



CDSS

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DEPARTMENT OF SOCIAL SERVICES
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ARNOLD SCHWARZENEGGER
GOVERNOR

July 3, 2009

ALL-COUNTY LETTER NO. 09-32

TO: ALL COUNTY WELFARE DIRECTORS
ALL IHSS PROGRAM MANAGERS

Reason For This Transmittal

- State Law Change
- Federal Law or Regulation Change
- Court Order or Settlement Agreement
- Clarification Requested by one or More Counties
- Initiated by CDSS

SUBJECT: IN-HOME SUPPORTIVE SERVICES OVERPAYMENT RECOVERIES

This All-County Letter (ACL) provides clarification on how counties should process recovered overpayment money when actual cash or a check is received from the overpaid individual. It has come to the attention of the California Department of Social Services (CDSS), Adult Programs Branch (APB) that there is some confusion regarding the handling of these types of recovered overpayments. Counties that have not been processing recovered overpayments in a manner other than that as described below are asked to contact the APB, Fiscal Administrative and Systems Bureau (FASB) for assistance.

This letter is specifically addressed to those counties that have already collected overpayment funds, regardless of which In-Home Supportive Services (IHSS) program (IHSS Plus Waiver, Personal Care Services Program or IHSS Residual), in a trust account or other bank account but have not processed the collected overpayments through the Case Management, Information, and Payrolling System (CMIPS). Additionally, this ACL only addresses with those situations where the county receives actual cash or a check from the individual. Just as with an overpayment recovery where deductions are made from the provider's warrant, overpayments involving actual cash or a check must be entered into CMIPS.

For cases involving receipt of cash or a check, the county should send a check to Electronic Data Systems (EDS) with a completed SOC 312, so that EDS staff can enter the information into CMIPS and forward the money to the CDSS', Fiscal Systems and Accounting Branch (FSAB) for processing. Actual cash should not be sent through the mail. If the repayment is made to the county with actual cash, the cash should be deposited into an appropriate county bank account and a county check should be made payable to CDSS Cashiering and forwarded with the SOC 312 to EDS.

EDS will enter the information into CMIPS and the check will be forwarded to FSAB and will process the check and determine the reimbursement credited to the state, county and federal government based upon the appropriate cost sharing formula. **Counties may not deduct their portion of the refund in advance. The entire recovered amount must be sent to EDS for processing.** It is necessary that all payments be sent through EDS so that any adjustments to the individual's taxes or other withholdings can be made. This is necessary to ensure that the individual's W-2 will be correct when it is issued at the end of the year or in the situation described in this letter, a corrected W-2 will be issued.

Counties that have collected monies as an overpayment recovery **must** contact Terrie Marks, Analyst, Adult Programs Systems Unit, at (916) 229-4041. If you have questions regarding this ACL or the overpayment process, contact Ardora McCalley, Manager of the Adult Programs Systems Unit, at (916) 229-0321.

Sincerely,

Original Document Signed By:

EVA L. LOPEZ
Deputy Director
Adult Programs Division