

Food and/or Cash Assistance Benefit Replacement due to Card Skimming, Cloning or Other Similar Fraudulent Events Guide

Overview: The Consolidated Appropriations Act, 2023 allows States to replace food and/or cash assistance benefits stolen due to card skimming, card cloning or other similar fraudulent methods from October 1, 2022, through September 30, 2024. For each instance of theft, replacement of stolen benefits for a household cannot exceed the lesser of the benefit amount stolen from the household or the amount equal to two months of the monthly allotment of the household immediately prior to the date when the benefits were stolen. A household may only receive two instances of replacement benefits in each federal fiscal year.

The following food and/or cash assistance benefits can be replaced under this provision:

- Food Assistance Benefits
- Food Assistance Emergency Allotment
- Disaster Food Assistance (D-SNAP)
- Cash Assistance Benefits (TANF)

NOTE: This provision does not apply to P-EBT or Child Care benefits.

Definitions:

- **Cloning** – a type of card theft in which the thief makes a digital copy of the card information using a concealed or disguised electronic scanner to create a new physical card
- **Skimming** – a method of obtaining personal data from an EBT card while it is used at an ATM machine or POS
- **Similar Fraudulent Events** – phishing or scamming attacks by criminals to obtain EBT card numbers to clone EBT cards or conduct online transactions

Submission of Claim Timeframe:

- Households who had benefits stolen on or after October 1, 2022, but prior to implementation of the State Replacement Plan will have 45 days from July 12, 2023, to submit a request for replacement benefits.

- Households who had benefits stolen on or after July 12, 2023, or on or before September 30, 2024, will have 45 days from date of the fraudulent event to submit a request for replacement benefits.

Request for Replacement Benefits Steps

EES UNIT

- Client reports benefits stolen due to card skimming, cloning, or other similar fraudulent event (including retroactive benefits after 10/01/22). Date reported will indicate the start date of the 10-business day timeliness period.
 - EES Staff will complete Agency Fraud Referral (ES-3120.5 – located in forms section of Kansas Economic and Employment Services Manual (KEESM)) with information provided by client and email to DCF.OnlineHotline@ks.gov **by end of business day on date reported or if reported after 3:00 PM by 12:00 PM the following business day.**
 - EES Staff inform client that information will be submitted, and someone will be in contact within 10 business days.
 - EES Staff will inform client to:
 - Call EBT Edge at 1-800-997-6666 immediately to report card stolen and request a replacement card be mailed. Remind client that it is important to deactivate card immediately and request a new card.
 - Change PIN when new card is received.
 - Encourage client to submit a police report. *(This is not mandatory and will not be used in validation of claim)*
 - Inform client of additional protection features available on the EBT App and EBT Edge website
 - Additional Features include:
 - Card Freeze
 - Blocking Out of State Purchases and Internet Purchases.

NOTE: Fair Hearing requests for replacement of stolen benefits and Replacement of Stolen EBT Benefits Template received by the field can be emailed to DCF.EBTMAIL@ks.gov.

FRAUD UNIT

- Fraud Unit will contact client to obtain information necessary to complete Food Assistance Stolen Benefits Claim Template (ES-3140) within 5 business days from date of initial report.
 - This form can be completed in person or fraud unit can complete on behalf of client and obtain written/wet signature, electronic signature, or telephonic signature.
 - If attempts to obtain information via phone are unsuccessful, form will be sent to client via mail to complete and return. Client can return by mail, fax, or email and will be provided 10 calendar days to return. Use V808 and Request Notification copy and paste text requesting client to complete form and return. **(EBT Unit will assist with this process)**
- Fraud Unit will submit completed template to EBT Unit via email @ DCF.EBTMAIL@ks.gov and image a copy to Perceptive Content under document type "Critical Correspondence" within 7 business days from date of initial report or within 1 business day of completed and signed template returned by client. **(EBT Unit will assist with the process of imaging documents)**

EBT UNIT

- EBT Unit will review request and approve, deny, or request further investigation by Fraud Unit to validate claim within 9 business days from date of initial approval to provide final decision to client by end of business on business day 10.
 - If replacement card *has not been* requested by client, EBT Unit will replace card prior to approving replacement benefits.
 - If Approved:
 - Contact client via phone to inform of approval and benefit amount within 2 business days of the signed statement of loss or within 10 business days after loss is reported, whichever date is later.
 - If contact via phone is unsuccessful an approval notice will be sent using V808 and copy and paste text within 2 business days of signed statement or 10 business days after loss is reported, whichever date is later.
 - If Denied:
 - Contact client via phone to inform of denial and reason within 2 business days of signed statement of loss or within 10 business days after loss is reported, whichever date is later.
 - Send notice of denial of replacement benefits by using V808 and copy and paste text provided within 2 business days of

- signed statement or 10 business days after loss is reported, whichever date is later.
- Additional procedures:
 - False or misleading statement provided by household and claim cannot be substantiated will be denied. If false or misleading statement meets definition of intentional program violation per 7 CFR 283.16 (c) further fraud investigation will be requested.
 - If fair hearing request is received EBT Unit will follow Food Assistance Fair Hearing procedures per KEESM 1617 to process client's request.
 - Add journal entry to case on Kansas Eligibility Enforcement System (KEES) for action taken.
 - Journal entry will include the following information:
 - Date of replacement benefit request.
 - Approval or denial reason
 - Any prudent information used to determine approval or denial
 - Date client was notified of approved or sent approval or denial notice
 - Excel spreadsheet will be managed by EBT Unit, and all submissions will be tracked and entered within 10 business days from date of decision using following guidelines:
 - Case Number
 - Approved Claims
 - Denied Claims
 - Invalid Claims
 - Untimely Claims
 - Replacement Claim Number (1 or 2)
 - Number of Fraudulent Transactions
 - Total Value of Stolen Benefits
 - Total Value of Replaced Benefits