
EFFECTIVE

July 1, 2014.

Subject(s)**AAM 140, Recoupment:****Recoupment**

Recovery of subsidy overpayments is handled by the Reconciliation and Recoupment Unit in Central Office.

Notice of Non-Support Process

Notice of non-support uses the DHS-1184, Initial Letter Regarding Support, form to notify adoptive parent(s) that they must provide a written response and supporting documentation of any support for the adoptive child within 14 calendar days of receipt of the notification.

Recoupment Process When Eligibility Ceases to Exist

The recoupment process for an overpayment will be immediately initiated when the Adoption Subsidy Office is notified that adoption subsidy eligibility no longer exists; see AAM 620-Post Placement Adoption Subsidy Duration-All Programs, for more information regarding eligibility criteria. The Adoption Subsidy Office will initiate the recoupment process by issuing the DHS-4103, Adoption Assistance Case Closure/Overpayment Notice, to the adoptive parent(s).

The DHS-4103 must be mailed to the adoptive parent(s) along with the DHS-325-AA, Debtor Repayment Agreement. The DHS-325-AA informs the adoptive parent(s) that they have the option to make payment in full, have a reduction in their subsidy (if currently receiving subsidy for another child) or make monthly payments. The Adoption Subsidy Office must upload a copy of the DHS-4103 and the DHS-325-AA, into MiSACWIS.

The adoptive parent(s) must indicate which repayment option they have selected from the options listed above by one of the following actions:

- Send a check or money order for the entire amount due to the DHS Cashiers Unit, or

- Return a signed copy of the DHS-325-AA, to Reconciliation and Recoupment Unit, Suite 1010, PO Box 30037, Lansing MI 48909 with one of two boxes checked, either subsidy reduction (only can occur if provider has an active adoption assistance case) or manual monthly payments made to the DHS Cashiers Unit.

Note: Recovery of adoption assistance overpayments is handled by the Reconciliation and Recoupment Unit in Central Office.

Reconciliation and Recoupment Overpayment Process

Whenever the adoptive parent(s) have questions regarding how the amount of overpayment was determined, the Reconciliation and Recoupment Unit will direct the adoptive parent(s) to the Adoption Subsidy Office to address the adoptive parent(s) concerns.

After the Adoption Subsidy Office addresses any concerns or disputes with the adoptive parent(s), the Adoption Subsidy Office may make changes to the recoupment amount or time period that the overpayment was to have occurred. The Adoption Subsidy Office will reflect this on a revised, DHS-4103 and send an updated DHS-325-AA to the adoptive parent(s). The Adoption Subsidy Office may determine that the initial recoupment amount and dates were correct and will notify the Reconciliation and Recoupment unit to proceed with recoupment of funds.

If the DHS-4103 is revised, copies must be uploaded in MiSACWIS and must be sent to the Reconciliation and Recoupment Unit and the adoptive parent(s).

The Reconciliation and Recoupment Unit monitors for repayments compliance based on the signed DHS-325-AA, Debtor Repayment Agreement, and assesses for delinquency in payments.

Attorney General Referral

In the event a debt due to an overpayment of adoption assistance becomes delinquent, the debt may be referred by Reconciliation and Recoupment staff to the Attorney General's Office for further collection efforts. The Attorney General's Office will pursue collections on such claims through: voluntary repayments, civil lawsuits, probation violations and seizure/garnishment on civil and criminal restitution orders.

Office of Inspector General's Referral

Reason: A referral to the Office of Inspector General shall be made if fraud is suspected. The Adoption Subsidy Office must make a referral to the Office of the Inspector General for investigation, using the DHS-834, Fraud Investigation Request.

Reason: Clarification and prevention of fraud.

**MANUAL
MAINTENANCE
INSTRUCTIONS**

Changed Items ...

[AAM 140](#)