



CDSS

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EDMUND G. BROWN JR.
GOVERNOR

April 17, 2015

ALL COUNTY LETTER NO. 15-37

REASON FOR THIS TRANSMITTAL

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

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALWORKS PROGRAM SPECIALISTS
ALL WELFARE-TO-WORK COORDINATORS
ALL COUNTY REFUGEE COORDINATORS
ALL COUNTY CALFRESH SPECIALISTS
ALL CONSOTIA REPRESENTATIVES
ALL TRIBAL TANF ADMINISTRATORS

SUBJECT: **REVISED DEFINITIONS FOR SOLELY STATE-FUNDED PROGRAM AID CODES K1 AND 3F**

REFERENCES: ASSEMBLY BILL (AB) 1468, CHAPTER 26, STATUTES OF 2014; WELFARE AND INSTITUTIONS CODE (W&IC) SECTION 11251.3; ALL COUNTY WELFARE DIRECTORS LETTER, DATED JULY 1, 2014; ALL COUNTY LETTER (ACL) 13-70, 14-78, 14-100, AND 15-18; MANUAL OF POLICIES AND PROCEDURES (MPP) SECTIONS 63-300.5(e)(11) AND (12); 63-402.229(a),(b), AND (c), 80-301(p)(1); 82-808; 82-833; 82-832.1(b),(d),(h), AND (j).

This letter transmits the revised definitions for the K1 and 3F aid codes. The revised aid code definitions include the following changes to the California Work Opportunity and Responsibility to Kids (CalWORKs) solely state-funded program for cases with unaided adults:

1. Assignment of long-term sanction cases to aid codes K1 and 3F, effective March 1, 2015.
2. Discontinuance of drug felon assignment to aid codes K1 and 3F for reassignment to other appropriate aid codes, effective April 1, 2015, as a result of AB 1468 (Chapter 26, Statutes of 2014).
3. Clarification that aid code 3F is used for cases that include two or more parents/caretakers in a household, who may be unaided for various reasons.

BACKGROUND

The 2013-14 Budget Act shifted funding for CalWORKs cases with an unaided but federally work-eligible adult from Maintenance of Effort (MOE) General Fund (GF) to non-MOE GF. The intent was to remove these cases from the state's Temporary Assistance for Needy Families (TANF) caseload for exclusion from the TANF work participation rate (WPR) calculations. To implement the funding shift, aid codes K1 and 3F were created for single- and two-parent families, respectively, as described in ACL 13-70. Safety net, drug felon, and fleeing felon cases were not subject to a CalWORKs participation requirements, but were required to be included in California's TANF WPR calculations, because the un-aided adult(s) in these cases met the TANF definition of a "work-eligible individual," as described in 45 Code of Federal Regulations 261.2.

In addition, long-term sanction CalWORKs cases (cases in which parents/caretakers have been sanctioned for failing or refusing to comply with Welfare-to-Work (WTW) program requirements without good cause for 12 consecutive months or longer) are as of March 1, 2015, assigned to aid codes K1 and 3F and excluded from the state's TANF WPR calculations, per ACL 15-18.

Federal law prohibits individuals convicted of certain felony drug offenses from receiving TANF and Supplemental Nutrition Assistance Program (SNAP) benefits, but allows a state to opt out partially or entirely from the provisions of the automatic aid disqualification through the enactment of state legislation. As a result, individuals convicted of a felony offense involving the possession, use, or distribution of a controlled substance were ineligible to receive CalWORKs benefits. With passage of AB 1468 in 2012, California opted out of the federal prohibition against providing TANF and SNAP benefits to individuals with a felony drug conviction. Effective April 1, 2015, an individual with a felony drug conviction may be eligible for CalWORKs and SNAP benefits like other individuals, as long as the individual complies with the terms of his or her probation or parole, as described in ACL 14-100. As a result, cases with an eligible individual who has a previous drug felony conviction will be reassigned from aid codes K1 and 3F to other appropriate aid codes, beginning April 1, 2015.

DEFINITION OF POPULATION

The following definitions pertain to the populations affected by the changes to the K1 and 3F aid code definitions:

Safety Net – Cases in which all adults have been discontinued from cash aid and removed from the Assistance Unit (AU) due to reaching the CalWORKs 48-month time limit, as defined in MPP section 82-833.

Long-term Sanction – Cases that include a parent/caretaker who has been sanctioned due to failing or refusing to comply with WTW program requirements, without good

cause, for 12 consecutive months or longer, without a break in aid of one month or more, as defined in ACL 15-18.

Parent – Is an individual defined in MPP section 80-301(p)(1).

Drug Felon - Is an individual defined in MPP section 82-832.1(j).

Fleeing Felon - Is an individual defined in MPP section 82-832.1(h).

Caretaker Relative - Is an individual defined in MPP section 82-808.

Ineligible Non-Citizen - Is an individual defined in MPP section 82-832.1(b).

Recipient of Social Security Title XIX Income (SSI) - Is an individual defined in MPP section 82-832.1(d).

REVISED DEFINITIONS OF THE K1 AND 3F AID CODES

The definitions below modify criteria for case assignment to aid codes K1 and 3F previously described in ACLs 13-70 and 14-78. These modifications implement the reclassification of long-term sanction cases to the K1 and 3F aid codes, per ACL 15-18. In addition, drug felon cases will be reassigned from aid codes K1 and 3F to other appropriate aid codes, due to changes in CalWORKs eligibility resulting from passage of AB 1468 and implemented in ACL 14-100.

Aid Code K1 – Unaided Single-Parent Safety Net, Fleeing Felon, Long-Term Sanction Child-Only Cases (only one parent/caretaker in the home): CalWORKs cases that include only one, unaided Safety Net, fleeing felon, or long-term sanction (sanctioned 12 consecutive months or longer for noncompliance in the WTW program) parent/caretaker, with no other parents/caretakers in the home. This code provides for continued cash aid and Medi-Cal coverage for children whose parents have been discontinued from, or are ineligible for, cash aid due to their status as a Safety Net adult, fleeing felon, or long-term sanction individual.

Aid Code 3F – Unaided Two- Parent Safety Net, Fleeing Felon, Long-Term Sanction Child-Only Cases: CalWORKs cases in which two or more unaided parents/caretakers are any combination of Safety Net, fleeing felon, or long-term sanction (sanctioned 12 consecutive months or longer for noncompliance in the WTW program) adults, and no other adults are aided in the AU. In addition, cases are also assigned to this aid code when at least one parent/caretaker is unaided due to any of the previously mentioned reasons, and the other parent(s)/caretaker(s) in the home is(are) ineligible for another reason, such as being an ineligible non-citizen or a recipient of Title XIX Social Security Income. This code provides for continued cash aid and Medi-Cal coverage for children whose parents/caretakers have been discontinued from,

or are ineligible for, cash aid due to their status as a Safety Net, fleeing felon, or long-term sanction individual.

Zero-parent AUs, in which all parents in the home are excluded due to receipt of SSI benefits or status as an ineligible non-citizen, will not be assigned to aid code 3F.

IMPLEMENTATION

Counties must identify all existing K1 and 3F cases that include a parent/caretaker who was ineligible prior to April 1, 2015 due to a felony drug conviction, and reassign these cases to the appropriate aid code based on the cases' cash aid eligibility as of April 1, 2015. These changes must be made regardless of consortia automation status.

Changes to the K1 and 3F aid code definitions are effective immediately for programming into county eligibility systems.

If you have questions regarding this ACL, please contact the Employment Bureau at (916) 654-2137.

Sincerely,

Original Document Signed by:

TODD R. BLAND
Deputy Director
Welfare to Work Division