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#184A

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**OFFICE FOR FAMILY INDEPENDENCE**

**FOOD SUPPLEMENT PROGRAM**

 7 C.F.R. §§ 274.2(f)(2), 274.8(b)(iv) Section: **FS-777-7**

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  **ELECTRONIC BENEFITS TRANSFER (EBT) SYSTEM**

 **GENERAL RULE:** Food Supplement Program applicants and recipients will receive benefits by an electronic coded debit card known as The Pine Tree Card. The card will be used to access benefits from point of sales (POS) devices at USDA authorized retailers. The USDA retailer may have a manual voucher system to access the recipients’ benefits.

 **Basic Rules**

 Each Assistance Group case head will be issued an EBT Card to access Food Supplement benefits.

 Each Assistance Group will be allowed a maximum of two (2) payees to access Food Supplement benefits.

 The EBT Food Supplement account will be non-interest bearing.

 An EBT Food Supplement account balance that is not used by the recipient in the month of issuance will be carried forward.

 EBT Food Supplement account balances will include both dollars and cents.

 A recipient cannot use the EBT Food Supplement account to borrow against future month’s benefits.

  Benefits will be issued during a five day period each month. Client’s benefits will be available on the same date each month once they are on the delivery cycle.

**EBT Card and PIN**

 Food Supplement benefit recipients will be issued an EBT card along with written instructions on establishing a Personal Identification Number (PIN). Recipient households shall select their own PIN to prevent other individuals from gaining access to benefits if the card is lost or stolen. The PIN is their electronic signature.

 Card holders can make purchases from participating retailers by having their card swiped through a POS device located at the checkout counter. The POS device “reads” a recipient’s benefit account balance and, if funds are sufficient, approves the transaction and reduces that balance by the exact amount of purchase. Throughout the month a recipient’s balance will decline appropriately until the Department deposits the next month’s benefit into the electronic account.

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 **EBT Card and PIN** (cont.)

 Some retailers, such as some small grocery stores, farmers markets, and Meals on Wheels participants, will need to use a manual voucher system to access Food Supplement benefits. Recipients will need to sign vouchers instead of using their PIN.

 **Recipients Account Balance**

 Each time a Food Supplement benefit recipient makes a purchase, the recipient’s available Food Supplement benefit balance will appear on their receipt.

 Recipients can also obtain their Food Supplement benefit balance by calling a 24-hour toll free Customer Service Line before shopping. The 800 number is printed on the back of The Pine Tree Card.

 **EBT Recipient User Fees**

 Food Supplement benefit recipients will not incur user fees.

 **Aging Food Supplement Benefits**

 The EBT System will send a report to the EBT Manager when benefits have not been accessed for 90 consecutive days. The EBT Manager will send a letter to the recipient family explaining that those benefits will be removed (expunged) on the **365th** day, if not used by that date.

 Expungement of Food Supplement benefits will occur beginning with the oldest amount and then continue on a daily basis until reactivation takes place.

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  **ELECTRONIC BENEFITS TRANSFER (EBT) SYSTEM**

 **Lost, Stolen or Damaged EBT Card**

 Clients will report lost, stolen or damaged cards to the EBT Customer Service Help Desk by calling the toll free number, 1-800-477-7428.

 EBT Help Desk Staff will status the card as lost, stolen, or damaged.

 After the EBT Help Desk Staff receives identification to appropriately identify the client, a replacement card will be issued as follows:

 1. If the client lives at the same address known to DHHS/Office for Family Independence (OFI) and the client has sufficient benefits in their EBT account to pay for the card replacement fee, the help desk will authorize the replacement fee and the help desk will authorize the replacement card, which will be mailed out within two business days following notice by the household to the OFI that the card has been lost, stolen or damaged.

 The client can continue to use the same PIN, or may change the PIN by using the same toll free EBT Help Desk number, or visiting a local office.

 2. If the client’s address has changed or there are insufficient benefits in the client’s EBT account to pay for the card replacement fee, the EBT Help Desk will not authorize a card replacement. The client will be told to contact a local office to report the new circumstances. After the client’s case record is updated, the client will follow procedures explained in item 1 (above).

 **Multiple Card Replacements**

 **Thresholds for Excessive Requests**

 1. The Office for Family Independence (OFI) will require an individual member of a household to contact the local OFI office to provide an explanation in cases where the number of requests for card replacements is determined to be excessive. A threshold of no fewer than four requests for card replacements occurring within twelve months prior to the request shall be determined as excessive.

 **EXCEPTION:** The threshold shall not be fewer than four cards requested within 12 months prior to the request unless OFI has additional evidence indicating a suspected trafficking violation. (see FS-999-1 pages 6 and 7) If a trafficking violation is suspected prior to the fourth card request, OFI will refer the client to the Fraud, Investigation and Recovery Unit (FIRU) for investigation and will provide a notice to the client requiring the individual or household to contact the local OFI office to provide an explanation prior to receiving a subsequent replacement card.

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 **Management of Excessive Requests**

 1. Four or more requests is excessive. Upon reaching the fourth (or more) request for a replacement card, the household will be sent a Withhold Replacement Card Warning Notice that it has reached the threshold of four or more replacement cards, and that the next request for a card replacement will require contact with the local DHHS OFI office to provide an explanation before the replacement card will be issued.

2. Once the threshold has been exceeded (at the fifth replacement request), the OFI will notify the household in writing thatthe threshold has been **exceeded** and that the OFI is denying the card until the household contacts OFI to provide an explanation for the replacement requests.

1. If the head of household makes contact, the OFI office will put the EBT card in the mail within two business days following the household contact with OFI, regardless of whether an explanation was provided. If an explanation is not provided the case will be referred to FIRU for investigation.
2. If the head of household provides an explanation which the OFI deems appropriate, the OFI will educate the client on the proper use of the card and will not require contact upon subsequent requests, unless the pattern of card activity has changed since the initial contact and indicates possible trafficking activity. In all cases, OFI will act to protect households containing homeless persons, elderly or disabled members, victims of crimes and other vulnerable persons who may lose EBT cards but are not committing fraud.
3. If the head of household does not contact the OFI in response to the OFI’s notice, the OFI will not issue a replacement card to the household and the case will be referred to FIRU for investigation.
4. If the head of household contacts the OFI but does not explain the card losses or the explanation provided appears to be indicative of trafficking. (see FS-999-1 pages 6 and 7), the OFI will refer the individual to FIRU for investigation. The OFI will issue a replacement card to any household that makes the required contact so that the household has access to benefits in its EBT account while the investigation is underway and while awaiting a hearing. (7 C.F.R. § 273.16 (e )(5)) If an intentional program violation is found after investigation by the FIRU, established disqualification procedures will be followed in accordance with Section FS-777-2.

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  **ELECTRONIC BENEFITS TRANSFER (EBT) SYSTEM**

 **EBT Card Replacements and Fees**

 No fee will be charged for either the original card or the first replacement card within a 12-month period.

 A fee will be charged for the second and subsequent replacement cards within a 12-month period. The amount of the fee will not exceed the cost of the card.

 The fee must be paid at the time the card is issued. It can be paid by check, money order or through the client’s EBT account. Cash will not be accepted. Food Supplement benefits **can** be used to pay for fees.

 Card fees can be waived by Program Administrators or their designee when hardships exists.