

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



July 6, 1994

ALL-COUNTY INFORMATION NOTICE I-20-94

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY ADMINISTRATIVE
SERVICE OFFICERS

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

SUBJECT: ADMINISTRATIVE REIMBURSEMENT FOR AFDC OVERPAYMENTS AND COLLECTIONS
(Senate Bill 627, Chapter 64, Section 46, June 30, 1993)

On November 3, 1993, the Fraud Bureau asked all counties to submit data on the cost of Aid To Families With Dependent Children (AFDC) Overpayment and Collection activities as well as to project their anticipated AFDC collections for fiscal years 1993-94 and 1994-95. This data was compiled and used to develop a cost beneficial approach for implementing a system to reimburse counties for their AFDC overpayment and collections cost. In keeping with the legislation, the California Department of Social Services' (CDSS) approach for reimbursing counties their AFDC overpayment and collections cost was approved by the Department of Finance on April 11. Twenty eight counties were initially approved for participation beginning July 1, 1994 subject to approval of the state budget. California is the only state that is using this incentive approach to increase its level of AFDC collections.

All counties can benefit from an increased emphasis on AFDC collections. The CDSS encourages all counties that were not initially approved to reapply for participation. Counties that wish to apply for participation in SB 627 funding should complete the attached survey forms by September 16, 1994. This should enable counties to utilize time study information from two quarters in identifying their cost for AFDC collections. Counties submitting a new request will be considered for approval starting the January-March 1995 quarter. The Recovery and Overpayment Unit (ROCU) will be available to assist all counties in their SB 627 request and/or implementation plans.

If you have any questions, please call Alex Kam, Collections Manager, at (916) 445-0031.

MICHAEL C. GENEST
Deputy Director
Welfare Programs Division

Enclosure (13 new counties only.)

c: CWDA