3-004.01A10 Licensed Mental Health Center: Mental health center means a facility where shelter, food, and counseling, diagnosis, treatment, care, or related services are provided for a period of more than 24 consecutive hours to persons residing at the facility who have a mental disease, disorder, or disability.

3-004.01B AABD or SDP Standard of Need: The worker continues to use the standard of need for independent living and shelter costs or the consolidated standard for alternate living when SSI notifies the agency that the client will continue to receive full SSI payment for up to three months because the individual is likely to return to his/her previous living arrangement. The worker follows procedures in 469 NAC 3-006.02B5 for allowing shelter and/or utilities when~~–~~ :

1. SSI reduces or terminates the payment at the end of the three-month extension;
2. SSI determines that the client does not qualify for the full benefit for the three-month period; or
3. The client was not receiving SSI before admission to the medical facility.

If the client is in a hospital (or receiving acute hospital care) or licensed alcohol/drug treatment center, the worker ~~shall~~ must use the standard of need which most accurately reflects the client's living arrangement (see 469 NAC 2-008.03).

{Effective 4/11/95}

3-007.02B2a Service Provider: The worker ~~shall~~ must obtain Central Office approval before a service provider who contracts with the Department may act as protective payee for a client s/he serves.

3-007.02B3 Responsibilities: The protective payee is responsible for~~–~~ :

1. Paying maintenance needs from the grant (i.e., rent, utilities, food, clothing, etc.);
2. Explaining to the client how the grant will be spent;
3. Keeping records of payments received and disbursements made of funds; and
4. Treating confidentially all personal information concerning the family.

3-007.02B4 Fair Hearing: The client must be given the opportunity to appeal the initial decision or continuance of protective payments and the choice of the protective payee.

3-007.03 Erroneous State Supplement Payments

3-007.03A Underpayments: If a state supplement payment is made for an amount less than the amount the client was entitled to receive, a correction must be made. Retroactive corrective payments may be made for the 12 months preceding the month in which the underpayment is discovered. State supplement payments made to correct an underpayment are not considered income or a resource in the month paid or the month following the month paid.

3-007.03B Overpayments

3-007.03B1 Identification of an Overpayment: There are ~~three~~ two types of overpayments:

1. Administrative errors: Worker errors caused by inaccurate computation or the worker's failure to take action;
2. Client errors: Errors caused because the client supplies inaccurate or incomplete information or fails to provide information resulting in an overpayment~~; and~~.
3. ~~Technical errors: Errors caused by the worker's failure to inform the client that s/he must apply for a Social Security number with the Social Security Administration or participate in Employment First. Only these omissions are identified as technical errors. Technical errors must be reported to the Central Office via Form IM-50.~~

All ~~O~~overpayments, regardless of cause. ~~caused by client errors~~ must be recouped. ~~Overpayments caused by administrative or technical error are not recouped. (However, future payments must be corrected.)~~

{Effective }

3-007.03B2 Recoupment of Overpayments: If a state supplement payment is made for an amount greater than the amount the client was entitled to receive ~~as the result of a client error,~~ the overpayment is recouped by reducing current state supplement payments by at least ten percent.

The worker ~~shall~~ must first send a demand letter, giving the client the choice of reimbursing all or part of the overpayment or having future assistance reduced. If the client reimburses part of the overpayment, the remainder must be recouped by grant reduction. The worker ~~shall~~ must allow the client ten days to respond to the demand letter. If the client requests recoupment within the ten days, the worker ~~shall~~ must take necessary action at that time. If the client does not respond within ten days, the worker ~~shall~~ must begin recoupment procedures in the first month possible, taking into account adequate and timely notice.

Recoupment is limited to the amount of overpayment which occurred in the 12 months preceding the month in which the overpayment was discovered. If the overpayment occurred before the 12-month time limit, no action may be taken.

In cases of suspected fraud, the social service worker ~~shall~~ must refer the case to the Special Investigation Unit, Central Office, or in the Omaha Office, to the Omaha Special Investigation Unit. Once a case has been referred to the Special Investigation Unit, the worker ~~shall~~ must take no action with regard to the prosecution of the suspected fraud except in accordance with instructions or approval by the Special Investigation Unit. However, the worker should complete normal case actions. Normal case actions include closing a case that is found to be ineligible and recovering overpayments.

3-007.04 Case Records: The case records of the AABD/MA or SDP/MA client must be complete and contain facts to substantiate each action with respect to assistance payments. Case records must be retained for four years from the closing of the case.

3-007.05 Fraud: See 465 NAC 2-007 ff.