

	Agency Name	Office of Family Support(OFS)
	Chapter No./Name	00. Miscellaneous Issuances Manual
	Part No./Name	E. Executive Bulletins
	Section No./Name	E-2400 Executive Bulletins
	Document No./Name	E-2497-00 The Prohibition of Unauthorized Use or Purchases Made with the Electronic Benefit Transfer (EBT) Card
	Effective Date	March 1, 2013

Effective March 1, 2013 recipients of Family Independence Temporary Assistance Program (FITAP) and Kinship Care Subsidy Program (KCSP) are prohibited from using their FITAP or KCSP benefits in any Electronic Benefit Transfer (EBT) transaction in any liquor store, gambling casino or gaming establishment, or any retail establishment that provides adult oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment purposes.

In addition, FITAP and KCSP recipients are prohibited from using their EBT card for the purchase of an alcoholic beverage, a tobacco product, or a lottery ticket at any retailer.

Reporting of Misuse of the EBT Card

The agency will rely on retailers and the public to report the misuse of benefits. Individuals are encouraged to call DCFS' toll-free hotline at 1-888-LAHELP-U (1-888-524-3578) and select option 7 from the main menu or by visiting www.dcf.la.gov/ReportFraud.

To report a complaint to the Fraud & Recovery Unit, retailers and the public may call the Fraud Hotline at (800) 256-3150, email the complaint to DCFS.Fraud@LA.GOV, fax the complaint at (225) 219-1663 or mail the complaint to the Fraud and Recovery Unit, P.O. Box 91147, Baton Rouge, LA 70821-9147.

Establishment of Intentional Program Violation (IPV)

Intentional Program Violation (IPV) is alleged in SNAP, FITAP and CCAP any time the Agency has documentary evidence to support a charge of deliberate failure to correctly report income or other changes and/or a charge of the deliberate misrepresentation of material facts by a suspected violator. IPV is alleged when a SNAP recipient traffics his/her SNAP benefits. IPV is also alleged in FITAP and KCSP any time recipients access or use their cash benefits in any electronic benefit transfer transaction in any liquor store, gambling casino or gaming establishment, or any retail establishment that provides adult oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment purposes; or at any retailer for the purchase of an alcoholic beverage, a tobacco product, or a lottery ticket. The element of intent must be present and the Agency must be able to present evidence that proves the suspected violator knowingly violated program regulations.

When the Agency receives a report from either a retailer or the public, the complaint must be forwarded to the Fraud and Recovery Unit within ten workdays via one of the above noted methods. This includes complaints received by the DCFS Customer Service Center.

The Fraud and Recovery Unit will review all complaints, from the public and DCFS Analysts, to determine if there are valid reasons to suspect an Intentional Program Violation on the part of the suspected violator. When there are valid reasons to suspect IPV, the Fraud and Recovery Unit will pursue an administrative IPV determination or criminal IPV determination.

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Administrative Fraud/IPV is determined in two ways:

- Waiver of Administrative Disqualification Hearing
- Administrative Disqualification Hearing

The Fraud and Recovery Unit will notify the program violator of the disqualification penalty (ies) by form FR 15A and submit a copy to the parish office.

Upon receipt of a generic email from the Fraud and Recovery Unit notifying staff of an IPV sanction, the parish office must take action within ten days to disposition the cash case and impose an IPV sanction on LAMI.

Enforcing the Prohibitions

Failure to comply with these prohibitions is considered an Intentional Program Violation (IPV) and the penalty is full case closure. The penalty time periods are:

- 12 months for the first offense
- 24 months for the second offense, and
- Permanently for the third offense

Entering the IPV Sanction on LAMI

If the household is currently active, the Fraud and Recovery Unit will enter the decision information (sanction category, code, occurrence, reason, decision date and begin date) on LAMI and notify the parish through generic email to disqualify the program violator. The worker must disposition the cash assistance case within ten days. This case action will result in full case closure of the cash case.

If the cash assistance case is closed at the time a determination of an IPV is made, the Fraud and Recovery Unit will enter the decision information on LAMI. No disposition of the cash case is needed. However, if the household reapplies for cash assistance, the appropriate offense occurrence, sanction period and failure to comply penalty remains applicable and must be imposed.

Failure to Comply Penalty (FTC)

The Failure to Comply (FTC) penalty must be applied to the SNAP case for the duration of the FITAP/KCSP IPV sanction. Enter the FTC income on the CP MD MU unearned income screen. A notice is not required since the SNAP benefit level will not change.

LAMI Workaround until System Programming is Complete/ Case Disposition

Active cases that have been determined to have an IPV must be closed using disposition reason must be "06", Closure code 98. The worker must suppress the notice by entering "1" in the notice

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suppression field on the disposition screen and must send a manual notice of adverse action to allow the client 13 days of advance notice. Policy reference F-310 must be listed on the notice.

Until programming is completed and edits are in place, workers must review case notes prior to certification to ensure the disqualification periods, if applicable, have been served prior to disposition of the certification.

Document the case with a case note explaining the case was closed due to an IPV sanction.

Any questions should be directed to the FITAP/STEP Regional Coordinator.