



June 18, 2024

**Fiscal Administrative Procedure Manual Transmittal Letter (FAPMTL) No. 506**

To: Fiscal Administrative Procedure Manual Holders  
From: Matt Damschroder, Director  
Subject: Reporting Collections and Earnings on Erroneous Payment Recoveries

As the result of an internal five-year rule review, ODJFS has amended rule 5101:9-7-06 "Reporting Collections and Earnings on Erroneous Payment Recoveries." Minor changes were made to removed regulatory restrictive words as required by section 121.95 of the Revised Code.

Please direct inquiries to your ODJFS Fiscal Supervisor or the CFIS Helpdesk [CFIS\\_HELP\\_DESK@jfs.ohio.gov](mailto:CFIS_HELP_DESK@jfs.ohio.gov).

**Instructions:**

Location	Remove	Insert
Chapter 7	5101:9-7-06 (effective 6/17/2019)	5101:9-7-06 (effective 6/30/2024)

5101:9-7-06

**Reporting collections and earnings on erroneous payment recoveries.**

- (A) An erroneous payment is a benefit payment or portion of a payment that was issued in error to an assistance group. When it has been determined that an erroneous payment has occurred, the county department of job and family services (CDJFS) ~~shall attempt~~ attempts to recover the funds. The CDJFS may recover erroneous payments through benefit reduction or through cash collections. Erroneous payments collected by the CDJFS may qualify for additional earnings on the payments. Earnings for recovery of erroneous payments do not apply to participant expense allowances or other support service cash benefits.
- (B) The CDJFS reports erroneous payment collections that qualify for earnings and the Ohio department of job and family services (ODJFS) issues earnings as follows:
- (1) Disability financial assistance (DFA):
    - (a) The CDJFS ~~shall deposit~~ deposits DFA cash collections in the public assistance (PA) fund and ~~report~~ reports the collections on the JFS 02827 "CFIS Local Agency Quarterly Financial Statement" as outlined in rule 5101:9-7-29 of the Administrative Code.
    - (b) After the close of each quarter, ODJFS multiplies the reported amount by twenty-five per cent.
    - (c) ODJFS issues the calculated amount as an electronic funds transfer (EFT) to the county.
  - (2) Temporary assistance for needy families (TANF) or Ohio works first (OWF), defined as a cash benefit issued on or after October 1, 1996:
    - (a) The CDJFS ~~shall deposit~~ deposits these TANF or OWF cash collections in the PA fund and ~~report~~ reports the collections on the JFS 02827.
    - (b) The CDJFS does not report other forms of collection, including benefit reductions or proceeds from state tax offset program (STOP) on the JFS 02827. The CDJFS may verify earnings from collections amounts using its own county's Ohio benefits (OB) report.
    - (c) After the close of each quarter, ODJFS multiplies the combined reported amounts from the JFS 02827 and the OB report by twenty-five per cent.
    - (d) At the beginning of the federal fiscal year (FFY), ODJFS issues the calculated amount earned in the previous FFY as an allocation.

- (e) The CDJFS ~~shall use~~uses earnings for recovery of erroneous aid to dependent children (ADC) payments that occurred after October 1, 1996 and TANF/OWF cash assistance payments only for TANF programs.
- (3) ADC, defined as a cash benefit issued on or before September 30, 1996:
- (a) The CDJFS ~~shall deposit~~deposits these ADC cash collections in the PA fund and ~~report~~reports the collections on the JFS 02827.
  - (b) The CDJFS does not report other forms of collection, including STOP and benefit reductions on the JFS 02827. The CDJFS may verify earnings from collections amounts using its own county's OB report.
  - (c) At the close of each quarter, ODJFS combines the reported amounts from the JFS 02827 and the OB report and multiplies that amount by the non-federal share percentage of 39.83 per cent to get the calculated non-federal share amount. The calculated non-federal share amount is also multiplied by the specific county participation mandated share rate. This result is subtracted from the fifty per cent non-federal share calculation.
  - (d) ODJFS issues the final calculated amount as an EFT to the county.
- (4) Medicaid collections reported on or after July 1, 2004:
- (a) The CDJFS ~~shall deposit~~deposits collections of erroneous payments in the PA fund and ~~report~~reports the cash collections as earnings from medicaid collections on the JFS 02827.
  - (b) After the close of each quarter, ODJFS calculates the reported amounts and multiplies by the current non-federal share percentage, which changes every FFY, effective October first, and then multiplies the product of that calculation by fifty per cent.
  - (c) ODJFS issues the amount as an EFT to the county.
- (5) Food assistance (FA):
- (a) The CDJFS ~~shall deposit~~deposits cash collections of erroneous payments into the PA fund and report collections in OB and on the JFS 02827. The CDJFS does not report other forms of collections, including benefit reductions and treasury offset program (TOP) payments.
  - (b) At the end of each quarter, ODJFS uses the amounts reported in OB report to calculate the FA earnings from collections as outlined in rule 5101:4-8-23

of the Administrative Code. The CDJFS reports the receipt of the earnings on the JFS 02827 using codes established by ODJFS for this purpose.

(c) ODJFS issues the amount as an EFT to the county.

(C) In addition to collections that are eligible for earnings, the CDJFS ~~shall also report~~ reports the following erroneous payment collections as receipts on the JFS 02827:

- (1) Cancellations, collections, refunds, or other general assistance (GA) receipts;
- (2) Collections of erroneous payments for family emergency assistance (FEA) medical;
- (3) Collections of ADC erroneous payments made prior to October 1, 1987;
- (4) Cancellations, collections, refunds, or other child care receipts;
- (5) Collections of erroneous payments of early learning initiative (ELI) funds;
- (6) Collections of erroneous payments of employment retention incentive (ERI) funds; and
- (7) Collections of prevention, retention and contingency (PRC).

(D) ODJFS will include the erroneous payment collections, as reported on the JFS 02827, on the over/under report and collect them as part of the quarterly close calculation.

Effective: 6/30/2024

CERTIFIED ELECTRONICALLY

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Certification

06/18/2024

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Date

Promulgated Under: 111.15  
Statutory Authority: 5101.02  
Rule Amplifies: 5101.02  
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