



**Department of Human Services
Online Directives Information System**

**Index: POL1852
Revised: 10/03/2019
Next Review: 10/03/2021**

SUBJECT: Criteria for Identifying Cases of Suspected Fraud

POLICY:

An intentional program violation (IPV) cannot be the result of an accidental omission or error by the recipient. There must be a knowing and willful act, oral or written, usually in the form of a statement of fact. According to the federal regulations 7 CFR § 273.16 (ecfr.gov), the definition of an IPV is:

IPVs shall consist of having intentionally:

- (1) made a false or misleading statement, or misrepresented, concealed or withheld facts;
or
- (2) committed any act that constitutes a violation of SNAP, SNAP regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of SNAP benefits or EBT cards.

The most common offenses that constitute fraudulent actions are as follows:

- Failure to report earned or unearned income, e.g. (not all-inclusive):

Employment	Direct child support	Unemployment insurance
Veterans benefits	Retirement/Pension	Workers compensation
Social Security benefits		

- Failure to report available resources, e.g. (not all-inclusive):

Bank accounts	Legal interest in an estate
Certificates of deposit	Non-exempt real estate
Stocks and bonds	Insurance settlement

- Failure to report the correct household composition, relevant information about household members or changes in the household
- Misuse/trafficking of electronic benefit transfer (EBT) card

Georgia EBT became operational statewide in November 1998. Soon after implementation, patterns of trafficking and misuse began to be identified. The United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) and Department of Human Services Office of Inspector General (DHS

OIG) have joined together to develop a policy and procedures to establish claims and enforce the penalties regarding trafficking and misuse of EBT by both recipient and retailer. The USDA FNS is responsible for investigating retailer fraud while OIG is responsible for pursuing recipient fraud.

All determinations of IPVs should be based on the correct policy as determined by the program manual for the regulation in effect at the time of the suspected overpayment.

State Law Enforcement Bureau (SLEB)

An agreement is set forth between the Administrator of the Southeast Regional Office of the Food and Nutrition Service to grant authority to the Georgia Department of Human Services Office of Inspector General, referred to as State Law Enforcement Bureau (SLEB), to acquire Electronic Benefits Transfer (EBT) SNAP benefit information from the Food and Nutrition Service for law enforcement and investigative activities. The SLEB shall be responsible for determining that such EBT SNAP benefits are utilized exclusively within that state for law enforcement or investigation purposes as approved by the Administrator of the Southeast Region Office.

All SLEB requests must be made through the OIG SLEB Coordinator.

A. Authority

[O.C.G.A. § 49-4-15](#)

B. References

Benefit Recovery Manual 3450 Volume IV
Food Stamp Program Manual 3420 Volume III
TANF Program Volume 1 Manual 3390
Federal Code of Regulations [7 C.F.R. § 273.16](#)

C. Applicability

An IPV should be based on the correct policy, as issued by the Office of Family Independence (OFI) manual for the regulation in effect at the time of the suspected overpayment and cannot be the result of an accidental omission or error by the recipient.

D. Definitions

Common offenses and IPV are defined within the policy and outline the criteria for identifying cases of suspected fraud.

E. Responsibilities

1. The OIG/BIRU Director is responsible for oversight of POL 1852.
2. The BIRU State Operations Unit updates procedures to implement this policy.

F. History

Removed POL 1854 EBT Trafficking and Misuse SLEB and combined with POL 1852 effective October 2, 2019.

G. Evaluation

The OIG/BIRU evaluates this policy by:

1. Monitoring and completing an annual review to confirm accuracy of identifying cases of

suspected fraud.

2. Passing any audit(s) with no findings.