



CDSS

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STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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EDMUND G. BROWN JR.
GOVERNOR

June 6, 2017

ALL COUNTY LETTER (ACL) NO. 17-41

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 CALFRESH PROGRAM SPECIALISTS
ALL CALWORKs PROGRAM SPECIALISTS
ALL COUNTY REFUGEE COORDINATORS
ALL COUNTY IEVS COORDINATORS
ALL COUNTY SPECIAL INVESTIGATIVE UNIT CHIEFS

SUBJECT: CALWORKS AND CALFRESH: RECIPIENT INCOME AND
ELIGIBILITY VERIFICATION SYSTEM (IEVS)
PROCESSING TIMEFRAMES

REFERENCE: [SOCIAL SECURITY ACT SECTION 1137](#); [7 CODE OF FEDERAL REGULATIONS \(CFR\) 272.8](#), [7 CFR 273.18\(d\)\(1\)](#), [45 CFR 205.56\(a\)\(1\)\(iv\)](#), [45 CFR 233.20\(a\)\(13\)\(i\)\(E\)](#); MANUAL OF POLICIES AND PROCEDURES (MPP) SECTIONS 20-006.421, 20-006.543, 63-300.5(a)(2); ALL COUNTY LETTERS (ACL) [12-25](#), [12-25E](#), [13-17](#), [15-06](#); ALL COUNTY INFORMATION NOTICE (ACIN) [I-58-13](#)

The purpose of this letter is to reiterate requirements and instructions regarding processing timeframes for the Income and Eligibility Verification System (IEVS) data matches. It is essential to process the data timely and accurately to determine initial and ongoing eligibility for California Work Opportunity and Responsibility to Kids (CalWORKs) and CalFresh program recipients. Late processing of IEVS matches can increase the possibility of improper payments made to program recipients which could result in overpayments and/or overissuances in either or both programs.

Background

In July 1987, the California Department of Health Services, which is now the Department of Health Care Services (DHCS), and the California Department of Social Services (CDSS) implemented IEVS (Social Security Act section 1137).

There are two components to IEVS:

- Applicant IEVS, administered by DHCS, which verifies eligibility of individuals who are applying for multiple social service programs including CalWORKs and CalFresh benefits and
- Recipient IEVS, administered by CDSS, which verifies ongoing eligibility of current or former CalWORKs and/or CalFresh recipients

Recipient IEVS is a series of manual and automated matches that county staff process throughout the year to verify information reported by CalWORKs and/or CalFresh recipients. The IEVS provides county staff with information from external data sources to assist in the continued determination of a CalWORKs and/or CalFresh recipients' eligibility. The information is provided in the form of a document, called an abstract, which contains identifying recipient information and data regarding income, assets, incarceration, employer or other data that might affect program eligibility or benefit level.

Below is a brief description of the ten Recipient IEVS matches:

- **Beneficiary Earnings Exchange Record (BEER)**-Provides wage information that includes out-of-state wages, self-employment, and wages not previously reported to the Employment Development Department (EDD).
- **Franchise Tax Board (FTB)**-Provides information on interest and dividends from asset accounts.
- **Integrated Fraud Detection (IFD)**-Provides wage information reported to the EDD by California employers. It also provides a list of possible recipients who simultaneously receive CalFresh/CalWORKs and Supplemental Security Income/State Supplementary Program benefits.
- **Internal Revenue Service (IRS)**-Provides information on unearned income (e.g., interest or dividends) reported to the IRS and other income information not on the Franchise Tax Board's file.
- **Payment Verification System (PVS)**-SSA provides information on Retirement, Survivors and Disability Insurance. EDD provides information on State Unemployment Insurance, and State Disability Insurance.
- **California Youth Authority (CYA)**-Provides the CDSS with a file of minors incarcerated in a juvenile hall or other county juvenile facility.

- **Deceased Persons Match (DPM)**-Provides information from SSA on deceased individuals and uses the information to verify and otherwise ensure that CalFresh and CalWORKs benefits are not issued to deceased individuals or individuals who are using the social security number of a deceased person.
- **Fleeing Felon Match (FFM)**-Department of Justice provides the CDSS with a computer file of all felony warrants from the Wanted Persons System.
- **New Hire Registry (NHR)**-Provides counties with information on welfare recipients who were recently hired, rehired, or returned to work.
- **Nationwide Prisoners Match (NPM)**-Provides information on individuals currently incarcerated.

The CDSS has convened a Recipient IEVS Workgroup comprised of representatives from county welfare departments, the consortia, and the California Welfare Directors Association to identify IEVS match challenges including the prioritizing of matches and improving match results that are provided to counties.

CalWORKs and CalFresh Recipient IEVS Match Processing

Upon receipt of a Recipient IEVS match, county staff are required to review and compare the IEVS information against information in the case record to determine whether it affects eligibility or benefit level. Counties must base their determinations on the household's Income Reporting Threshold (IRT) and any other reporting requirements. All IEVS information must be independently verified before any case action can be taken except for the PVS data match which is considered verified upon receipt for CalFresh.

If the county staff determines that the IEVS information is consistent with the information provided by the recipient, and no further action is needed, the county staff does not have to seek verification from the recipient or a third-party source. If no changes to eligibility or benefit level are warranted, the county staff will make a journal or case file entry documenting that determination.

If the county staff determines that there is no record of the abstract information in the case file or the recipient information is different than what is reported in the match, the county staff must independently verify the information to determine if it affects eligibility or benefit level. In those situations, where the reported income or other factors may affect eligibility, as stated in MPP Section 20-006.54, the county staff will request verification from the recipient. If the recipient is unable to provide the verification requested by the county or the recipient requests assistance in obtaining the verification, the county staff must seek verification from a third-party source (i.e. employer). Authorization from the recipient is required only when requesting information from banking institutions.

Once the county staff has received verification from the recipient or third party, the county staff will determine the effect on eligibility or benefit level and will take appropriate action.

Processing timeframes for Recipient IEVS matches on open CalWORKs and/or CalFresh cases

Initial 45-Day Processing of IEVS match

Potential discrepancies are considered “Discovered/Identified” on the “run date” or “date of receipt” of the IEVS match, whichever is later. The date of discovery is dependent on how the county receives each of the ten matches either in paper or electronically.

- Electronically received matches run date is defined as the date the Consortia, eIEVS, and/or Secure File Transfer Protocol (SFTP) provided the data, whichever is later.
- Paper received matches date of receipt is defined as the date the county reports receipt of the match from CDSS as stated on the Acknowledgement of Receipt form.

As stated in MPP Section 20-006.421, IEVS match follow-up must be completed within 45 calendar days of the Department transmitting the match to the county. Further, federal rules state that IEVS matches are considered “Initiated and Pursued” [7 CFR 272.8(2) and 45 CFR 205.56(iv)] when the county has reviewed the match and determined whether it may affect eligibility or benefit level. If there is no discrepancy based on the recipient’s reporting requirements, the county must make a case note or journal entry documenting that determination. If a potential discrepancy exists, the county must, at a minimum, mail a Client Verification Letter (i.e. [CW 63](#), [CW 2200](#)) to the recipient within 45 days of receipt of the IEVS match from the CDSS.

Counties are also reminded that for CalFresh only cases, if the household fails or refuses to respond to the Client Verification Letter within 10 days, the county staff must send a Notice of Action terminating the household’s participation (MPP Section 20-006.543(b)(1)).

Completion of IEVS match processing

For open cases, all of the ten IEVS matches are considered “Completed” when the county has either established the Overpayment/Overissuance by the quarter after the quarter in which the discrepancy was “Discovered/Identified” [7 CFR 273.18(d)(1) and 45 CFR 233.20(a)(13)(i)(E)] or determined that no discrepancy exists based on the recipient’s reporting requirements. The county must make a case note or journal entry documenting that determination. Counties are reminded, however, not to enter IEVS

match information into the consortia that contains Federal Tax Information (see [ACL 16-106](#)).

Example: On October 1, 2016, the county receives an IFD match electronically on a combined CalWORKs and CalFresh case. The county has until November 14, 2016 to review the match and determine if a potential discrepancy exists based on the recipient's reporting requirements (SAR, IRT, etc.) This includes the mailing of a verification letter to the client whose eligibility and/or benefit level may be affected notifying him or her. By March 31, 2017, the county must make a determination using the information obtained directly from the recipient or a third party (i.e. financial institution), as to whether or not to reduce or discontinue CalWORKs cash aid and/or CalFresh benefits.

The initial 45-day processing rule does not apply to the CYA, DPM, FFM, and NPM matches. However, if the cases that the abstract pertains to are open, CWDs must still determine whether there is an OP/OI by the quarter after the quarter in which any one of these matches are received.

It should be noted that any IEVS matches provided to counties on closed cases are not subject to the timeframes described in this letter [MPP Section 20-006.43]. However, counties must still process these matches as soon as administratively possible.

Counties should also note that a pending investigation by the county Special Investigative Units cannot delay the processing of the IEVS match. The county staff must determine if an OP/OI has occurred, and establish the claim as an Inadvertent Household Error until an Intentional Program Violation is determined. Counties must initiate action to begin collection, whether the investigation has concluded and findings have been reported to the county staff.

If you have any questions regarding this ACL, please contact the Policy Unit at PIBPolicyUnit@dss.ca.gov or the Fraud Bureau main line at (916) 653-1826.

Sincerely,

Original Document Signed By:

TODD R. BLAND
Deputy Director
Welfare to Work Division