

EBT THIRD PARTY FRAUD



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How is Missouri Set Up

- All Income Maintenance programs are state administered
- Call Centers, Processing Centers and Resource Centers
- SNAP benefits are issued from the 1st to the 22nd
- TANF benefits are issued from the 1st to the 4th

Identifying



- Participants reporting benefits stolen
- EBT cards were swiped, not manually keyed
- EBT card was in Missouri during the swiped transactions
- Transaction were in a specific location in Southern California
- Benefits were taken within hours of being loaded
 - *One small transaction and then large removing almost the entire amount of benefits*

Measures Taken

- Contact with FNS and OIG
- Contact with EBT vendor
- EBT card replacements as requested or reported benefits were stolen
- Began using CVV/CAV code on EBT card
 - *Began in Feb of 2019, transactions rejected for multiple cards, worked with EBT vendor to resolve (suspended CVV/CAV code) began again April 2019*
- Blocking EBT transactions in the area identified in Southern California
 - Participant could call and verify identity to use EBT card (still in place)

Where are we now



- Blocking continues
- Writing new EBT contract to address potential 3rd Party Fraud in future
 - *No common PINs, meet industry standards for security*
- Social media posts regarding how to protect personal information
 - *No common PINs, FSD won't reach out regarding personal information*
 - *Monitor posts regarding fraud*

Balancing Act

- Interoperability
- Protecting participants
- Costs
 - *Participants*
 - *State Agency*