

April 5, 2024

GENERAL LETTER NO. 7-H-36

ISSUED BY: Bureau of Financial, Food, and Work Supports
Division of Community Access and Eligibility

SUBJECT: Employees' Manual, Title 7, Chapter H, **SNAP Adjustments**, 18 and 19, revised.

Summary

This chapter is revised to update timelines for returning the *Replacement of Stolen Benefits* form.

Effective Date

Upon receipt.

Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter H, and destroy them:

<u>Page</u>	<u>Date</u>
18 and 19	June 16, 2023

Additional Information

Refer questions about this general letter to your area income maintenance administrator.

Households must report that their SNAP benefits were stolen within 10 days of the date they discover their benefits were stolen. After reporting the loss, a household member or household's authorized representative has 30 calendar days to sign and return form 470-5771, *Report of Stolen SNAP Benefits*. When the 30th day falls on a weekend or holiday, the signed form must be received by the next working day. If the client fails to report the stolen benefits within 10 days of discovery or if form is returned after the 30th day, the request will be denied as untimely.

The household must attest to their benefit loss on form 470-5771, *Report of Stolen SNAP Benefits*. Review the information provided by the client and validate the claim which can be done through various methods, including but not limited to: comparing the client's self-attested information to EPPIC transactions, retailer or news media reports of identified skimming devices, etc.

Replacement benefits must be received by the household within 10 calendar days of the report of loss or within 10 calendar days of receiving the completed form, whichever date is later. The amount of replaced benefits cannot be more than the lesser of the amount of benefits stolen or the amount equal to two months of allotment immediately prior to the date the benefits were stolen. P-EBT benefits cannot be replaced.

Benefits can only be replaced if the fraud occurred between **October 1, 2022 and September 30, 2024**. A household can only have benefits replaced due to fraud **two times per federal fiscal year (FFY)**. The FFYs stolen benefits can be replaced are **October 1, 2022-September 30, 2023** and **October 1, 2023-September 30, 2024**.

Procedure: When a household reports they had SNAP benefits stolen by fraudulent practices:

1. Have they replaced their EBT card and changed their PIN yet? If not, let them know why that's important and issue them a new EBT card.
2. Send form 470-5771, *Report of Stolen SNAP Benefits* to the household for completion. Before sending the form, complete as much as possible in the "HHS Use Only" section, but do not make a decision on the replacement until the signed form is returned.
3. After the signed form is returned:
 - a. Determine if the report is timely. Households must report the loss within 10 calendar days of the date they discovered their benefits were stolen. (The household has until the next workday when the 10th day falls on a weekend or legal holiday.)
 - i. If the report wasn't made within 10 calendar days, deny the request. Complete the *HHS Use Only* section of the form and include the reason for the denial. Upload the completed form in the casefile, document in WISE, and mail the client a copy of the denial NOD. Email your IMA a copy of the completed *Report of Stolen SNAP Benefits* form to notify them of the denial for tracking purposes.
 - ii. If the report was made timely, continue to the next step.
 - b. Check WISE, ISSV, and the *Stolen Benefits Replacement Requests* spreadsheet to see if the client has already received replacement benefits due to fraud during the FFY.
 - i. If the client has already received replacement benefits due to fraud twice in the FFY, deny the request. Complete the *HHS Use Only* section of the form and include the reason for the denial. Upload the completed form in the casefile, document in WISE, and mail the client a copy of the denial NOD. Email your IMA a copy of the completed *Report of Stolen SNAP Benefits* form to notify them of the denial for tracking purposes.

- ii. If the client has not already received two replacements in the FFY due to fraud, continue to the next step.
 - c. Check ISSV to verify the amount of SNAP benefits issued in the months immediately prior to the date the benefits were stolen.
 - d. Review the information provided by the client to determine if they meet the requirements to have their stolen benefits replaced. Document the source used to validate the claim. The claim validation can be done through various methods, including but not limited to: comparing the client's self-attested information to the EPPIC transactions, retailer or news media reports of identified skimming devices, etc.
 - e. Complete the rest of the *HHS Use Only* section of the form.
 - f. Send the completed *Report of Stolen SNAP Benefits* form to your IMA so they can review your recommendation and make a decision. The IMA or supervisor will track the case information on the *Stolen Benefits Replacement Requests* spreadsheet.
4. When a replacement is approved: Enter an authorization on the ABC TD06 screen to replace the appropriate amount of SNAP.
 - Use a C code in the IMM/CAN field and an E in the LOC/TYPE field.
 - Issue the replacement for the benefit month the loss was for.
 - Issue whole dollar amounts only, rounding up to the nearest dollar if needed. There must be an existing SNAP issuance for that month, and the replacement amount cannot exceed the total SNAP amount for that month.
5. Catalog the completed *Report of Stolen SNAP Benefits* form in WISE and document the replacement in the narrative. Mail the client a copy of the NOD.

EXAMPLE: Dorothy is active on SNAP benefits. On June 17, 2023, she received a text message from someone claiming to work for HHS asking for her EBT card and PIN. Dorothy clicked on the link and provided the information. She realized later that day that it was a scam. When she checked her EBT card balance, she noticed all remaining SNAP benefits in her account (\$100) were used in another state. She reported the loss that day to HHS. Dorothy returned the completed *Report of Stolen SNAP Benefits* form timely.

After submitting the approval recommendation to their IMA, the worker proceeds with replacing her benefits. Dorothy's SNAP allotment was \$20/month. The amount of replaced benefits cannot be more than the lesser of the amount of benefits stolen or the amount equal to two months of allotment immediately prior to the date the benefits were stolen. Therefore, Dorothy is only entitled to receive a replacement of \$40.