

C Determination of Underpayment

[REVISION 06](#)
(10/01/08 – 12/31/08)

Underpayments are considered to have occurred in the following situations:

- [Supplemental Benefits](#)

When a budgetary unit received fewer benefits than it was entitled to and the loss was due to one of the following:

- The CA or NA case is in an open status
- The CA or NA benefits are issued in addition to the current month's issuance

- [Restored NA Benefits](#)

When a budgetary unit received fewer benefits than it was entitled to receive, in a month prior to the current month, and the loss was one of the following FAA caused errors:

- The local office failed to take action on a timely application for an NA renewal and the budgetary unit lost benefits for the month following the last month of the approval period.
- The EI denied an NA application at the end of 60 calendar days from the date of application and the delay was caused by the local office.

When a new or renewal application was denied in error the following apply:

- The budgetary unit must be advised of its possible entitlement to lost benefits. When applicable send the [C011 notice](#) to request any additional information needed to complete the case.
- Reopen the case, on **REPT**, and redetermine eligibility when it is discovered that the budgetary unit was denied the first month, but remained eligible in the second month. (See [NA First Month Eligibility](#))

When a class action or other court suit orders the restoration of lost benefits.

When the local office was not notified of participant's institutional release date on a timely basis. This applies to residents of public institutions who applied for NA and SSI prior to their release.