

**441—93.151(239B) Recovery of PROMISE JOBS expense allowances.** When an applicant, a participant, or a provider receives an expense allowance for transportation or other supportive expenses which is greater than allowed under these rules or receives a duplicate payment of an expense allowance, an overpayment is considered to have occurred and recovery is required. There are two categories of PROMISE JOBS expense allowances subject to recovery: (1) transportation and (2) other supportive expense allowances.

The PROMISE JOBS worker shall notify the department of inspections and appeals (DIA) to record the overpayment in the Overpayment Recovery System. The outstanding balance of any overpayments which occurred before July 1, 1990, shall be treated in the same manner.

A PROMISE JOBS overpayment shall be recovered through repayment in part or in full or through offsetting against future payments in the same category. Underpayments and overpayments may be offset against each other in correcting incorrect payments in the same category. Repayments received by the PROMISE JOBS unit and information about recoveries made through offsetting shall be transmitted to the Department of Human Services, Cashier's Office, Room 14, 1305 E. Walnut Street, Des Moines, Iowa 50319-0144.

Overpayments of PROMISE JOBS child care issued for months prior to July 1999 shall be subject to recovery rules of the PROMISE JOBS program. Overpayments of child care assistance issued for July 1999 and any month thereafter are subject to recovery rules of the child care assistance program set forth in rule 441—170.9(234).

**93.151(1)** The department of inspections and appeals shall notify the client or the provider when it is determined that an overpayment exists, as described at 441—subrule 7.5(6). Notification shall include the amount, date, and reason for the overpayment. Upon the client's request, the local office shall provide additional information regarding the computation of the overpayment. The client may appeal the computation of the overpayment and any action to recover the overpayment through benefit reduction in accordance with 441—subrule 7.5(6). If a client or provider files an appeal request, the PROMISE JOBS unit shall notify DIA within three working days of receipt of the appeal request.

*a.* Actual offsetting in the PROMISE JOBS office cannot begin until after the end of the 30-day appeal period which begins with the day following issuance of the Notice of Overpayment—PROMISE JOBS Expense Allowances. If a client or a provider files an appeal request during the 30-day appeal period, the PROMISE JOBS unit shall not initiate offsetting until the appeal is resolved by withdrawal or a final appeal decision which permits offsetting as a method of overpayment recovery.

*b.* When a client or a provider offers repayment in part or in full before the end of the 30-day appeal period, the PROMISE JOBS unit or the department of human services local office shall accept the payment. If a subsequent appeal request is received, the PROMISE JOBS unit shall notify DIA and shall not accept any further payments on the claim. The amount of the voluntary payment shall not be returned to the client or provider unless the final decision on the appeal directs the department to do so.

**93.151(2)** When offsetting is to be used to recover the overpayment, the PROMISE JOBS worker shall issue a Notice of Decision-Services, Form SS-1104-0, after the end of the 30-day appeal period, informing the client or the provider of the amount to be offset. In those instances where the amount to be offset changes, a new Notice of Decision-Services shall be issued. The notice must be timely and the client or provider has the right to appeal the notice which initiates offsetting and any subsequent notice which changes the amount to be offset.

**93.151(3)** When a participant receives an overpayment and is unable or unwilling to make a refund, the PROMISE JOBS worker shall recover the overpayment by offsetting it against future months' expenses in the same category.

*a.* Rescinded IAB 6/30/99, effective 7/1/99.

*b.* In those instances when the PROMISE JOBS worker is offsetting to recover support services, sufficient current expenses shall be paid to enable continued participation in the activity.

*c.* When it becomes impossible to recover through offsetting, either because the participant is no longer participating in PROMISE JOBS or because any potential offsetting would jeopardize the participant's progress toward the employment goal, the PROMISE JOBS worker shall notify DIA so that recovery procedures can be initiated.

**93.151(4)** When a support services provider receives an overpayment on behalf of a PROMISE JOBS participant and is unable or unwilling to make a refund, the PROMISE JOBS worker may recover the overpayment by offsetting it against future months' expenses for the same client.

*a.* The period of time available to complete the offsetting will be limited according to the amount of the overpayment. For amounts up to \$500, three months is the maximum period; for amounts over \$500 and up to \$1,000, six months is the maximum period. Offsetting shall not be initiated for overpayments which do not meet these limits.

*b.* When it becomes impossible to recover through offsetting, because the client is no longer participating in PROMISE JOBS, or because the overpayment amount exceeds the limits described in paragraph "a" above or because the provider will deny service to the client if offsetting is initiated, the PROMISE JOBS worker shall notify the DIA so that repayment procedures can be initiated.

*c.* If the provider does not agree that an overpayment has occurred or will deny service to the client if offsetting is initiated, the PROMISE JOBS worker shall not initiate offsetting. The worker shall explain that DIA will contact the provider regarding recovery procedures and shall explain appeal rights as found in 441—Chapter 7.

**93.151(5)** When a client or a provider has been referred to DIA to initiate recovery, DIA shall use the same methods of recovery as are used for the FIP program, described at DIA rules 481—71.1(10A) to 71.9(10A), except that the FIP grant shall not be reduced to effect recovery without the client's written permission.

*a.* When the client requests grant reduction on Form 470-0495, Repayment Contract, grant reduction will be made as described in 441—subrule 46.25(3), paragraphs "a," "b," and "c," based on definitions of client error and agency error in rule 441—46.21(239B).

*b.* With regard to provider overpayments, DIA is authorized to take any reasonable action to effect recovery such as, but not limited to: informal agreements, civil action, or criminal prosecution. However, DIA shall not take any action which would jeopardize the participant's continued participation in the PROMISE JOBS program.