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**DEPARTMENT OF SOCIAL SERVICES**  
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GAVIN NEWSOM  
GOVERNOR

January 31, 2019

ALL COUNTY LETTER (ACL) NO. 19-12

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 QUALITY CONTROL PROGRAM COORDINATORS

SUBJECT: CALFRESH REVERSING CASH-OUT POLICY, SUPPLEMENTAL NUTRITION BENEFIT PROGRAM, AND TRANSITIONAL NUTRITION BENEFIT PROGRAM QUARTERLY QUESTION AND ANSWER NO. 2

REFERENCE: [ASSEMBLY BILL \(AB\) 1811 \(CHAPTER 35, STATUTES OF 2018\); WELFARE AND INSTITUTIONS CODE \(WIC\) §§ 12200.01\(b\); 18900.5 – 18900.7; MANUAL OF POLICIES AND PROCEDURES \(MPP\) 63-801.1; MPP 63-801.431\(f\); ACL 18-90; ACL 18-91; ACL 18-92; ACL 18-107; ACL 18-108; AND ACL 18-131](#)

The purpose of this letter is to provide County Welfare Departments (CWDs) with additional policy clarification for implementation of the reversal of the CalFresh eligibility policy known as “cash-out,” the Supplemental Nutrition Benefit (SNB) Program, and the Transitional Nutrition Benefit (TNB) Program. This letter follows a “question and answer (Q&A)” format and is the second in a series of quarterly Q&A letters that will be released in advance of implementation.

### **Background**

Effective June 1, 2019, individuals receiving Supplemental Security Income and/or California State Supplementary Payment (SSI/SSP) benefits are eligible for CalFresh, provided all other eligibility criteria are satisfied.

The CWDs will implement the policy change for newly eligible households beginning on June 1, 2019. For ongoing households, 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 household on or after June 1, 2019. Hereafter, this rolling implementation date for individual households will be referred to, generally, as the household effective date.

Policy instructions for implementation and automation of the reversal of the cash-out policy and for the Cash Assistance Program for Immigrants (CAPI) grant augmentation were provided via ACL 18-90 issued on July 31, 2018.

In addition to reversing the cash-out policy, AB 1811 creates two state-funded nutrition benefit programs intended to "hold harmless" existing CalFresh households negatively affected by the policy change. The two state-funded programs, known as the SNB Program and the TNB Program, will provide CalFresh households with nutrition benefits to mitigate the reduction of CalFresh benefits or CalFresh ineligibility, respectively.

Policy instructions for implementation and automation of the SNB Program were provided via ACL 18-91 and via ACL 18-92 for the TNB Program, both issued on July 31, 2018. The SNB Program and TNB Program notices were released via ACL 18-107 and ACL 18-108, both issued on August 30, 2018.

This letter provides additional policy clarification in Q&A form and is the second Q&A letter issued by the Department. The first, ACL 18-131, was issued on October 31, 2018. Both should be read in the context of previously issued policy instructions for the CalFresh reversal of SSI cash-out, the SNB Program, and the TNB Program.

### **Q&A Reversal of Cash-Out**

**Question 1:** A two-person household, including one SSI/SSP recipient, applies for CalFresh and is determined eligible on May 18, 2019. One individual is determined eligible for May. The SSI/SSP recipient is determined ineligible for May and is added to the household as an excluded member for May. The household is an ongoing CalFresh household on June 1, 2019. Should the CWD implement the reversal of SSI cash-out at the time of the original eligibility determination because both May and June eligibility is determined at that time? Or, should the CWD implement the reversal of SSI cash-out at the household's next periodic report, recertification, or at voluntary request?

**Answer 1:** In this scenario, the household is considered an ongoing household on June 1, 2019. The CWD should implement the reversal of SSI cash-out at the household's next periodic report, recertification, or at voluntary request on or after June 1, 2019. At that time, depending on the impact of implementing the reversal of SSI cash-out, the household may be eligible for the SNB Program or the TNB Program.

**Question 2:** A two-person household reports a household composition change in May that will become effective on June 1, 2019. The household composition change is the addition of an SSI/SSP recipient member. Should the CWD implement the reversal of SSI cash-out at the time the household composition change becomes effective (i.e. June 1, 2019)? Or, should the CWD process the household composition change effective June 1, 2019, and implement the reversal of SSI cash-out at the household's next periodic report, recertification, or at voluntary request?

**Answer 2:** In this scenario, the household is considered an ongoing household of three on June 1, 2019: two non-SSI recipient members and one SSI recipient member. The SSI recipient is considered an included member on June 1, 2019. Therefore, the CWD will implement the household composition change and the reversal of SSI cash-out on June 1, 2019. The household is not eligible for either the SNB Program or the TNB Program because the SSI recipient member was not an excluded member of the household on June 1, 2019.

Please note that this scenario is distinct from the CWD receiving a voluntary request to implement the reversal of cash-out before June 1, 2019. That scenario is addressed in ACL 18-131, page three, question four.

**Question 3:** Is an adult SSI recipient who was previously excluded from a CalFresh household liable for a household overissuance that occurred while excluded from the household?

**Answer 3:** No. An adult household member is only liable for a household overissuance that occurred while an included member of the household. In other words, an adult SSI recipient is not responsible for an overissuance that occurred before they were included in the household as a result of the household's implementation of the reversal of SSI cash-out.

Per existing CalFresh regulations at MPP Section 63-801.1, "All adult household members shall be jointly and individually liable for the value of any overissuance of benefits to the household. The CWD shall establish a claim, in accordance with Section 63-801.2, against any household that has received more food stamp benefits than it is entitled to receive or any household which contains an adult member who was an adult member of another household that received more food stamp benefits than it was entitled to receive." Further, MPP 63-801.431(f) provides that "claim collection will be from all adults who were in the household when the overpayment occurred."

#### **Q&A: Reversal of Cash-Out and CalWORKs**

**Question 4:** If a TNB Program household also receives CalWORKs, can the TNB Program recertification date be aligned with the CalWORKs redetermination date?

**Answer 4:** Households eligible for the TNB Program shall initially be certified for one 12-month period. TNB Program households may then be recertified for additional six-month periods. Because household effective dates will vary (i.e., next periodic report, recertification, or at voluntary request) and because only the first TNB Program certification period is 12 months long, a TNB Program household's recertification date may or may not align with their CalWORKs redetermination date.

The CWDs should not adjust a household's CalWORKs reporting dates, including redetermination or periodic report to align with the TNB Program recertification date.

**Question 5:** Can information received by the CWD for another program, such as CalWORKs, be used to complete the TNB Program recertification process?

**Answer 5:** No. For details regarding the TNB Program recertification process see ACL 18-92 page seven.

**Question 6:** Can information received by the CWD for the purposes of completing the TNB Program recertification be used to complete the household's CalWORKs periodic report or redetermination?

**Answer 6:** Information received by the CWD for purposes of completing the TNB Program recertification may only be used to complete the household's CalWORKs periodic report or redetermination if it aligns with what is required to be reported for CalWORKs. CWDs should be mindful that the reporting requirements for the TNB Program and CalWORKs do not align in many areas. For example, a TNB Program household may not be comprised of the same individuals as a CalWORKs assistance unit.

#### **Q&A: Supplemental Nutrition Benefit and Transitional Nutrition Benefit**

*SNB Program, TNB Program, and Disaster CalFresh (D-CalFresh)*

**Question 7:** Is an SNB Program or TNB Program household eligible to receive D-CalFresh benefits or a disaster supplement during a D-CalFresh application period?

**Answer 7:** Based on SNB Program eligibility rules, an SNB Program household is also a CalFresh household. During a D-CalFresh application period, only excluded members of an existing CalFresh household may apply for D-CalFresh. The remaining included members of the household may be eligible to receive a disaster supplement, if not already at the maximum allotment for the household size. If eligible for a disaster supplement, the amount of the supplement will be based only on the CalFresh benefit amount and the CalFresh household size at the time of the disaster.

Based on TNB Program eligibility rules, a TNB Program household is not a CalFresh household. Individuals and families not receiving CalFresh benefits may apply for D-CalFresh during a D-CalFresh application period. TNB Program households are not eligible for a disaster supplement.

**Question 8:** Are TNB Program benefits considered income or an accessible liquid resource when determining the Disaster Gross Income Limit (DGIL)?

**Answer 8:** No. If a TNB Program household applies for D-CalFresh during a D-CalFresh application period, TNB Program benefits will not be considered income or an accessible liquid resource for purposes of determining the DGIL.

**Question 9:** Can SNB Program or TNB Program benefits be replaced due to a household misfortune, such as a natural disaster?

**Answer 9:** No. SNB Program and TNB Program benefits cannot be replaced as a result of a household misfortune or natural disaster. Current policy allows only for the replacement of federally funded CalFresh benefits and state-funded California Food Assistance Program benefits.

**Question 10:** If a TNB Program household submits a regular CalFresh application during a D-CalFresh application period and the household is not eligible for CalFresh, can TNB Program benefits continue? If the household is eligible for CalFresh, can TNB Program benefits continue?

**Answer 10:** Existing TNB Program eligibility rules apply. The fact that the TNB Program household submitted a regular CalFresh application during a D-CalFresh application period does not have an impact on the TNB Program eligibility rule that a household, found CalFresh eligible, will lose TNB Program eligibility. Per ACL 18-92 page 6, "TNB-eligible households will maintain TNB Program eligibility as long as (1) the household includes at least one of the same SSI/SSP recipient(s) excluded from the household on the implementation date and added to the household on the household's effective date, (2) the same individual continues to received SSI/SSP, and (3) the household is ineligible for CalFresh."

**Question 11:** If an ongoing CalFresh household requests a disaster supplement, or submits a new D-CalFresh application for any excluded member(s), is this request considered a household composition change that triggers the requirement to implement the reversal of cash-out?

**Answer 11:** No, submission of a new D-CalFresh application or a request for a disaster supplement is not a household composition change. The disaster supplement will be issued based on the ongoing CalFresh household size at the time of the disaster.

If an SSI/SSP recipient member is excluded from an ongoing CalFresh household at the time of the disaster because the household has not yet implemented the reversal of SSI cash-out, the SSI/SSP recipient may apply for D-CalFresh as a separate household.

*TNB Program Recertification*

**Question 12:** If a TNB Program household submits an incomplete *Notice of Recertification for the Transitional Nutrition Benefit Program* (TNB 4), is the CWD required to send a *Notice of Discontinuance for the Transitional Nutrition Benefit Program* (TNB 6)

**Answer 12:** If an incomplete TNB 4 is submitted by the household, the CWD must first send the *Recertification Reminder Notice for the Transitional Nutrition Benefit Program* (TNB 5). Per ACL 18-92, a TNB 6 is not required to be sent to the household, since the TNB 4 is both the TNB Program notice of expiring certification and the TNB Program recertification form.

*Aid Paid Pending*

**Question 13:** If an SNB Program or TNB Program household requests a hearing, will SNB Program or TNB Program benefits be paid pending a hearing decision (i.e. aid paid pending)?

**Answer 13:** No. That said, per ACL 18-131 page nine, question 21, a CWD may issue a SNB Program or TNB Program supplement as a result of an appeal or a hearing decision.

Sincerely,

***Original Document Signed By:***

KIM JOHNSON  
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Family Engagement and Empowerment Division