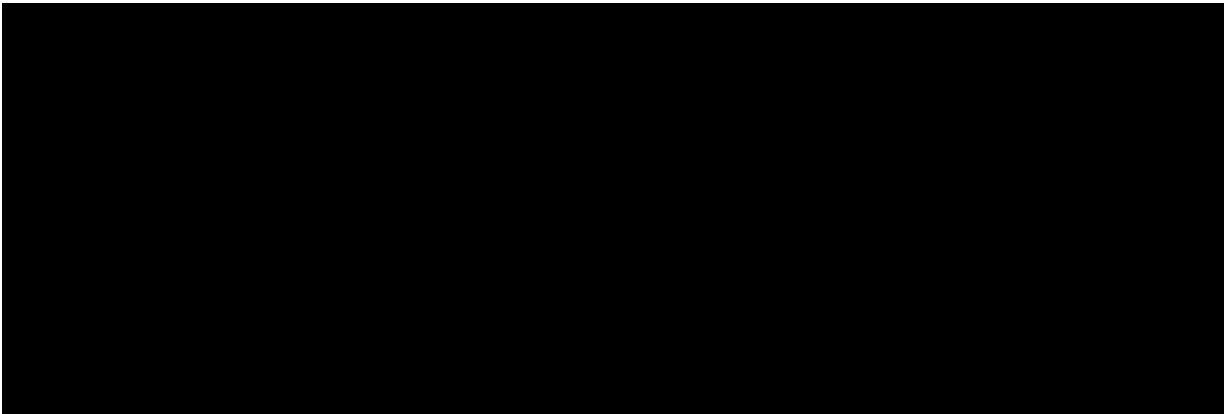


G. Referral for Intentional Program Violation

When the client failed to update the agency of their increased income between recertification periods, the investigator must consider referring the case for an Administrative Disqualification Hearing (ADH). The ADH determines if the client committed an Intentional Program Violation (IPV). The SNAP rules require that a client whose household income exceeds 130% (or 200% where applicable) of the Federal Poverty Level, report the increased income within 10 days of the end of the month that the income is earned. In addition, when the client misrepresents their income in an application or recertification, and the amount of concealment is insufficient to warrant criminal prosecution, the case should be referred for an IPV.



H. Voluntary Recovery



I. SNAP Case Closing

Cases where the client is ineligible for benefits at the time of the investigation should be referred for case closing to the SNAP Center. In addition, cases where the client is asked to bring their payroll information to the interview, and the client does not appear, should be closed for failure to provide verification.

J. Referral for Rebudgeting, Recoupment or Deferred Recoupment

[REDACTED]

[REDACTED] the case should be referred for both rebudgeting and recoupment. When the client received an overpayment as a result of an agency error, and their SNAP case is closed, OTDA requires that the agency establish a claim in the amount of the overpayment.

ATTACHMENT 1

Payroll Inquiry Form (BFI-130)

BFI-130 08/22/2012



INVESTIGATION REVENUE AND ENFORCEMENT ADMINISTRATION
BUREAU OF FRAUD INVESTIGATION
 250 CHURCH STREET, 3rd FLOOR, NY, NY 10013

Date:
 Case Name:
 Case Number:

PAYROLL INQUIRY FORM

Subject Name
Address
Social Security Number

According to the information we have received, _____ is/was in your employ. Please provide us with the information requested below, and return this form in the enclosed envelope.

Abstract of Section 143 of the N.Y. State Social Services Law
 Employers are required to furnish to the N.Y.C. Department of Social Services information concerning wages, salaries, earnings or other income of any applicant for, or recipient of public assistance, or any relative legally responsible for the support of such applicant or recipient.

Very truly yours,

 Special Investigator (Telephone) _____

REMARKS:

Employee's name			Maiden name		Social Security No.		
Home Address				Date of Birth		Home Telephone No.	
City	State	Zip	Date of employment From To		CETA employee? <input type="checkbox"/> No <input type="checkbox"/> Yes CETA start date		
Civil Service or Job Title		Name of Medical/Hospitalization Insurance Carrier			Policy Number		
Work Location (street address)				Work Location Telephone No.		Union	
Name, address, and telephone number to contact for emergency							

PLEASE PROVIDE THE PERSONNEL FOLDER INCLUDING THE EMPLOYMENT APPLICATION AND W-4 FORMS

IN LIEU OF COMPLETING THE BOTTOM PORTION OF THIS FORM YOU MAY ATTACH A PHOTOCOPY OF THE PAYROLL RECORD FOR THE PERIOD IN QUESTION IF IT PROVIDES THE SAME INFORMATION REQUESTED BELOW.

PLEASE PROVIDE PAYCHECK BY PAYCHECK INFORMATION FOR THE PERIOD _____ TO _____

DATE OF CHECK	GROSS AMOUNT OF CHECK	FEDERAL TAX	STATE TAX	CITY TAX	FICA	HEALTH INS.	UNION DUES	PENSION	OTHER (specify)

SIGNATURE	TITLE	PHONE	DATE
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