



CDSS

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ARNOLD SCHWARZENEGGER
GOVERNOR

July 28, 2008

ALL COUNTY LETTER NO. 08-36

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY WELFARE-TO-WORK COORDINATORS
ALL CALWORKS PROGRAM SPECIALISTS
ALL COUNTY CHILD CARE COORDINATORS
ALL REFUGEE PROGRAM COORDINATORS

SUBJECT: CAMACHO V. ALLENBY LAWSUIT

REFERENCE: ALL COUNTY LETTERS (ACLs) 99-32; 04-04; 04-07

The purpose of this letter is to implement the Camacho v. Allenby court order, issued by the Los Angeles County Superior Court on April 7, 2008. This court order involved a California Department of Social Services (CDSS) Administrative Hearing Decision that upheld a county's denial of a California Work Opportunity and Responsibility to Kids (CalWORKs) recipient's reimbursement request for the cost of books and school supplies she purchased prior to signing a Welfare-to-Work (WTW) plan as a Self-Initiated Program (SIP). While the individual case only involved the cost of books and school supplies as a CalWORKs ancillary expense, plaintiffs sought a court order for the Department to provide payment of all supportive services for a CalWORKs recipient participating in a SIP when the expenses were incurred before the SIP was approved.

The Department contested this issue in court. The Department's position that supportive services associated with a SIP are to be paid only for expenses incurred after the SIP is approved was not upheld by the court. The court order required reimbursement of supportive services incurred by a SIP participant prior to signing a WTW plan, but established limitations for such reimbursement. Reimbursement is due for all cases with SIPs approved as of April 7, 2008. Reimbursement must occur when the expense meets all of the following conditions:

- The expense was incurred after the beginning date of aid.
- The expense was necessary for participation during the academic period or term (semester or quarter) in which the SIP is approved.

REASON FOR THIS TRANSMITTAL

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

- The expense is determined eligible under CalWORKs regulations.
- The expense was an unreimbursed out-of-pocket cost.

This requirement applies only to recipients whose educational programs are approved as SIPs pursuant to Manual of Policies and Procedures (MPP) Section 42-711.541. Reimbursement for supportive expenses that are incurred prior to signing a WTW plan for recipients assigned to educational programs that are not approved as a SIP, pursuant to MPP Section 42-711.547, are addressed later in this letter.

Costs incurred after the beginning date of aid prior to signing a WTW plan:

Counties are required to consider for reimbursement supportive service expenses that a recipient in an approved SIP incurs after the beginning date of aid. Counties should not reimburse supportive service expenses that are incurred prior to the beginning date of aid even if the expenses were actually paid for after the beginning date of aid.

Regardless of the period of time between the beginning date of aid and the day a recipient signs his or her WTW plan, the requirements of MPP Section 47-430.21(a) apply to child care reimbursement. A recipient in an approved SIP is eligible for retroactive payments of child care services for up to 30 days from the date the recipient requested child care services and services were provided.

The following is an example of applying the 30-day retroactive payment period:

- Example 1: A CalWORKs recipient applies for and is granted aid on August 29, 2008. The recipient began taking courses for a nursing program at a local college on September 2, 2008. The recipient also began receiving and paying for child care services on September 2, 2008. On October 10, 2008, the recipient signs a WTW plan approving the nursing program as a SIP. The recipient also requested reimbursement for child care services on October 10, 2008. This recipient would be eligible for child care services beginning September 10, 2008, 30 days prior to the date the services were requested.

In this example, the child care services would be reimbursed for the period of 30 days from the date services were requested, which is the later of the date services were provided and the date services were requested.

Reimbursement for costs incurred for the current academic period or term:

Counties are only obligated to pay for supportive service costs that were necessary for participation in the academic period or term (semester or quarter) in which the SIP is approved. If a recipient pays for a supportive service cost after the beginning date of

aid, but that cost is associated with an academic term that ended prior to the beginning date of aid or the term the SIP was approved, the county should not reimburse the recipient.

- Example 2: A CalWORKs recipient applies for and is granted aid on January 9, 2009. She has been attending an education program with the next quarter beginning on January 19, 2009. She signs a WTW plan as an approved SIP on February 26, 2009. After signing her WTW plan, she requests reimbursement for books she purchased on January 15, 2009, which were required for the new quarter that began on January 19. She also requests reimbursement for transportation costs she paid to a friend on January 15, 2009, for her share of carpooling costs to get to school since her beginning date of aid of January 9, 2009. The county reimburses her for the books and for the transportation costs she incurred beginning on January 19, 2009, the date the new semester began. The county does not reimburse her for the transportation costs incurred between January 9, 2009, the beginning date of aid, through January 18, 2009, the day before the quarter began in which her SIP was approved.

Reimbursement for “eligible” supportive service expenses necessary for participation:

Eligible supportive services are those that must have been necessary for participation in the educational program that was approved as a SIP, and the level of reimbursement must be consistent with CalWORKs supportive services regulations. Below are examples of eligible and ineligible supportive service costs.

- Example 3: An individual in a two-parent family begins participating in an educational program on September 2, 2008. The family applies for and is granted aid on October 1, 2008, and the mother’s education program is approved as a SIP on October 15, 2008. The family paid for child care services for their daughter during this time even though the father was able and available to care for the child and requests reimbursement for the child care expense beginning on October 1, 2008. Because the father was able and available to care for the child, the county would not reimburse the family for the cost of the child care services.
- Example 4: The mother in example 3 above started taking the bus to school on September 2, 2008. She is eligible for a bus pass back to October 1, 2008, the beginning date of aid. If she had chosen to drive her car instead of taking the bus, and her roundtrip travel time by bus does not exceed two hours, she would only be eligible for a bus pass instead of mileage reimbursement.
- Example 5: The mother from examples 3 and 4 purchases tools that were needed to fulfill the requirements of her educational program for the current term for \$300 on October 2, 2008, and requests reimbursement for the cost when she signs her WTW plan on October 15, 2008. The tools are reimbursable. If the county determines that tools necessary for participation could have been purchased for \$250, then the county may only reimburse the recipient for \$250.

Unreimbursed out-of-pocket expenses:

Under the Camacho v. Allenby court order, the supportive service cost must be an unreimbursed out-of-pocket expense. The following example provides guidance to counties for determining when a cost is an unreimbursed out-of-pocket expense:

- Example 6: An individual has been going to a nursing program since September 2, 2008. On January 7, 2009, the individual is granted CalWORKs cash aid and on February 2, 2009, the county approved the program as a SIP. The recipient caught rides to school free of charge until January 16, 2009, but had to drive her own car beginning on January 19, 2009. The recipient requests mileage reimbursement from her home to school from the beginning date of aid of January 7, 2009. The recipient is not reimbursed for transportation costs between January 7, 2009 and January 16, 2009, as there is no out-of-pocket expense. The county reimburses the recipient for eligible transportation costs beginning on January 19, 2009.

For individuals who do not qualify for a SIP but are allowed to continue in an educational program until the beginning of the next educational semester or quarter break pursuant to MPP Section 42-711.547, counties are not obligated to reimburse or pay for supportive services until the date a WTW plan is signed.

The CDSS will be developing regulations related to this court order in the future. If you have any questions regarding the contents of this letter for transportation and ancillary expenses, please call your CDSS Employment Bureau County Consultant at (916) 654-2137. For questions related to child care, please call Usman Amin, Child Care Programs Bureau, at (916) 657-2144.

Sincerely,

Original Document Signed By:

CHARR LEE METSKER
Deputy Director
Welfare to Work Division

c: CSAC
CWDA