

DEPARTMENT OF SOCIAL SERVICES

144 P Street, Sacramento, CA 95814
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January 27, 1981

ALL-COUNTY LETTER NO. 81-5

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: FOOD STAMP PROGRAM - DRUG AND ALCOHOL TREATMENT CENTERS

REFERENCE:

The purpose of this letter is to provide clarification on the items listed below.

1. The definition of an authorized drug or alcoholic treatment and rehabilitation program:

Manual Section 63-503.561 states that participants in FNS-authorized treatment and rehabilitation programs may apply for food stamps. Federal regulations have recently been revised to remove the requirement for FNS authorization of such centers if the centers will be purchasing food through a retail store. FNS authorization continues to be required for centers redeeming coupons through wholesalers and for centers accepting coupons as payment for prepared meals.

Counties may use the following procedures in determining whether residents of centers which do not have FNS authorization may participate in the Food Stamp Program.

The CWD may certify a resident of a treatment and rehabilitation center for food stamps if the CWD verifies the following:

- a. The center plans to purchase food through a retail outlet.
- b. The center possesses a current certificate to participate in the Food Stamp Program issued by the State Department of Alcohol and Drug Abuse.

The Department of Alcohol and Drug Abuse issues a Food Stamps Approval Letter for drug programs and two types of certificates for alcoholic treatment programs: a Certification for Food Stamps and a Program Approval for Alcoholic Recovery Homes. Either of these two may be used to authorize an alcoholic treatment program to apply for food stamps on

behalf of its residents. If a treatment center has both an alcohol treatment program and a drug treatment program and the administrator of the facility wishes to act as an authorized representative for both programs, the center must possess a Food Stamps Approval Letter for the drug program and one of the two certificates for the alcohol treatment program.

The certificates are usually valid for one year; the expiration date is indicated on the certificate. The approval must be current when the center applies for food stamps on behalf of its residents and the address on the certificate must agree with the current location of the treatment center. Copies of the certificates issued by the Department of Alcohol and Drug Abuse are attached so that the CWD may be familiar with these documents.

Alcohol program administrators interested in obtaining one of these certificates should be referred to their County Alcoholism Administrator or the State Department of Alcohol and Drug Abuse, 825 15th Street, Sacramento, CA 95814.

Drug treatment program administrators interested in obtaining this approval letter should be referred to their County Drug Program Coordinator.

Facilities interested in obtaining authorization to redeem coupons at wholesale outlets should be referred to FNS field offices since FNS authorization is still required for these facilities.

2. The purpose of the CWD's periodic onsite visits to these treatment and rehabilitation programs:

Manual Section 63-503.562 states that, "Each treatment and rehabilitation center shall provide the CWD with a certified list of currently participating residents. The CWD shall require the list on either a monthly or a semimonthly basis. In addition, the CWD shall conduct periodic random visits to the center to assure the accuracy of the listings and that the CWD's records are consistent and up to date."

The purpose of these random visits is to verify that the individuals on the center's list are actually residing in the treatment center. This verification can be accomplished by observing or interviewing participants, or by other means that do not infringe on the confidentiality of the clients' records. It is not necessary for the CWD to review the residents' files to verify the list. If the CWD's record of the participants residing in the center is not consistent with the center's list of current residents at the time of the visit, the visit can also be used to update the CWD's participation records.

When a treatment center applies as an authorized representative, the center should be informed that it must provide a certified list of currently participating residents on either a monthly or a semimonthly basis and that the CWD will make periodic random visits to verify the list

of participants. If the center refuses to supply the list of residents or refuses to allow the CWD access to the facility to verify the list, the CWD shall, in accordance with Manual Section 63-505, terminate all certified households in the center for refusal to cooperate. If the CWD can identify all certified households in a treatment center, the households shall be terminated immediately following the center's refusal to cooperate through the use of the Notice of Adverse Action. (The termination will become effective 10 days after the date the notice is mailed.) If all certified households cannot be readily identified, residents shall be denied at recertification. The households may reapply once terminated, but shall not be determined eligible until the center, as the households' authorized representative, cooperates. The CWD should notify FNS via their DSS Food Stamp Program Operations Analyst of the center's refusal to cooperate.

The CWD is not required to verify eligibility factors during these visits. However, any questionable eligibility information should be verified as described in Section 63-300.52 prior to certification unless expedited service is required. If expedited service is used, the questionable information must be verified prior to recertification.

3. The requirement that drug or alcoholic treatment and rehabilitation programs provide a resident with one-half of his/her coupon allotment if the resident leaves the facility prior to the 16th of the month.

Manual Section 63-503.565 requires that treatment centers provide residents with one-half of their coupon allotment if they leave the facility before the 16th of the month. The treatment center should set aside a portion of the coupons each month for this purpose.

The amount of stamps that should be held until the 16th of the month will vary from center to center. To determine the amount to hold out, centers should evaluate the number of residents in the facility who participate in the Food Stamp Program, the turnover of residents in the average month, and the number of coupons returned to residents in previous months.

The CWD is not required to review the center's records of coupon distribution to residents who leave the facility unless a complaint has been made. If a complaint has been filed, the CWD should review the facility's records and determine if the center is properly releasing coupons. Centers who are not properly distributing coupons should be referred to FNS via the DSS Food Stamp Program Operations Bureau.

- 4.s The regulatory provision which states, "The organization or institutions may be penalized or disqualified if it is determined...that coupons were...used for purchases that did not contribute to a certified household's meals." (MS 63-503.567).

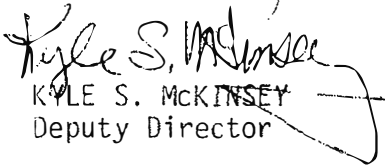
This provision should be interpreted to mean that food stamps must be used to contribute to meals for eligible households. Food stamps should not be used to supplement the center's food budget for non-eligible households.

However, the regulation should not be construed to mean that centers must purchase and prepare food separately for food stamp recipients. Centers with both recipients and nonrecipients should attempt to serve at least the approximate value of food purchased with food stamps to food stamp households. One method of doing this would be to compare the percentage of the center's population receiving food stamps with the percentage of the monthly food expense paid with food stamps to verify that food stamps were only used for the recipients' portion of the food bill. For example, if 40 percent of the center's population is receiving food stamps, the center could monitor the food budget to ensure that no more than 40 percent of this budget came from food stamps.

The CWD is required to monitor the center's compliance with this regulation on a complaint basis only. If a center does appear to be using food stamps to supplement the meals of noneligible households, the CWD should notify FNS via their DSS Food Stamp Operations analyst.

If you have any questions regarding these items, please contact your Food Stamp Program Operations Consultant at (916) 322-5475.

Sincerely,


KYLE S. MCKINSEY
Deputy Director

cc: CWDAe
FNS/WRO

Attachment