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ALL COUNTY LETTER (ACL) NO. 18-90

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALFRESH PROGRAM SPECIALISTS
ALL CALWORKS PROGRAM SPECIALISTS
ALL TRIBAL TANF PROGRAM CONTACTS
ALL CASH ASSISTANCE PROGRAM FOR IMMIGRANTS (CAPI) MANAGERS
ALL IN HOME SUPPORTIVE SERVICES (IHSS) MANAGERS
ALL CONSORTIA PROJECT MANAGERS
ALL QUALITY CONTROL PROGRAM COORDINATORS

SUBJECT: CALFRESH REVERSING CASH-OUT POLICY: ELIGIBILITY FOR RECIPIENTS OF SUPPLEMENTAL SECURITY INCOME AND/OR CALIFORNIA STATE SUPPLEMENTARY PAYMENT (SSI/SSP) BENEFITS

REFERENCE: [ASSEMBLY BILL \(AB\) 1811 \(CHAPTER 35, STATUTES OF 2018\); CA WELFARE & INSTITUTIONS CODE \(WIC\) SECTIONS 18900.5 - .7; CA WIC § 18941; CODE OF FEDERAL REGULATIONS \(CFR\) TITLE 7 SECTION 271.2; 7 CFR § 273.2\(f\); 7 CFR § 273.2\(j\)\(2\); 7 CFR § 273.2\(k\); 7 CFR § 273.9\(a\); 7 CFR § 273.9\(d\)\(4\); 7 CFR § 273.20; UNITED STATES CODE \(USC\) TITLE 7 SECTION 2015\(g\); ACL 18-91; ACL 18-92; MANUAL OF POLICIES AND PROCEDURES \(MPP\) SECTION 63-402.6; MPP 63-102\(e\)\(1\); MPP 63-301.7; MPP 63-402.17; MPP 63-402.226; MPP 63-402.622; MPP 63-502.33; MPP 63-502.34; MPP 63-502.36; ACL 11-05; ACL 11-05E; ACL 14-49; ACL 14-56; ACL 14-56E; ACL 16-112; ACL 17-09; ACL 17-34; AND ACL 17-35](#)

The purpose of this letter is to provide County Welfare Departments (CWDs) with policy instructions for implementation and automation of a change to CalFresh eligibility rules for recipients of Supplemental Security Income and/or California State Supplementary Payment (SSI/SSP) benefits. AB 1811, the Fiscal Year (FY) 2018-2019 Human

Services Omnibus Trailer Bill, reverses the CalFresh eligibility policy known as “cash-out,” under which SSI/SSP recipients are ineligible for CalFresh. In addition, AB 1811 creates the SSI/SSP Cash-In Supplemental Nutrition Benefit (SNB) Program and the SSI/SSP Cash-In Transitional Nutrition Benefit (TNB) Program and augments the grant amount for the Cash Assistance Program for Immigrants (CAPI).

This ACL provides policy instruction only for the reversal of the cash-out policy and the CAPI grant augmentation. Policy instructions for the SNB Program were issued via ACL 18-91 on July 31, 2018, and for the TNB Program via ACL 18-92 on July 31, 2018.

Throughout this ACL, “SSI/SSP recipients” refers to both recipients of SSI/SSP and SSP only. Additionally, use of the terms “CalFresh” or “CalFresh benefits” throughout this ACL also include recipients of California Food Assistance Program benefits, as applicable.

Background

California’s cash-out policy started in 1974 when the federal government began the combined federal-state SSI/SSP program. At that time, states were allowed to increase their SSP grant instead of administering what was then known as the Food Stamp Program to SSI/SSP recipients. California opted for this “cash-out” policy and increased its monthly SSP grant by \$10. Over time, the criteria for maintaining the cash-out policy has changed. Instead of the inclusion of a discrete \$10 in the SSP grant, California’s cash-out policy is now based on the state’s implementation of federal cost-of-living adjustments.

California is permitted to continue the cash-out policy, as long as it maintains an individual SSP grant level of at least \$156.40, the amount provided to low-income elderly and people with disabilities as of March 1983, or a total expenditure on its SSP program equivalent to the amount spent on the SSP program in 1983. This effectively ties the State’s cash-out privileges to a minimum SSP grant of \$156. Under cash-out, SSI/SSP recipients are ineligible for Supplemental Nutrition Assistance Program (SNAP) benefits, known as CalFresh in California. Over time, the value of SNAP benefits has increased with the rate of inflation, per annual federal adjustments, while the SSI/SSP cash-in amount has remained flat and lost relative value.

I. POLICY OVERVIEW

Policy Change

Effective June 1, 2019, individuals receiving SSI/SSP are eligible for CalFresh, provided all other eligibility criteria are met. Per AB 1811, an alternate implementation date no later than August 1, 2019, may be established if the California Department of Social Services (CDSS) notifies the Department of Finance that automation necessary to implement this policy change will not be complete by June 1, 2019. If an alternate implementation date is selected, this date will be communicated to CWDs and

stakeholders as soon as possible. Hereafter, June 1, 2019, or the alternate implementation date, will be referred to generally as the implementation date.

The CWDs will implement the policy change for newly eligible households (i.e. those in which all members are SSI/SSP recipients) as of the implementation date. For ongoing households (i.e. those currently receiving CalFresh with an excluded member that is an SSI/SSP recipient), CWDs will implement the policy change on a rolling basis at the ongoing household's next periodic report, recertification, or when voluntarily requested by the ongoing household, beginning on the implementation date. Hereafter, this rolling implementation date for individual households will be referred to generally as the household effective date.

SSI/SSP Suspense Status

Under current CalFresh policy, individuals who are not receiving an SSI/SSP payment, including those individuals in SSI/SSP suspense status, are eligible for CalFresh, provided all other eligibility criteria have been met. Therefore, individuals in SSI/SSP suspense status on the implementation date are not impacted by the reversal of the cash-out policy. As of the implementation date, both individuals receiving *and authorized to receive* SSI/SSP, including those individuals in suspense status, will be eligible for CalFresh.

For this purpose, "authorized to receive" SSI/SSP means that an individual has been determined eligible for benefits and has been notified of this determination, even if the benefits have been authorized but not received, authorized but not accessed, suspended or recouped, or not paid because they are less than the minimum amount.

For additional guidance on this topic see ACL 17-09, issued on January 27, 2017.

SSI/SSP Grant Amount

Please note that the SSI/SSP grant amount will not be decreased as a result of this policy change.

Cash Assistance Program for Immigrants (CAPI)

Recipients of CAPI, the 100 percent state-funded program that provides monthly cash benefits to aged, blind, or disabled non-citizens who are ineligible for SSI/SSP solely due to their immigration status, have never been ineligible for CalFresh based on the cash-out policy. The reversal of the cash-out policy will have no impact on CAPI recipients' eligibility for CalFresh.

For parity with SSI/SSP recipients, effective the implementation date, CAPI recipients will receive a grant increase of \$10 per individual or \$20 per couple. This increase will bring the amount of SSI/SSP and CAPI grants into alignment. The CAPI grant increase is only available to the extent that state funding is appropriated for this purpose.

California Work Opportunity and Responsibility to Kids (CalWORKs)

Current CalWORKs program policy remains unchanged. Recipients of SSI/SSP, regardless of payment status, are ineligible for CalWORKs.

Food Distribution Program on Indian Reservations (FDPIR)

Under the cash-out policy, SSI/SSP recipients are ineligible for FDPIR. Effective the implementation date, individuals receiving SSI/SSP are eligible for FDPIR, provided all other eligibility criteria are met. Policy instruction regarding the reversal of the cash-out policy and FDPIR will be provided by the FDPIR administering agencies in California.

II. ELIGIBILITY

Definition of Elderly and/or Disabled

All recipients of SSI/SSP will be considered elderly and/or disabled household members for the purposes of CalFresh. A household is eligible under the CalFresh eligibility rules for elderly and/or disabled households, outlined in this letter, if at least one member of the household is an individual who is elderly and/or disabled.

For CalFresh, the definition of an elderly household member is an individual who is 60 years of age or older. The definition of a disabled household member includes a recipient of SSI under title XVI of the Social Security Act, among other disability or blindness payments. While elderly household members are defined as 60 years of age or older, CWDs are reminded that disabled household members may be of any age.

Income, Resources and Deductions

As of the household effective date, household members who were previously excluded due to receipt of SSI/SSP will, as a result of this policy change, become included household members and their income, resources, and deductions must be considered when determining CalFresh eligibility for the household.

Categorical Eligibility

Households in which all members receive or are authorized to receive SSI/SSP benefits are categorically eligible for CalFresh, unless the entire household is institutionalized or disqualified from receiving CalFresh for any reason.

Under Federal Law households may be “categorically eligible” based on receipt of benefits from other specified low-income assistance programs, including SSI. Categorical eligibility does not mean the household is automatically eligible for CalFresh. Categorical eligibility means that certain preliminary eligibility factors do not apply to the household because they have already been determined by the other assistance program. While categorically eligible households have met these preliminary eligibility factors, CWDs must still determine the household’s benefit level.

Individuals who are ineligible for CalFresh remain ineligible even if they are members of an otherwise categorically eligible household. For example, an ineligible student cannot become eligible for CalFresh based solely on being a member of a categorically eligible household.

Under categorical eligibility, the preliminary eligibility factors that are deemed for CalFresh without additional verification are resources, gross and net income, Social Security Number, sponsored immigrant information, and residency. Once preliminary eligibility has been determined, the CWD must determine the household's benefit level.

When determining the household's benefit level, the CWD may require additional verification for specific eligibility factors, including but not limited to additional earned or unearned income not verified by the other assistance program or for which the other assistance program has not made information available (e.g. through a data match).

Likewise, the CWD shall determine eligibility for deductions, such as the uncapped excess shelter deduction, the excess or standard medical deduction, and/or the dependent care deduction. Verification may be required to apply deductions.

To the maximum extent possible, CWDs shall use existing data matches, such as the Beneficiary Data Exchange match that is part of the Payment Verification System (PVS) monthly match, to verify SSI/SSP recipient eligibility factors used to determine the household's benefit level. CWDs are reminded that the PVS monthly match is considered Verified Upon Receipt (VUR) and no further verification is needed, unless the CWD determines that the PVS report is questionable.

Under existing CalFresh policy, all categorically eligible one- or two-person households are entitled to the minimum benefit allotment. There is no minimum benefit allotment for categorically eligible households with three or more members.

If eligibility for the other assistance program ends, categorical eligibility does not continue. Therefore, if SSI/SSP benefits are terminated for one or more members of the household, the household is no longer categorically eligible for CalFresh (unless the household is categorically eligible based on another qualifying assistance program, such as CalWORKs).

Households are not required to report termination of SSI/SSP benefits mid-period. However, if termination of SSI/SSP benefits becomes known to the county through a data match that is considered VUR, such as the PVS monthly match, the CWD must take action mid-period. The CWD may also discover that SSI/SSP benefits have been terminated at periodic report or recertification. In both scenarios, the CWD will determine whether the household remains CalFresh eligible under regular CalFresh rules, based on the household's new circumstances, excluding categorical eligibility.

Please note that CWDs do not need to confer Modified Categorical Eligibility (MCE) for SSI/SSP-only households that are categorically eligible. This is because certain preliminary eligibility factors, including resources and net income, have already been determined by the other assistance program. Therefore, there is no need to confer MCE for SSI/SSP-only households that are categorically eligible.

Residents of an Institution

Generally, residents of an institution are ineligible for CalFresh. This includes residents of an institution who are SSI/SSP recipients. Individuals must be considered residents of an institution when the institution provides them with the majority of their meals (i.e. over 50 percent of three meals daily) as part of the institution's normal services.

Exceptions to this requirement include:

1. Individuals who are residents of federally subsidized housing for the elderly.
2. Individuals who are narcotic addicts or alcoholics and reside at a facility or treatment center for the purpose of regular participation in a drug or alcohol treatment and rehabilitation program. This includes the children, but not the spouses, of such persons who live with them at the treatment center or facility.
3. Individuals who are disabled or blind and are residents of group living arrangements.
4. Individuals and their children who are temporarily residing in a shelter for battered persons.
5. Individuals who are residents of public or private nonprofit shelters for homeless persons.

The individuals listed above in the exceptions who are also SSI/SSP recipients may participate in CalFresh beginning on the implementation date and must be treated as separate households from the others with whom they reside in the institution.

The CWD can only consider an individual who was a resident of an institution (and not subject to an exception) categorically eligible at such a time that a final SSI/SSP eligibility determination is made and the institution has released the individual.

When a resident of a public institution is applying for CalFresh prior to leaving the institution, the filing date of the application that the CWD must record is the date of release of the applicant from the institution. This is true, whether or not the resident of an institution is a recipient of SSI/SSP.

Group Living Arrangements (GLA)

Some residents of GLAs that are also SSI/SSP recipients may be eligible for CalFresh. GLAs are public or private nonprofit homes for disabled or blind individuals that serve

no more than 16 residents and are certified by the CWD. A GLA resident may apply on his or her own behalf, unless the GLA determines that a resident does not have the physical and/or mental ability to do so. Such residents may apply through an authorized representative as a one-person household. All GLAs shall provide the CWD with a list of currently participating residents, signed by a responsible home official.

III. IMPLEMENTATION

Implementation for Newly Eligible Households

Newly eligible households (i.e. those in which all members are SSI/SSP recipients) may be eligible for CalFresh beginning on the implementation date. Benefit issuance for newly eligible households cannot occur before the implementation date.

On or after the implementation date, existing ES policy applies to all applicant households, including those newly eligible under this policy change. All newly eligible households must be screened for ES entitlement at application. Newly eligible households determined to be entitled to ES will receive CalFresh benefits no later than three calendar days from the date the application was filed.

Newly eligible households must complete the existing CalFresh application process, including an interview within 30 days of application.

If a newly eligible SSI/SSP-only household submits an application within the calendar month prior to the implementation date, the county shall process the application but will not issue benefits until the implementation date, even if the household is entitled to Expedited Service (ES). In this scenario, if the SSI/SSP-only household is otherwise eligible, the CWD will issue a \$0 grant for the month of application and shall issue benefits accordingly for the remainder of the certification period, beginning on the implementation date. For SSI/SSP-only households that are entitled to ES that submit the application within the calendar month prior to the implementation date, benefits will be issued no later than three calendar days from the implementation date.

Newly eligible households, because they include only SSI/SSP recipients, will normally be assigned either a 24-month certification period or, if the household has no earned income, a 36-month certification period under California's Elderly Simplified Application Project (ESAP) waiver approved by the Food and Nutrition Service. To stagger the influx of recertification cases 24 and 36 months after initial implementation, newly eligible SSI/SSP-only households deemed eligible between June 1, 2019, and November 30, 2019, will be assigned a shortened certification period between 19 to 23 months and 31 to 35 months, respectively. Shortened certification periods will be assigned according to the last digit of the household's case number per the table below.

If an alternate implementation date is selected, the June 1, 2019 to November 30, 2019, time period will be shifted accordingly to allow assignment of a shortened certification

period to newly eligible SSI/SSP-only households applying within the first six months of the implementation date.

Newly eligible households who submit an application within the calendar month prior to the implementation date, but are issued benefits no earlier than the implementation date, will also be assigned a shortened certification period.

Newly Eligible SSI/SSP-only Households
Deemed Eligible June 1 – November 30, 2019

Last Digit of Case Number	Elderly/Disabled Household	ESAP Eligible Household
1	23 months	35 months
2	23 months	35 months
3	22 months	34 months
4	22 months	34 months
5	21 months	33 months
6	21 months	33 months
7	20 months	32 months
8	20 months	32 months
9	19 months	31 months
0	19 months	31 months

Households assigned a shortened certification period will complete required periodic reports based on the household type. The timing of one periodic report may be adjusted to accommodate for the length of the shortened certification period. At the end of the shortened certification period, households that continue to be eligible will be assigned the maximum certification period length for the household type.

SSI/SSP-only households that apply on or after December 1, 2019, and are deemed eligible, will be assigned the maximum certification period length for the household type. This applies unless an alternative implementation date is chosen and the June 1, 2019, to November 30, 2019, time period is shifted, in which case SSI/SSP-only households that apply after the extended time period will be assigned the maximum certification period length for the household type.

Implementation for Ongoing Households

For ongoing CalFresh households that include at least one household member who is an SSI/SSP recipient on the implementation date, CWDs will stagger implementation at the ongoing households' next periodic report or recertification, or when voluntarily requested by the ongoing household. As a reminder, this rolling implementation date for individual households is referred to generally as the household effective date.

Ongoing households include those households which temporarily lose their eligibility on or before the household effective date and have their benefits restored within 30 days of that date, based on good cause or providing the necessary information to restore eligibility.

Implementation at Periodic Report or Recertification

For ongoing households that implement at the next periodic report or recertification, at the time the periodic report or recertification is processed, the CWD will include the previously excluded SSI/SSP recipient(s) in the household size determination and the newly eligible household member's income, resources, and deductions will be factored in when determining the household's continuing eligibility.

Implementation at Voluntary Request

For ongoing households that implement based on a voluntarily mid-period request, but before the household's next periodic report or recertification, the CWD will take action to add the household member mid-period. The voluntary request will be treated like a voluntary report of a household composition change.

If at any time before the ongoing household's next periodic report or recertification the household makes a voluntary report of a household composition change, this voluntary report will be considered a request to implement the reversal of the cash-out policy, if the ongoing household includes an excluded SSI/SSP recipient. This rule applies whether or not the household composition change is specific to the excluded SSI/SSP recipient.

A voluntary report of a household composition change may be made verbally or in writing and is considered VUR.

When required under current CalFresh policy, the CWD may request verification of the individual household member's circumstances to accurately determine the household's continuing eligibility at the household effective date.

The CWD will include the individual in the household size determination, and the newly eligible household member's income, resources, and deductions will be factored in when determining the household's continuing eligibility. If a deduction was previously prorated because it was determined that the SSI/SSP recipient was a contributor, the CWD must re-evaluate the deduction to ensure the household is receiving the correct deduction amount. It is important to note that a mid-period eligibility recalculation cannot be reversed, even if the action results in a decrease in benefits or a discontinuance.

When adding the previously excluded SSI/SSP recipient(s) based on a voluntary request, the household's benefits will be adjusted prospectively, as soon as timely and adequate notice can be provided.

A new application form is not required to add an SSI/SSP recipient to an ongoing CalFresh household at periodic report, recertification, or voluntary request. CWDs are instructed to use existing policy and procedures for a change in household composition as outlined.

Note that this policy change will not trigger a county-initiated mid-period action for ongoing households. Each ongoing household's effective date is the household's next periodic report, recertification, or date of the voluntary request.

Implementation of the policy change, whether at periodic report, recertification, or voluntary request, may result in an increase in benefits, decrease in benefits, or discontinuance for ongoing households. Depending on the impact, the ongoing household may be eligible for the SNB or TNB Program. Policy instructions regarding eligibility for the SNB Program were issued via ACL 18-91 and for the TNB Program via ACL 18-92, both on July 31, 2018.

Transitional CalFresh (TCF)

Recipients of TCF shall be treated like other ongoing CalFresh households. TCF cases that include an SSI/SSP recipient and complete their TCF recertification on or after the implementation date will implement the policy change at recertification. The TCF household may voluntarily request to implement the change during the TCF household's five-month TCF period, so long as the request is made on or after the implementation date. If a TCF household voluntarily requests to implement the policy change during the five-month TCF period, the CWD will complete the TCF recertification process early, including implementation of the policy change.

Implementation for New Applicant Households with SSI/SSP Recipient Members

For new CalFresh households that include at least one member who is an SSI/SSP recipient and that apply on or after the implementation date, the SSI/SSP recipient(s) will be included in the household as an elderly and/or disabled member. SSI/SSP recipients will be treated as included household members and their income, resources, and deductions must be considered when determining CalFresh eligibility for the household.

New CalFresh households that apply on or after the implementation date and include at least one SSI/SSP recipient will be assigned the maximum certification period for their household type. Only on a case-by-case basis, CWDs may consider whether or not a household's individual circumstances require a certification period shorter than the maximum allowable for the household type.

IV. CALFRESH POLICIES TO EFFECTIVELY SERVE THE ELDERLY AND PEOPLE WITH DISABILITIES

With the policy change, CWDs are reminded of the following CalFresh policy rules that apply to households that include elderly members and/or people with disabilities.

Special consideration of these policies should be made when determining continuing eligibility for ongoing households that include both SSI/SSP recipients and non-SSI/SSP recipients. This is because the SSI/SSP recipient(s) may be the only elderly and/or disabled member and because they were previously excluded, these policies may not have applied at the household's last certification, but may apply now.

Reasonable Accommodations

The CWDs should be prepared to provide reasonable accommodations to newly eligible SSI/SSP recipients, as necessary. The Americans with Disabilities Act (ADA) and other laws require CWDs to provide equal access to people with disabilities by providing reasonable accommodations. Many individuals who qualify for SSI/SSP will meet the definition of disability under the ADA and California law.

Reasonable accommodations, also referred to as reasonable modifications, are changes made to an agency's policies, practices, and procedures, when needed to provide equal access to clients with disabilities. In the case of CalFresh, a reasonable accommodation may include, but is not limited to:

- A change to a CalFresh rule, process, or policy in order to help an applicant or client with a disability.
- A change in the way that the CWD carries out a CalFresh rule, process, or policy affecting an applicant or recipient with a disability.

Requests for accommodations may be denied only when the modification would fundamentally alter the program or impose an undue burden on the CWD. Furthermore, CWDs must not refuse a requested accommodation without discussing alternative accommodation possibilities with the client. In addition to the requirements of the ADA, special provisions should be made for the elderly and disabled.

Additional guidance regarding the obligation of CWDs to provide reasonable accommodations is forthcoming. Questions regarding reasonable accommodations should be directed to the CWD's Civil Rights or ADA Coordinator or to the CDSS Civil Rights Unit.

Use of Authorized Representatives

Per MPP 63-402.6, a representative may be authorized to act on behalf of a household in the application process, in obtaining CalFresh benefits, and in using CalFresh benefits. This person, known as an Authorized Representative (AR), is an adult who is sufficiently aware of relevant household circumstances.

Best practices for the CWD to consider in providing reasonable accommodations and interview access to the elderly, persons with disabilities, and other vulnerable populations include the use of an AR. Implementation of the reversal of the cash-out policy will have an impact on households that include elderly and/or disabled household members. Use of an AR may be necessary to effectively serve this population, and

CWDs should ensure that county staff and outreach partners are aware of AR rules and procedures.

Excess Medical and Standard Medical Deduction

Per MPP 63-502.33, households that include an elderly and/or disabled member may claim the excess medical deduction by deducting actual costs for non-reimbursed medical expenses incurred above \$35 per month.

Under the Standard Medical Deduction (SMD) Demonstration Project, which is currently approved by FNS through September 30, 2021, households that include an elderly and/or disabled member and verify that they incur more than \$35 a month, but less than \$155 a month, in qualifying medical expenses, may claim the SMD of \$120 per month. Eligible households with monthly medical expenses greater than \$155 may always opt to document and claim all actual expenses.

The CWDs are encouraged to explore whether the newly added SSI/SSP recipients have verified medical expenses above \$35 per month, in order to apply the excess medical or standard medical deduction and more realistically reflect the income households with an elderly and/or disabled member have available to purchase food.

If medical expenses exceeding \$35 can be verified, the CWD will allow the household to claim the excess or standard medical deduction and will adjust the household's monthly benefit allotment accordingly, either for the remaining length of the certification period or for the new certification period, if completed at recertification. If medical expense verifications are not submitted with the periodic report, recertification, or at the time of the voluntary request, the excess or standard medical deduction will not be claimed, and the CWD will determine eligibility without the deduction. Lack of medical expense verifications should not hold up the household's eligibility determination, but CWDs are reminded that households may claim the excess or standard medical deduction at any time during the certification period.

Note that while a household may claim both the dependent care and medical deduction, the same expense cannot be used to claim both the dependent care and medical deduction. In other words, a single expense can only be a dependent care expense or a medical expense; it cannot be both.

For additional guidance on SMD, see ACL 17-35, issued on April 25, 2017.

Uncapped Excess Shelter Deduction

Per MPP 63-502.36, the excess shelter deduction is monthly shelter costs in excess of 50 percent of the household's income after all other applicable deductions. The deduction shall not exceed the current maximum for the excess shelter deduction, unless the household includes an elderly and/or disabled member. Households that include an elderly and/or disabled member shall be eligible to claim the uncapped excess shelter deduction.

CalFresh households that include an SSI/SSP recipient shall be considered to include an elderly and/or disabled member and shall be eligible to claim the uncapped excess shelter deduction. Households whose only elderly or disabled member is a previously excluded SSI/SSP recipient that has been added to the household as a result of the policy change, shall be eligible to claim the uncapped excess shelter deduction as of the household's effective date.

Dependent Care Deduction

CalFresh households, including those with an elderly and/or disabled member may claim the dependent care deduction if the dependent care is necessary to allow a household member to accept or continue work, or to attend school or training to prepare for work. Per MPP 63-502.34, households may claim and deduct actual costs for dependent care, including child care or care for an elderly and/or disabled member regardless of age. Per 7 CFR 273.9(d)(4), there is no cap on the dependent care deduction.

Note that while a household may claim both the dependent care and medical deduction, the same expense cannot be used to claim both the dependent care and medical deduction. In other words, a single expense can only be a dependent care expense or a medical expense. It cannot be both.

For additional guidance on this topic see ACL 11-05, issued on February 22, 2011, and ACL 11-05E, issued on August 12, 2011.

Elderly Simplified Application Project

Households that include only members who are elderly and/or disabled and have no earned income are eligible for the ESAP, which is currently approved by FNS through September 30, 2021. Under the policy change, many newly eligible households may be eligible for the ESAP.

All applicants are screened for ESAP eligibility at initial certification. If a household is determined ESAP eligible, the household will be assigned a 36-month certification period. At the end of the 36-month certification period, households who continue to be ESAP eligible will be required to submit a complete recertification application, but a recertification interview will not be required. Additionally, at initial certification and recertification, the CWD will make use of electronic data matching to reduce the need for client-provided verifications.

An exception applies to newly eligible SSI/SSP-only households that apply for CalFresh during the initial six months of statewide implementation of the reversal of the cash-out policy. As outlined in this letter, these households will be assigned a shortened certification period based on the last digit of the household's case number, even if the household qualifies for the ESAP.

For additional guidance on this topic see ACL 17-34, issued on April 25, 2017.

Gross Income Test

Households that include an elderly and/or disabled member are not subject to the gross income test when determining CalFresh eligibility. Per 7 CFR 273.9(a), the household must still meet the net income test of 100 percent of the Federal Poverty Level (FPL) for the household size. If the household's net income exceeds the maximum amount allowable, the household must be determined ineligible for CalFresh.

For additional guidance on this topic see ACL 11-05, issued on February 22, 2011, and ACL 11-05E, issued on August 12, 2011.

Elderly and Disabled Separate Household Rule

A CalFresh household is defined as a group of individuals who live together and purchase and prepare meals together. However, per MPP 63-402.17, an elderly member (and his/her spouse) who is living with others and is unable to purchase and/or prepare meals separately because he/she suffers from a disability, may qualify as a separate household. To establish the separate household the individual must be elderly *and* disabled, and the income of the others with whom the individual resides cannot exceed 165 percent of the FPL.

The 165 percent FPL is never used to determine eligibility for households with an elderly and disabled member. It is only used to determine whether to certify the elderly and disabled member (and his/her spouse) as a separate household.

The separate household rule should not be applied routinely. The CWD should first determine that the elderly and disabled member is unable to purchase and/or prepare meals separately and then determine whether or not it is to the household's benefit to certify the elderly and disabled member as a separate household or include the elderly and disabled member in the CalFresh household as normally defined.

For additional guidance on this topic see ACL 11-05, issued on February 22, 2011, and ACL 11-05E, issued on August 12, 2011.

Modified Categorical Eligibility

CalFresh households, including those with an elderly and/or disabled member, with gross income at or below 200 percent of the FPL for the household size, must be conferred MCE status if they meet all other conditions of eligibility for CalFresh. A Household's case must be documented for MCE at intake and recertification. Additionally, when a household is conferred MCE, all resources are exempt from the determination of eligibility. This does not include resources that are income producing. Any interest earned from a resource must be counted as unearned income.

Households that include an elderly and/or disabled member with gross income above 200 percent of the FPL for the household size cannot be conferred MCE status.

However, these households may remain eligible, since households with an elderly and/or disabled member are not subject to the gross income test.

CalFresh eligibility for non-MCE households, those that have gross income above 200 percent of the FPL for the household size, must be determined based on all CalFresh eligibility criteria for a household with an elderly and/or disabled member, including the federal resource limit. Households that include an elderly and/or disabled member cannot have countable resources exceeding the federal resource limit, which at this time is \$3,250. If the household's countable resources exceed the resource limit, the household must be determined ineligible for CalFresh.

Note that categorically eligible SSI/SSP-only households should not be conferred MCE. As previously stated, this is because certain preliminary eligibility factors have already been determined by the program that made the individual categorically eligible, which in this case is SSI.

For additional guidance on this topic see ACL 14-56, issued on August 22, 2014, and ACL 14-56E, issued on April 10, 2015.

Restaurant Meals Program (RMP)

The RMP allows eligible homeless, elderly, and/or disabled Electronic Benefit Transfer (EBT) cardholders receiving CalFresh benefits to purchase hot prepared foods at participating restaurants using their EBT cards. CWDs that operate an RMP are reminded that newly eligible SSI/SSP recipients are also newly eligible to participate in the RMP and can make purchases using their CalFresh benefits at RMP participating restaurants.

For additional guidance on this topic, see ACL 16-112 released on December 23, 2016, and ACL 14-49 released on August 6, 2014.

V. PROGRAM ADMINISTRATION

Quality Control (QC) Impact

As of the implementation date, all QC reviewers will review this policy change. Reviewers must document all elements and apply all pertinent rules pertaining to households with an elderly and/or disabled member and SSI/SSP-only households.

CalFresh MPP

The CalFresh MPP, including MPP 63-402.226, will be updated to reflect this policy change as soon as administratively feasible.

CalFresh Notices and Forms

All CalFresh applications, forms, and notices that reference SSI/SSP recipient eligibility will be updated accordingly. Instruction regarding updated applications, forms, and notices is forthcoming.

CalFresh Data Reporting

Beginning on the implementation date, newly eligible SSI/SSP recipients that receive CalFresh benefits should be included in the CalFresh recipient count for the purposes of CalFresh data reporting. For ongoing CalFresh households, SSI/SSP recipients should only be included in the CalFresh recipient count after the household's implementation date at periodic report, recertification, or voluntary request. In other words, SSI/SSP recipients should only be included in the CalFresh recipient count once they become included household members and receive CalFresh benefits.

CalFresh data reporting instructions will be updated to reflect this policy change as soon as administratively feasible.

CalFresh Administrative Funding

Approximately six months prior to the implementation of this policy change, an augmentation to the CalFresh Administrative allocation will be provided, which can be used for planning and preparation for implementation. County Fiscal Letters (CFL) are forthcoming to provide CalFresh Administrative allocation and fiscal claiming instructions to counties. In addition, separate CFLs will be provided to address the administration of the SNB and TNB Programs, which will be separate from the regular CalFresh Administrative allocation.

If you have any questions regarding this ACL, please contact the CalFresh Policy Bureau at (916) 651-8047.

Sincerely,

Original Document Signed By:

TODD R. BLAND
Deputy Director
Family Engagement and Empowerment Division