



CDSS

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December 31, 2012

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALWORKS PROGRAM SPECIALISTS
ALL EBT COORDINATORS

FROM: TODD BLAND
Deputy Director
Welfare to Work Division

SUBJECT: INTERIM INSTRUCTIONS TO IMPLEMENT ASSEMBLY BILL
2035, ELECTRONIC BENEFIT TRANSFER (EBT) ELECTRONIC
THEFT

The purpose of this letter is to provide interim instructions for the January 1, 2013 implementation of Assembly Bill (AB) 2035 (Chapter 319, Statutes of 2012) which requires the prompt restoration of EBT CalWORKs benefits lost due to electronic theft. Electronic theft occurs when a client has not lost physical possession of their EBT card and money is stolen from their EBT account electronically (often called “skimming”).

These interim instructions are being issued pending detailed instructions which will include Notice of Action language, claiming and tracking instructions, and implementation regulations. We anticipate release of final instructions in March 2013.

Under this interim process, the recipient will be required to:

1. Call the toll-free California EBT Customer Service Helpline at (877) 328-9677 to file a cash dispute claim with the Customer Service Representative (CSR).
2. File a police report and obtain police report number.

During this interim process the County Welfare Department (CWD) may waive this requirement due to hardship. However, we ask the CWD to contact CDSS prior to making that determination (please see CDSS contact information on page 2).

3. Complete the report form, Temp 2259 - Report of Electronic Theft of Cash Aid, and to file the form with the CWD, attesting to the electronic theft.

The CWD should assist the recipient with completing any or all of the requirements above, if requested.

The CWD will process the Temp 2259, monitor the status of the cash dispute claim filed with the EBT contractor (Xerox), and if applicable, restore benefits (i.e., issue a “2035 payment”) immediately after the Xerox decision concerning the disputed claim has been received by the CWD or no later than 15 business days after a recipient files the Temp 2259 form with the CWD, whichever is sooner.

Because this is an interim process, we ask that upon receipt of the Temp 2259 form, your staff contact the following CDSS EBT Unit staff:

Lucy Hildebrand, (916) 653-8421, Lucy.Hildebrand@dss.ca.gov or
Daniel Brown, (916) 651-0674, Daniel.Brown@dss.ca.gov

Please note that this AB 2035 process does not apply to loss of General Assistance/General Relief benefits.

Interim Process

There are two ways the recipient will report the possible electronic theft:

1. Recipient contacts the California EBT Customer Service Helpline, which will explain the reporting process and refer the recipient to his/her CWD for additional information and submission of the Temp 2259. The CSR will deactivate the recipients' EBT card and issue a new one.

or,

2. Recipient contacts the CWD directly. CWD staff will explain the 2035 process to the recipient, provide the Temp 2259 form, and inform the recipient to also contact the EBT Customer Service Helpline to report the stolen benefits and file a cash dispute claim. The CWD will deactivate the recipients' EBT card and issue a new one.

Interim 2035 Report Form

The Temp 2259 will be used by the recipient to report the possible electronic theft. A copy of the Temp 2259 form is attached and can also be found online at www.ebtproject.ca.gov. The process requires the recipient to file a police report, and include the police report information on the form. However, the recipient is not required to attach a copy of the police report.

During the interim process the CWD can process the Temp 2259 without the filing of a police report if there is good cause for the police report not being submitted, and with CDSS consultation and approval. During this interim implementation period, CDSS

would like to hear of problems that recipients may have submitting police reports for EBT electronic theft.

CWD staff may have to assist the recipient in completing the Temp 2259, including how to file a police report. This may include providing information regarding the location of the local police station, and a caution not to call 911, but to only call a non-emergency police telephone number to file a report.

For camera-ready copies in English, contact the Forms Management Unit at fmudss@dss.ca.gov. The Temp 2259 can also be obtained by recipients via the EBT Project website at www.ebtproject.ca.gov. If the CWD staff is mailing this form to a non-English speaking recipient, also attach form GEN 1365.

2035 Payment Process

After submission of a completed Temp 2259, CWD staff will check the California EBT system (EPPIC) each work day to determine if the cash dispute claim has been denied or approved by Xerox, before issuing the “2035 payment”. EPPIC is where the CWDs can view EBT transaction activity on individual cases. Also, CWD staff may check the Statewide Automated Reconciliation System (SARS) “Claim Activity Report”. This report lists the status of the Xerox cash dispute claims (i.e. new, approved or denied).

- Cash dispute claim approved: If the cash dispute claim has been approved by Xerox, the CWD shall not issue the “2035 payment,” as the recipient has already been reimbursed by Xerox. If a claim is approved, the recipient will receive an automated phone call from Xerox that their EBT account has been credited.
- Cash dispute claim denied before 15 business days: If the claim is denied by Xerox before the 15th business day after the CWD has received the Temp 2259, the CWD shall, if applicable, issue the “2035 payment” immediately.
- No cash dispute resolution within 15 business days: If the claim has not been approved or denied by Xerox within 15 business days from when the recipient submits his/her Temp 2259, the CWD shall, if applicable, issue the “2035 payment” no later than the 15th business day.

Overpayment

As a result of a cash dispute claim approval by Xerox, there is a possibility that a recipient could receive a duplicate payment. The duplicate payment could occur when the “2035 payment” and cash dispute claim payment are both issued. In this case, CWDs are to follow administratively-caused overpayment regulations.

Additionally, if there are reasonable grounds, the CWD shall follow existing rules regarding referral for fraud investigation.

Fiscal Claiming Instructions

We are requesting that CWD staff flag the “2035” cases and payments, pending release of claiming instructions, which will come under separate cover in March 2013.

Security Breaches

AB 2035 gives authority to CDSS to reinstate benefits immediately for breaches in security known by CDSS, without the need for recipient reporting and verification. In these situations CDSS will issue separate instruction to the CWD.

If you have any questions regarding this interim process, please have your staff contact Lucy Hildebrand at (916) 653-8421 Lucy.Hildebrand@dss.ca.gov or Daniel Brown at (916) 651-0674 Daniel.Brown@dss.ca.gov or the EBT Welfare Technology Unit at (916) 654-2125.

Attachment

REPORT OF ELECTRONIC THEFT OF CASH AID

Instructions: Complete this form and return it to your eligibility worker.

RECIPIENT INFORMATION

FIRST NAME		LAST NAME	EBT CARD NUMBER
STREET/P.O. BOX			
CITY		STATE	ZIP CODE
PHONE NUMBER	EMAIL		

I believe my cash aid benefits were stolen on or about _____, at _____
DATE, IF KNOWN LOCATION, IF KNOWN

for \$ _____ .
AMOUNT

I believe I know who stole my benefits: Yes No
If Yes, please write below the name, address and phone number of the person(s):

I have had my EBT card with me at all times: Yes No

I gave my personal identification number (PIN) or EBT card number to someone else: Yes No
If Yes, please write below the name(s), address and phone number of the person/people you gave your PIN or EBT card number to:

I last used my EBT card on _____ at _____
DATE LOCATION

for \$ _____ .
AMOUNT

I filed a police report on _____ . I reported \$ _____ was stolen.
DATE AMOUNT

Police Report # _____

Name of Police Department: _____

INSTRUCTIONS TO REPORT ELECTRONIC THEFT OF CASH AID

If you think you are a victim of electronic theft of your Electronic Benefits Transfer (EBT) cash aid benefits, call the toll-free California EBT Customer Service number.

⇒ EBT Customer Service is open 24 hours a day, 7 days a week: **877-328-9677**

You may get your EBT cash aid benefits replaced if:

- You called the California EBT Customer Service Helpline and reported your lost cash benefits to an EBT Customer Service Representative.
- You had your EBT card with you when cash aid benefits were taken from your EBT account.
- You file a police report about your stolen cash aid benefits.
- You fill out a **Report of Electronic Theft of Cash Aid** form and give it to your county worker.
- Write the police report number on the Report of Electronic Theft of Cash Aid form.

Instructions for filing a police report:

- Contact your local city or county police department. **DO NOT CALL 911.** Look for a non-emergency phone number for the police department.
- Most of the time a police report can be filed by phone, in person, or on the police department's website. Check your local police department for more information.
- A police report file number will be provided to you. Keep a copy of this number and write it on the Report of Electronic Theft of Cash Aid form.

EBT cash aid benefits **cannot** be replaced if:

- Your EBT card has been **lost or stolen** and/or you gave your Personal Identification Number (PIN) and/or your EBT card number to anyone.

Please call your county worker or go to your county office if you have questions or need help filling out the Report of Electronic Theft of Cash Aid form.
