December 3, 2018

ALL COUNTY LETTER (ACL) NO. 18-134

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CALFRESH PROGRAM SPECIALISTS
ALL CONSORTIA REPRESENTATIVES
ALL QUALITY CONTROL COORDINATORS
ALL COUNTY WELFARE TO WORK COORDINATORS
ALL COUNTY CALWORKS PROGRAM SPECIALISTS

SUBJECT: QUESTIONS AND ANSWERS RELATING TO THE CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) PROGRAM’S IMPLEMENTATION OF DIAPER SUPPORTIVE SERVICES CODIFIED BY AB 480 (2017)

REFERENCE: ASSEMBLY BILL (AB) 480 (CHAPTER 690, STATUTES of 2017); WELFARE AND INSTITUTIONS CODE (WIC) SECTION 11323.2; ALL COUNTY LETTER (ACL) NO. 18-38 AND ACL NO. 18-38E; ALL COUNTY INFORMATION NOTICE (ACIN) NO. I-02-14 AND ACIN I-151-82; COUNTY FISCAL LETTER (CFL) NO. 17/18-57, CFL NO. 14/15-60, AND CFL NO. 13/14-58; MANUAL OF POLICIES AND PROCEDURES (MPP) SECTION 42-750.11, MPP SECTION 42-717, MPP SECTION 42-711.64(a), AND MPP SECTION 16-325.313(a).

The purpose of this letter is to provide answers to questions that the California Department of Social Services (CDSS) has received by County Welfare Departments (CWDs) and other stakeholders following the release of All County Letter (ACL) No. 18-38 which provided instructions for implementation of Diaper Supportive Services.

BACKGROUND
Effective April 1, 2018, diaper supportive services were added to the array of supportive services available to participating Welfare to Work (WTW) clients under whom care and control of a child younger than 36 months of age is exercised pursuant to AB 480 and WIC Section 11323.2(a)(2).
This letter addresses general questions regarding:

- Eligibility for Diapers
- Timely and Adequate Noticing
- Advanced Payment
- Overpayments
- Underpayments
- Opting Out/Back-In for Diaper Supportive service
- EBT Payment Issuance
- Required Documentation
- Data Reporting
- Noticing of Benefit
- Diaper Benefit Claiming

Initial implementation instructions for the diaper supportive service program are contained in ACL No. 18-38 and ACL No. 18-38E. Attached are answers to questions relating to the diaper supportive service program (Attachment A).

CONTACT
If you have any questions or need further information regarding this letter, please contact the following CDSS representatives:

- CalWORKs Employment County Consultant  (916) 654-2137
- CalWORKs Eligibility County Consultant  (916) 654-1322
- Child Care Programs  (916) 657-2144
- Program Integrity  (916) 654-2125
- Refugee Programs  (916) 654-4356
- Federal Data Reporting & Analysis  (916) 657-3659

Sincerely,

Original Document Signed By:

KIM JOHNSON
Deputy Director
Family Engagement and Empowerment Division

Attachment
ATTACHMENT A
Questions (Q) and Answers (A)

Eligibility for Diapers

1Q. Please provide additional examples of eligible children, outside of the Assistant Unit (AU), who could be considered eligible for diaper supportive services, beyond those children in receipt of Social Security Income (SSI).

A. CalWORKs WTW participants are eligible for diaper assistance for children in the household over whom they have care and control, including children who are not aided. A child who is receiving SSI and is not aided is a common example of this. Another example is a foster child who is eligible due to being under the care and control of a WTW participant. A third example is an AU of 2, consisting of a child younger than 36 months of age and his parent. Also living in the home is the half-sibling, also under 36 months of age, of the aided child and the father of that half-sibling. The father and his child do not have deprivation and are over the income limits; therefore, are not CalWORKs eligible. However, because one parent exercises care and control over each child, meets the CalWORKs eligibility criteria and is participating in an approved activity, both children qualify for diaper supportive service.

2Q. In one AU, there is a Welfare-to-Work mom with a Cal-Learn child who is the parent of a qualifying child. In this AU, who is the recipient of the diaper supportive service?

A. Only the participating parent of the eligible child is the recipient of the diaper supportive services. However, any person in the household may receive the payment on behalf of the participating parent.

3Q. If a client has reached their maximum 48-month time limit on CalWORKs, or has become ineligible for aid due to income, can they volunteer to participate and be eligible for diaper supportive services, assuming all other eligibility criteria are met?

A. As mentioned on page two of ACL No. 18-38, when included in the county plan, former recipients may receive post-aid and/or job retention services, which may include diaper supportive services or other supportive services.

4Q. Can deferred Cal-Learn clients or Cal-Learn clients under sanction receive diaper supportive services?

A. No, a deferred Cal-Learn client shall not be eligible for supportive services, as per MPP Section 42-763.62. Additionally, a Cal-Learn client who is under
sanction, and not curing, is not eligible for supportive services, including diaper supportive service.

5Q. Are clients under the Refugee Cash Assistance (RCA) program ever eligible to receive diaper supportive service?

A. No, RCA is its own cash assistance program, intended for eligible populations who are not eligible for other cash assistance programs. However, it is possible for a family who was previously in the RCA program to then become eligible for CalWORKs, assuming eligibility criteria are met.

6Q. Can an individual on SSI, who has an eligible child, receive diaper supportive services?

A. Recipients of SSI are not eligible for CalWORKs nor Cal-Learn; therefore, they are not eligible to receive supportive services, including diaper supportive services.

Parents who are ineligible for CalWORKs due to receipt of SSI, but whose child is aided (Child-Only AU), are not eligible for supportive services, including diaper supportive services, because supportive services are intended to support individuals in their WTW activities.

Timely and Adequate Noticing

7Q. Is the diaper supportive service subject to timely and adequate noticing?

A. Per MPP Section 22-071, CWDs must provide adequate notice when approving, denying, and/or increasing supportive services. Adequate, in this context is defined as, “A written notice informing the claimant of the action the county intends to take, the reasons for the intended action, the specific regulations supporting such action, an explanation of the claimant’s right to request a state hearing, and if appropriate, the circumstances under which aid [and/or supportive service(s)] will be continued if a hearing is requested, and for the California Work Opportunity and Responsibility to Kids (CalWORKs) Program, if the county action is upheld, that the aid pending must be repaid”, as per MPP Section 22-001(a)(1). ACIN I-151-82 provides examples of how the notice of action can list the reason for the action so that the rule, the facts, and the application of the facts to the rule are adequately explained.

However, both adequate and timely noticing must be issued before discontinuing, terminating, suspending, cancelling or decreasing, or when there is a change in the manner or form to the client’s supportive service payments, as provided in MPP Section 22-072. Timely, in this context, is defined as, “A written notice that is mailed to the person affected at least 10 days before the effective date of the action,” as per MPP Section 22-001(t)(1).
**Advanced Payment**

8Q. Is there a minimum amount of time for a client to receive diaper supportive service before they would be eligible to receive good cause for not participating because they did not have money to purchase diapers?

A. The CDSS regulations direct that “advance payment” is payment to the participant so that he or she does not use personal funds in order to pay for the needed services before the assigned activity starts (see MPP Section 42-750.21). There is no minimum amount of time for a client to receive diaper supportive service; however, if the timing of supportive services payments, e.g., diaper supportive services, is such that it prevents the timely receipt of necessary supportive services, the participant will have good cause for non-participation under MPP Section 42-713.21.

**Overpayments**

9Q. Will diaper supportive services be subject to overpayment? If so, under what conditions?

A. Yes, diaper supportive services will be subject to overpayment, pursuant to the same provisions as detailed in MPP Section 42-751. However, per MPP Section 42-751.4(d), pursuit of overpayment shall be deferred if it is not cost effective for the CWD. Please be advised that effective July 1, 2019, rules governing overpayments will be changing, relative to passage of Senate Bill 726 (Statutes of 2018, Chapter 930). Guidance responsive to these changes will be released under separate cover.

**Underpayments**

10Q. Will diaper supportive services be subject to underpayment? If so, under what conditions and how many months back is a county required to make these underpayments?

A. Yes, diaper supportive services will be subject to the same underpayment provisions as detailed in MPP Section 42-751. Underpayment shall be made as far back as when the AU would have first been eligible, not to extend before April 1, 2018, the date of implementation for diaper supportive services.

**Opting Out/Back-In for Diaper Supportive service**

11Q. How does the participant opt-out of diaper supportive service when they are in a pre-plan phase?
A. Clients may opt-out of diaper supportive services at any time, including prior to the development of a WTW plan, by submitting a signed request to the county worker. The WTW plan signed by the client, stating that the client has opted out of receiving diaper supportive services, will suffice as the signed request from the client. Documentation that the client has opted out of diaper supportive services, including a copy of the signed request, must be maintained in the casefile. Any changes made to diaper supportive services will require a Notice of Action (NA 823) to be provided to the client.

12Q. How should the CWD show documentation for a participant who has opted back-in after opting out of diaper supportive service?

A. The client must submit a signed request to the county worker to begin receiving the diaper supportive service after previously opting out. The WTW plan signed by the client, stating that the client has opted back into receiving diaper supportive services, will suffice as the signed request from the client. Documentation that the client has opted out of diaper supportive services, including a copy of the signed request, must be maintained in the casefile. Any changes made to diaper supportive services will require an NA 823 to be submitted to the client.

Electronic Benefits Transfer (EBT) Payment Issuance

13Q. Can the payment be issued on an EBT card even if the participating adult is not the payee on that card?

A. Yes, if the participating adult and EBT card holder are part of the same AU or if their names appear on the same case, the EBT card holder may receive the benefit on behalf of the participating adult.

14Q. Will diaper supportive services be subject to expungement and reinstatement?

A. Yes, the diaper supportive service is subject to expungement and shall also be reinstated as described in MPP Section 16-120.

15Q. If a diaper supportive service is expunged, shall the diaper supportive service be automatically reinstated when a customer reapplyes for cash aid?

A. Yes, per MPP Section 16-120.133, the CWD shall reissue the cash benefits as soon as is practicable, but in no event more than 30 calendar days after receipt of the recipient re-contact or reapplication as long as the customer still meets the requirements to receive diaper supportive services.
**Required Documentation**

16Q. Are receipts required to show proof of purchase when receiving diaper supportive services?

A. No, receipts are not required for diaper supportive services. Further, receipts of more than $30 per month do not qualify the client for underpayment.

**Data Reporting**

17Q. For Cal-Learn clients eligible for diaper supportive services, must CWDs report diaper supportive services on the STAT 45 as an ancillary payment?

A. No. Until a dedicated line item for diaper supportive services is included on the STAT 45, CWDs will not report data on diaper payment issuances on the form. CWDS must track the number of issuances of diaper supportive services per month and make the data available to CDSS upon request.

18Q. Must CWDs report diaper supportive services under ancillary supportive services on the WTW 25/25A?

A. No. Until a dedicated line item for diaper supportive services is included on the WTW 25/25A, CWDs will not report data on diaper payment issuances on the form. CWDS must track the number of issuances of diaper supportive services per month and make the data available to CDSS upon request.

**Noticing of Benefits**

19Q. What conditions warrant an approval notice via NA 823 form?

A. An approval notice (NA 823) shall be issued when the client has been approved for diaper supportive service or when the diaper supportive service increases due to a new, eligible child entering the household. Upon approval, the CWD shall provide adequate notice as provided under MPP Section 22-071 and defined in MPP Section 22-001(a)(1).

20Q. The NA 823 begins with a check box and a statement: “As of ____________, the County has approved your request for payment of the following items needed for your approved, (__) Welfare to Work (__) Cal Learn, activity or to get a job.” What date shall be entered – the determination date or the effective date of the action?

A. The determination date shall be entered into the NA 823 to show when the diaper supportive service was approved.
21Q. If the participant was CalWORKs sanctioned (removed from the AU for the month of May) and the client agrees on May 30, 2018 to come into the office on June 3, 2018 to sign a cure plan, what date shall be written into the NA 823 to notice the client that they are approved for diaper supportive services?

A. The date when the client agreed to cure the sanction shall be the date entered into the NA 823, as opposed to the day that the client came to the office to sign a cure plan. Diaper supportive services will be re-established on the date the client agreed to cure the sanction. Otherwise, the client may have good cause for non-participation due to lack of necessary supportive services, e.g., diaper supportive service.

22Q. On the NA 823, there is a section under which supportive services can be listed. Under the heading of “item”, for a diaper supportive service, shall the line item specify the name of the child to be paid $30 per month; the type of supportive service, such as diaper supportive service; or the actual item to be provided, such diaper supportive service to purchase diapers and diapering items?

A. For diapers, on the left of the NA 823 on one line, under the heading of “item”, enter ‘Diaper supportive service ($30)’ (the type of service), \( x \) (multiplied by) the number of children receiving diapers, and, under the heading of “cost”, enter the total monthly payment for all diapers. For example, Linda has two children under three years old. On the NA 823, this should read, on a single line item under the heading of “item”, “Diaper supportive service ($30) x 2 children” for a total cost of “$60”, as written under the heading of “cost”.

23Q. When the NA 823 is used to provide notice of a change in supportive services, shall the participant be notified of the new monthly total or only the changed item recently processed by the county?

A. The NA 823 shall contain a list of all approved supportive services, both existing and new. On the left of the NA 823, for diapers, on one line, under the heading of “item”, enter ‘Diaper supportive service ($30)’ (the type of service), \( x \) (multiplied by) the number of children receiving diapers, and, under the heading of “cost”, enter the total monthly payment for all diapers. For example, if the household started the month with two eligible children, then, mid-month, a third eligible child joined the household, on a single line item under the heading of “item”, the NA 823 would read “Diaper supportive service ($30) x 3 children” for a total cost of “$90”, as listed under heading of “cost”. For a complete guideline on adequate notice of action (NOA) issuance, please see ACIN No. I-02-14 and ACIN No. I-151-82.

24Q. If a parent opts-out of diaper supportive service on May 17, 2018, when eligibility continues until July 4, 2018, what date shall be written into the discontinuance area (right-side) of the NA 823?
A. The date the parent opted out shall be the date entered into the NA 823. The effective date of the opt-out is the last day of the current month.

25Q. If diaper supportive service will cease for June when the county processed a SAR 7 on May 20, 2018 to end the active CalWORKs status on May 31, 2018, shall the date written into the NA 823 be May 20, 2018, May 31, 2018, or June 1, 2018?

A. The date the diaper supportive service officially ceases (in this example, May 31, 2018) shall be the date entered into the NA 823.

26Q. A family was approved for diaper supportive services for three eligible children, and notified via the NA 823 for May 2018. On June 19, 2018, the parent reported that one child left the home on 6/17/2018. On June 20, 2018, the county sent the NA 823 to discontinue payments for the child who left, effective July 2018. Would the entered date for the discontinuance be the action date or the effective date? Shall the NA 823 be completed for only the discontinuance (right-hand) side to notice the family that diaper supportive service will no longer include a payment for the absent child? Or, in addition to the discontinuance side, shall the NA 823 also be completed on the approval (left-hand) side to name the approved children that remain eligible and provide the total diaper supportive service amount for July?

A. The NA 823 should contain a comprehensive list of the current supportive services awarded. For the above example for the month of July, the NA 823 would show the number of the remaining eligible children and the new total diaper supportive service amount on the approval (left) side and the number of discontinued child(ren) with the effective date of discontinuance on the discontinuance (right) side. For a complete guideline on adequate NOA issuance, please see ACIN No. I-02-14.

27Q. May the Addressee of the NA 823 be the CalWORKs program administrator-primary applicant or must the addressee be the Welfare-to-Work or Cal-Learn participant?

A. The addressee must be the participant in care of the eligible child, with only one notice listing diaper supportive services for the AU, when the AU is comprised of more than one adult.

28Q. If the family is entitled to supportive services for diapers and transportation and/or ancillary costs, shall all eligible amounts be included in one NA 823 or may counties provide one NA 823 specifically for diaper supportive service and a separate NA 823 for transportation and/or ancillary costs?
A. The NA 823 shall contain a comprehensive list of the approved supportive services. For a complete guideline on adequate NOA issuance, please see ACIN I-02-14.

29Q. Shall the NA 823 be sent out every month, as a means to confirm payment with the AU?

A. No, the purpose of the NA 823 is to notify the AU of a county action, such as an increase, decrease, or change to their aid or supportive services. If there is no change to the household’s existing monthly diaper supportive service, then an NA 823 should not be issued because no county action has taken place.

30Q. The NA 823 has a box that can be checked that states: “The County may continue to pay for work expenses for up to the first 12 months after you have left aid if you have a job. We will pay only if you need it to keep your job and you cannot get the work expenses paid from somewhere else.” Shall the diaper supportive service be considered for retention services?

A. The NA 823 box, as described above, may be checked if the employed former client is eligible for job retention services, as per the County Plan. Diaper supportive services may be provided to employed former clients eligible for job retention services, provided job retention and/or post-aid services are included in the County Plan in accordance with the MPP Section 42-717.

31Q. What conditions warrant a discontinuance notice via NA 823 form?

A. Pursuant to MPP Section 22-072, a discontinuance notice (NA 823) should be issued as a result of a county action when:
   - The client stopped meeting the diaper supportive service eligibility requirement(s) (e.g. child ages out of diaper eligibility or leaves household, the adult is not participating and is exempt or sanctioned, etc.)
   - The client reached the maximum 48-month time limit on CalWORKs, unless diapers are provided at county option as a post-aid service or job retention service.
   - The CalWORKs case is closed (e.g. due to income); unless diapers are provided as a job retention service at county option.

Diaper Benefit Claiming

32Q. County Fiscal Letter (CFL) No. 17/18-57 seems to suggest that both PC 370 and PC 689 share the same title. Can CDSS clarify this and are these codes the correct ones to use for claiming the diaper benefit?

A. While the Program Code (PC) numbers listed in CFL No. 17/18-57 are correct for the purposes of using Type of Expense code 77 (CalWORKs Diaper Supportive Service), the CFL did not adequately distinguish the two program codes by
title. According to the Program Code Description Manual, CFL No. 13/14-58, and CFL No. 14/15-60, the current title for PC 370 is “Employment Services Case Management Employed Non-MOE” and the current title for PC 689 is “TANF Timed-Out Employment Services”. While both codes are used to claim employment services costs/time for non-MOE eligible CalWORKs cases, the exact titles of each are different, and reflect the different populations they cover, including their work status. This clarification will be reflected in a forthcoming quarterly claiming CFL.

The description and titles for both PC 370 and PC 689 can be found below:

Code 3701 Employment Services Case Management Employed Non-MOE (for the employed Safety Net and Long-Term Sanction populations)
Includes case management and related WTW activities (e.g., determining exemptions, arranging for the participant’s entry into the WTW component; performing needs assessment, etc.) provided to employed safety net individuals and Long-Term Sanction cases.

Code 6891 TANF Timed-Out Employment Services (for the unemployed TANF Timed-out population)
Captures costs that includes case management and related WTW activities provided to hardship population individuals such as determining exemptions, arranging for the participant’s entry into the WTW component, and performing needs assessments.