
VIRGINIA STATE BUDGET

1996 Session

Budget Bill - HB30 (Chapter 912)

Bill Order » Office of Health and Human Resources » Item 393

Department of Social Services

Item 393

A. In the operation of any program of public assistance, including benefit and service programs in any locality, for which program appropriations are made to the Department of Social Services, it is provided that if a payment or overpayment is made to an individual who is ineligible therefor under federal and/or state statutes and regulations, the amount of such payment or overpayment shall be returned to the Department of Social Services by the locality.

B. Within federal authorities and guidelines regarding retention by states of fraud collections and recoveries of inadvertent client error claims, a local department of social services shall be reimbursed from collections made by such local department for fraud and inadvertent client error claims not to exceed the local share of the administrative costs associated exclusively with such local claims and collection activity. The state's share of collections not reimbursed to a local department of social services may be retained by the Department in the amount needed to offset costs associated with the privatization effort to recover delinquent claims.

C. However, no such repayments may be required of the locality if the Department determines that such overpayment or payments to ineligibles resulted from the promulgation of vague or conflicting regulations by the Department's central or regional offices or from the failure of either of the offices to make timely distribution to the localities of the statutes, rules, regulations, and policy decisions, causing the overpayment or payment to ineligible(s) to be made by the locality or from situations where a locality exercised due diligence, yet received incomplete or incorrect information from the client which caused the overpayment or payment to ineligibles. If a locality fails to effect the return, the Department of Social Services shall withhold an equal amount from the next disbursement made by the Department to the locality for the same program.