

# Maine Department of Health and Human Services

Mary C. Mayhew, Commissioner

[www.maine.gov/dhhs](http://www.maine.gov/dhhs)

---

Date: September 27, 2012

**FOR MORE INFORMATION, PLEASE CONTACT:**

John Martins, Director of Employee and Public Communications  
(207) 557-1474 or [john.a.martins@maine.gov](mailto:john.a.martins@maine.gov)

## **Maine Will Appeal Federal Decision Regarding Food Supplement Benefit Repayment**

AUGUSTA – Maine Department of Health and Human Services Commissioner Mary Mayhew said Tuesday that the State will appeal the recent decision by the Food and Nutrition Service (FNS) that shifts the responsibility of \$4.8 million of overpayment to Food Supplement recipients from recipients to the State of Maine.

“The financial burden has been wrongly shifted to the Maine taxpayer,” Mayhew said. “FNS’s decision is based on erroneous claims of system failure that could not be further from the truth. We will aggressively pursue an appeal of this decision.”

In March, Maine was directed by FNS to recover funds from those who received benefits they were not entitled to due to a change in what FNS would allow for utility expense and a conflict between state and federal statute regarding when that change could be imposed.

Six months later, FNS has seemingly decided to disregard its previous letter to the LePage administration and instead cites a provision in its rules that addresses “errors associated with automated eligibility systems and the effects of their implementation.”

“The error in question has no connection whatever to system malfunctions and it appears that FNS is grasping at straws to justify a decision that absorbs the impact to the recipient without any expense to the Federal government,” Mayhew said.

Mayhew noted that Maine’s role in the Food Supplement Program is administrative in nature and the state is consistently awarded performance bonuses from FNS for its accuracy rate, access to the program and participation levels. FNS’s recent letter refers to Fiscal Year 2011 bonuses for best negative error rate, best program access index and highest application timeliness.

“The financial relationship within the program is between the recipient and the Federal government,” she said. “Any decision to reduce the amount of money that recipients must pay back should be footed by the Federal government, not by the Maine taxpayer.”

This decision is inconsistent with standard practice by FNS to direct states to reinvest penalties to improve systems and is inconsistent with policies regarding collection of overpayments due to agency errors, Mayhew said.

Maine's original proposal to recover overpayments based on the March FNS letter would have collected no more than 10 percent of the monthly benefit or \$10. On average, this would have equaled approximately \$20 per month and a maximum recovery of \$80 over a four-month period.

Mayhew said a letter to appeal the decision will be sent to the Food and Nutrition Service within the next few days.

-###-