

**EFFECTIVE**

August 1, 2014.

**Subject(s)****GDM 770, Recoupment:****Recoupment**

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

**Notice of Non-Support Process**

Notice of non-support uses the DHS-1184-G, Initial Letter Regarding Guardianship Assistance, form to notify the guardian(s) that they must provide a written response and supporting documentation of any support for the 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 DHS subsidy office is notified that guardianship subsidy eligibility no longer exists; see GDM 745-Juvenile Guardianship Assistance Case Opening and Duration, for more information regarding eligibility criteria. The DHS subsidy office will initiate the recoupment process by issuing the DHS-4103-G, Juvenile Guardianship Assistance Case Closure/Overpayment Notice, to the guardian(s).

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

The guardian(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, made payable to State of Michigan and send to the DHS Cashiers Unit, or

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

**Note:** Recovery of juvenile guardianship assistance overpayments is handled by the Reconciliation and Recoupment Section in Central Office.

### **Reconciliation and Recoupment Overpayment Process**

Whenever the guardian(s) have questions regarding how the amount of overpayment was determined, the Reconciliation and Recoupment Section will direct the guardian(s) to the DHS subsidy office to address the guardian(s) concerns.

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

If the DHS-4103-G is revised, copies must be uploaded in MiSACWIS and must be sent to the Reconciliation and Recoupment Section and the guardian(s).

The Reconciliation and Recoupment Section monitors for repayment 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 juvenile guardianship 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**

A referral to the Office of Inspector General shall be made if fraud is suspected. The DHS 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 ...**

[GDM 770](#)