

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



October 4, 2001

ALL-COUNTY INFORMATION NOTICE I-82-01

TO: ALL COUNTY WELFARE DIRECTORS
ALL FOOD STAMP COORDINATORS
ALL CalWORKs PROGRAM SPECIALISTS

SUBJECT: FOOD STAMP QUESTIONS AND ANSWERS

REFERENCE: ALL-COUNTY INFORMATION NOTICES (ACINs) I-01-00 AND I-124-00

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order or Settlement Agreement
- Clarification Requested by One or More Counties
- Initiated by CDSS

The purpose of this All-County Information Notice is to provide counties with answers to questions regarding Food Stamp Program policy. These questions were submitted by the County Welfare Directors Association's Technical Review Team (TRT) and the answers submitted to TRT for review and comments before being finalized by the Food Stamp Bureau. As requested by TRT county representatives, questions and answers (Q&As) are separated and categorized for ease of reference. If you have any questions regarding the enclosed Q&As, please contact the policy analyst assigned that area of the regulations.

Because of the release of several regulation packages in the past few years, some of the policy interpretations provided in the food stamp questions and answers document (FSQUAD) may have become obsolete and may provide answers that are no longer correct. If you have any concerns regarding whether or not a FSQUAD policy is obsolete, please contact the appropriate policy analyst.

Sincerely,

Original document signed by

GARY SWANSON, Chief
Food Stamp Branch

Enclosure

CERTIFICATION PERIODS

QUESTION #1:

New food stamp regulation Manual of Policies and Procedures (MPP) 63-504.151, effective June 1, 2000, states that: "The County Welfare Department (CWD) shall not shorten a household's (HH's) certification period. The CWD must end a certification if the CWD determines the HH becomes ineligible." Can the county shorten a food stamp (FS) certification period to align it with another aid program that the client is already getting aid for or is newly applying for? If so, would this have to be done with the client's permission? This would be a benefit to the client.

ANSWER:

Although MPP 63-504.151 provides that "the CWD shall not shorten a HH's certification period," MPP 63-504.123 still allows the CWD to align a food stamp certification period when a HH applies for public assistance (PA) benefits. When all members of a currently certified nonassistance (NA) HH apply for PA benefits, the CWD shall inform the HH that it may be recertified for food stamps at the same time its PA eligibility is determined. In order to do so, the HH shall submit an application for recertification and have a joint interview in conjunction with the processing of the PA application. If the HH agrees to be recertified in accordance with the PA application, the CWD shall provide the HH with the application forms necessary to recertify the HH (MPP 63-504.123). The CWD would not send a Notice of Expired Certification (NEC). If the HH is eligible for PA benefits, a new food stamp certification period shall be assigned.

Although other programs such as Medi-Cal are not expressly provided for in this MPP section, nothing in the MPP precludes the alignment of a FS certification period with other aid programs. As long as the HH requests to be recertified, the FS certification period may be aligned with the new program the HH is applying for in the manner specified in MPP 63-504.123. This would be beneficial to the client and not an adverse action. However, the CWD should document in the casefile that the recertification was done at the client's request. This should be done whether the HH is applying for PA benefits or another aid program.

FINAL NOTICES OF ACTION (NOAs)

QUESTION #1:

Are the Final Notice NOAs (DFA 377.7B1, D2, and F1) required prior to beginning recoupment or collection of a food stamp overissuance? It appears that the only requirement per regulations (MPP 63-801.43) is that we send the household the original repayment NOAs (DFA 377.7B, D, and F) and a repayment agreement. If the client doesn't respond to the original NOA, can we start recouping? Are the Final Notices ever required and when are they to be used?

ANSWER:

Correct. The Final Notices are not required by the regulations.

The CWD shall begin collection action if the client does not respond, within 30 days, to the initial repayment demand letter [MPP 63-801.441 (a), (b), and (c)].

Although the Final Notices are not specifically mentioned in the regulations, MPP 63-801.732 requires the DFA 377.7C, 377.7E, or 377.7G be sent prior to beginning allotment reduction when the client did not repay as agreed. The Final Notices may be used when the client did not return an agreement to repay and allotment reductions cannot be instituted without an agreement. These notices may be sent to the client until repayment is made or the criteria for ceasing all collection actions are met.

TELEPHONE STANDARD PRORATION

QUESTION #1:

MPP 63-502.372(b), Ineligible Aliens and/or SSN Disqualifications, states: "If the food stamp household members who are ineligible aliens or members excluded for SSN disqualification pay part or all of the deductible expenses, the expenses will be prorated among all members and only the eligible member's share is counted as the deduction."

Would the phone standard be prorated in a situation where the household contained an excluded noncitizen that paid all or part of deductible expenses?

BACKGROUND:

- Per the United States Department of Agriculture's (USDA) Food and Nutrition Service (FNS), the November 21, 2000, Noncitizen Eligibility and Certification Rule requires proration for any expense, including a telephone standard, shared with any nonhousehold members, not just noncitizens. However, for noncitizens made ineligible by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), the state can choose whether or not to prorate [except for the standard utility allowance (SUA), which cannot be prorated if the contributing nonhousehold member is not included only because they are ineligible], depending on how they count the noncitizen's income and resources.
- In accordance with MPP 63-503.442(a), the resources of household members excluded for SSN disqualification or ineligible alien status shall continue to count in their entirety to the remaining household. A pro rata share of the income of such excluded members is to be counted as income to the remaining members, as specified in MPP 63-503.442(b).
- ACIN I-124-00 Food Stamp Questions and Answers (dated 12/28/00) states that a standard telephone allowance of \$20 is allowed in instances where a household incurs telephone costs but is not entitled to the SUA per MPP 63-502.363(b). If there are two identified households and they each incur actual telephone expenses, and each is not entitled to SUA, each household can have a standard \$20 allowance or decide on actual costs to be deducted.

ANSWER:

Yes, pursuant to MPP 63-502.372(b) and 63-503.442, the phone standard would be prorated in a situation where the household contained an excluded noncitizen that paid all or part of the deductible expenses.

MAIL RECERTIFICATION/PHONE INTERVIEWS

BACKGROUND:

Recent regulation changes at MPP 63-300.42 and 63.300.451(b) stipulate that:

- The requirement for a face-to-face office interview shall be waived for a household that is unable to appoint an authorized representative and that consists of only elderly or disabled members with no earned income [MPP 63-300.42]. The CWD has the option of conducting a telephone interview or a home visit for those households for whom the office interview is waived. Home visits shall be used only if the time of the visit is scheduled in advance with the household [MPP 63-300.44].
- If a household receives PA/GA and will be recertified for food stamps more than once in a 12-month period, the CWD may choose to conduct an in-office face-to-face interview with that household only once during that period. At any other recertification during that year period, the CWD may interview the household by telephone, conduct a home visit, or recertify the household by mail [MPP 63-300.451(b)].

QUESTION #1a—MAIL RECERTIFICATION:

How is a recertification completed by mail?

ANSWER:

The same recertification procedure would be followed as when the client comes into the office. While counties may choose to mail the required forms (e.g., DFA 285-A1, A2, or SAWS 2) to the client to complete and return, the recertification process must still be completed as specified in MPP 63-504.6 in order to recertify the client prior to the end of the certification period.

QUESTION #1b:

Does this mean that the client needs only to mail in recertification papers?

ANSWER:

The county must follow the normal eligibility determination process and review the documents to determine whether the information and verification received is sufficient to establish eligibility once the forms are received.

MAIL RECERTIFICATION/PHONE INTERVIEWS (continued)

QUESTION #1c:

If the application is complete and all necessary verification provided, can the application be completed without a telephone interview?

ANSWER:

Per MPP 63-300.4, even if the application is complete and all the necessary verification has been provided, a telephone interview would be needed.

QUESTION #1d:

If the application is not complete and/or there is/are missing verifications, what actions should the worker take?

ANSWER:

MPP 63-300.5 states: "Prior to determining eligibility for applicant households, sufficient information concerning the applicant's situation must be obtained in order for the eligibility worker to make an informed judgment as to the household's eligibility. Verification and documentation are tools for making this judgment and recording the decision-making process in the case file." If the application is not complete, the worker should determine what verification is necessary to complete the certification. The client will be made aware that they must complete and return the application and provide any required verification, following the normal eligibility determination process.

QUESTION #2—PHONE INTERVIEWS:

If questions on the application are incomplete or not completed, can the worker document, in the county use only section, the client's verbal response to the question, or must the application be returned to the client to complete?

ANSWER:

There is nothing in the regulations that would prohibit obtaining the needed information from the client verbally. However, when determining whether to return an incomplete application to a client or to obtain a verbal response, counties should consider the consequences of verbal answers to questions, such as those involving income and resources as the client is signing under penalty of perjury.

SPECIAL PAYMENTS

QUESTION #1:

How are special payments with TANF funds treated in the Food Stamp Program? Special payments might be paid monthly, quarterly, or only once (e.g., \$25 at 1 month, \$50 at 3 months, \$100 at 6 months, and \$150 at 12 months). Special payments also could be given for attending school while working or attending job enhancement training sessions provided by the county staff. Does it make a difference if these payments are made by checks to the client or in the form of vouchers used for groceries or clothing?

Additional clarification: These special payments may be made in form of stipends (by check) and intended for childcare and transportation reimbursements for attending workshops. The county may also buy and give away a gift certificate for a place such as a grocery store, Target, Mervyns, etc.

BACKGROUND:

- MPP 63-502.11 states that gross income shall include all income from whatever source, except as specified in Section 63-502.12 and excluding only those items in Section 63-502.2.
- MPP 63-502.2(g) excludes from income reimbursement for past or future expenses if it does not represent a gain or benefit to the household. Reimbursements for normal household living expenses such as rent or mortgage, personal clothing, or food eaten at home are a gain or benefit and therefore are not excluded. To be excluded, these payments must be provided specifically for an identified expense, other than normal living expenses, and used for the purpose intended.

ANSWER:

Based on the scenario provided, special payments with TANF funds are treated as income and cannot be excluded from income. However, if these funds were used to reimburse the client for expenses incurred, such as transportation, childcare, etc., for attending workshops, such reimbursement would be excluded from income under MPP 63-502.2(g).

The non-cash incentive payment for attending workshops may be considered an in-kind payment, which is not considered income or a resource in determining food stamp eligibility. A non-cash incentive payment made in the form of a gift, such as a gift certificate to a grocery store, retail store, etc., would be considered an in-kind payment and therefore excluded from income or resources in food stamp eligibility determination, regardless of how often such payments are made.

Most gift certificates do not permit cash redemption. Essentially, a gift or an in-kind item that can be redeemed for cash would count as income.

SPECIAL PAYMENTS (continued)

QUESTION #2:

A prior food stamp policy interpretation stated that Supplementary Dietary Special Need payments are counted as unearned income per Manual Section 63-502.141. We are currently excluding such payments based on MPP 63-503.2(g) and FSQUAD 502.1-4, revised 11/3/95. Are you exempting or using the dietary special needpayment?

BACKGROUND:

- MPP 63-502.141 states that assistance payments based on need are counted as unearned income.
- MPP 63-502.2(g) excludes from income reimbursement for past or future expenses if it does not represent a gain or benefit to the household. Reimbursements for normal household living expenses such as food eaten at home are a gain or benefit and, therefore are not excluded. To be excluded, these payments must be provided specifically for an identified expense, other than normal living expenses, and used for the purpose intended.

ANSWER:

CalWORKs supplementary dietary special need payments should be counted as unearned income for food stamp purposes. Reimbursement for past or future expenses can be excluded as income, but in this instance there is no reimbursement. In addition, individuals eligible to receive dietary special need payments are not required to provide any verification of incurred or future expenses in order to be paid.

INCOME

QUESTION #1:

A household consists of an SSI/SSP mom, dad, and their common children. Dad works and the Social Security Administration is deeming a portion of his income to the SSI mom, which reduces mom's SSI grant. Is the portion of dad's income that is deemed to SSI counted or excluded when budgeting for food stamps?

BACKGROUND:

- MPP 63-502.11 states that gross income shall include all income from whatever source, except as specified in Section 63-502.12 and excluding only those items in Section 63-502.2.
- MPP 63-503.45 states that income and resources of excluded household members specified in Sections 63-402.225, .226, and .322 [should read Sections 63-402.226, .227, and .322] shall not be considered available to the household.

ANSWER:

There is no provision in food stamp regulations that would exclude from income that portion of dad's income deemed to the SSI mom; therefore, based on the scenario provided, dad's entire income, including the portion deemed to SSI, would still be counted in the food stamp budget, as specified in MPP 63-502.1.

VEHICLE VALUATION

QUESTION #1:

ACIN 1-48-99, dated July 30, 1999, refers to Administrative Notice 99-37, which states that State agencies need not factor in the value of options in determining the fair market value (FMV). Our Hearing Unit has researched this and found that usually the equipment that is automatically checked on the Kelly Blue Book (KBB) site is standard equipment and not optional equipment. However, it seems that there are times when the equipment checked is optional. If we continue to use the internet site, do we have to research every car to determine what is optional equipment and what is standard? If a checked item is found to be optional, can we delete the checkmark?

ANSWER:

MPP 63-501.511 states that: "The CWD shall not increase the basic value of a vehicle by adding the value of low mileage or other factors such as optional equipment or special equipment for the handicapped." Counties are not required to research every vehicle to see if the equipment checked is standard or optional. However, if the county discovers and verifies that a checked item is optional, that item can and should be unchecked. On the other hand, counties should not check any additional equipment in addition to items that are already automatically checked by the KBB internet site.