

April 12, 2021

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

**EXECUTIVE SUMMARY**

**ALL COUNTY LETTER (ACL) NO. 20-84**

This letter provides guidance for all California counties in processing the Recipient Income and Eligibility Verification System (IEVS) Integrated Fraud Detection (IFD) match for participants in the CalFresh and/or California Work Opportunity and Responsibility to Kids (CalWORKs) programs.



KIM JOHNSON  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
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GAVIN NEWSOM  
GOVERNOR

April 12, 2021

ALL COUNTY LETTER (ACL) NO. 20-84

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY IEVS COORDINATORS  
ALL COUNTY SPECIAL INVESTIGATIVE UNIT CHIEFS  
ALL COUNTY CONSORTIUM MANAGERS  
ALL CALFRESH PROGRAM SPECIALISTS  
ALL CALWORKS PROGRAM SPECIALISTS  
ALL QUALITY CONTROL PROGRAM COORDINATORS

SUBJECT: RECIPIENT INCOME AND ELIGIBILITY VERIFICATION SYSTEM  
INTEGRATED FRAUD DETECTION MATCH PROCESSING  
GUIDANCE

REFERENCES: [SOCIAL SECURITY ACT SECTION 1137](#); [7 CODE OF FEDERAL REGULATIONS \(CFR\) 272.8](#), [7 CFR 273.12\(c\)\(3\)\(i\)\(B\)\(2\)](#), [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, 40-115.22, 40-157.213, 44-316.231, 63-504.355, AND 63-505.12](#); [ALL COUNTY LETTERS \(ACL\) 12-25, 12-25E, 13-17, 17-41, AND 19-08](#)

The purpose of this letter is to provide County Welfare Departments (CWD) the processing requirements for the Recipient Income and Eligibility Verification System (R-IEVS) Integrated Fraud Detection (IFD) match.

**Background**

R-IEVS provides CWD staff with information from external data sources to assist with ongoing eligibility determinations in the CalFresh and California Work Opportunity and Responsibility to Kids (CalWORKs) programs. R-IEVS is a series of paper and electronic matches that CWD staff are required to process throughout the year to verify information reported by CalFresh and CalWORKs program recipients; the IFD match is one of nine R-IEVS matches.

### **IFD Match Data**

The IFD match is a quarterly R-IEVS match that compares wage information submitted by CWDs against wage data reported to California Employment Development Department (EDD) by employers. The IFD match abstracts contain wage information two quarters prior to the current quarter. For example, wage information for the period January to March is provided to CWDs two quarters later, in October.

In addition to the quarterly wage information, the IFD match identifies, on a case-by-case basis, duplicate aid that may exist among CalWORKs, CalFresh and Supplemental Security Income/State Supplementary Payment (SSI/SSP) recipients. Medi-Cal recipients are not included in the duplicate aid process.

### **IEVS IFD Processing Requirements**

To identify potential discrepancies, CWDs should use a filtering process to determine if the income may have exceeded the recipient's Income Reporting Threshold (IRT). For example, CWDs may convert the IFD quarterly wage data to monthly income by dividing by three to identify potential discrepancies.

When a CWD identifies a potential discrepancy on a case, a recipient verification letter (i.e. [CW 2200, CW 63](#)) must be sent to provide the recipient the first opportunity to verify the information.

If the recipient does not respond or provide sufficient information to resolve the discrepancy, CWDs must then use the Work Number® (WN) to verify the IFD match information in accordance with ACL [19-08](#). If unable to verify through WN, CWDs are also required to send a third-party verification letter to the employer.

CWDs are reminded that **no** overpayments and/or overissuances can be established without verifying the IFD wage information through the recipient, third-party (i.e. WN), or income/benefit source.

### **Recipient Non-Response**

For the CalFresh program, if the CWD issues a recipient verification letter and the recipient fails or refuses to respond with sufficient information to clear the IEVS discrepancy, and the WN and/or other third-party verification source does not contain the information needed to clear the discrepancy, the CWD must send a Notice of Action (NOA) terminating the household's participation in the program ([MPP § 20-006.543\(b\)\(l\) & 7 CFR § 273.12\(c\)\(3\)](#)).

For the CalWORKs program, the CWD must assist the recipient in obtaining necessary verification if the recipient is trying to cooperate ([MPP § 40-157.213](#)). When the CWD is unable to obtain the necessary verification, the recipient's sworn statement under penalty of perjury will be considered sufficient ([MPP § 40-115.22](#)). If the recipient fails

to respond to the CWD's attempts to assist in clearing the IEVS discrepancy, the CWD must document the discrepancy for resolution with the recipient by their next Semi-Annual Report (SAR) or redetermination ([MPP § 20-006. 543](#)). If the recipient still does not provide sufficient information at SAR or redetermination, the application will be considered incomplete and CalWORKs benefits will be denied/terminated ([MPP§ 44-316.231](#)).

### **R-IEVS IFD Workflow**

The attached workflows provide CWDs processing requirements for the IFD match in both the CalFresh and CalWORKs programs, with regard to wage information. This guidance ensures CWDs are in compliance with state and federal mandates, as described in ACL [17-41](#).

CWDs are reminded that the guidance provided in this ACL and attached workflows does not limit referrals to the Special Investigations Unit when fraud is suspected. If you have any questions regarding this ACL, please contact the Enterprise Data Management Branch at (916) 654-2125.

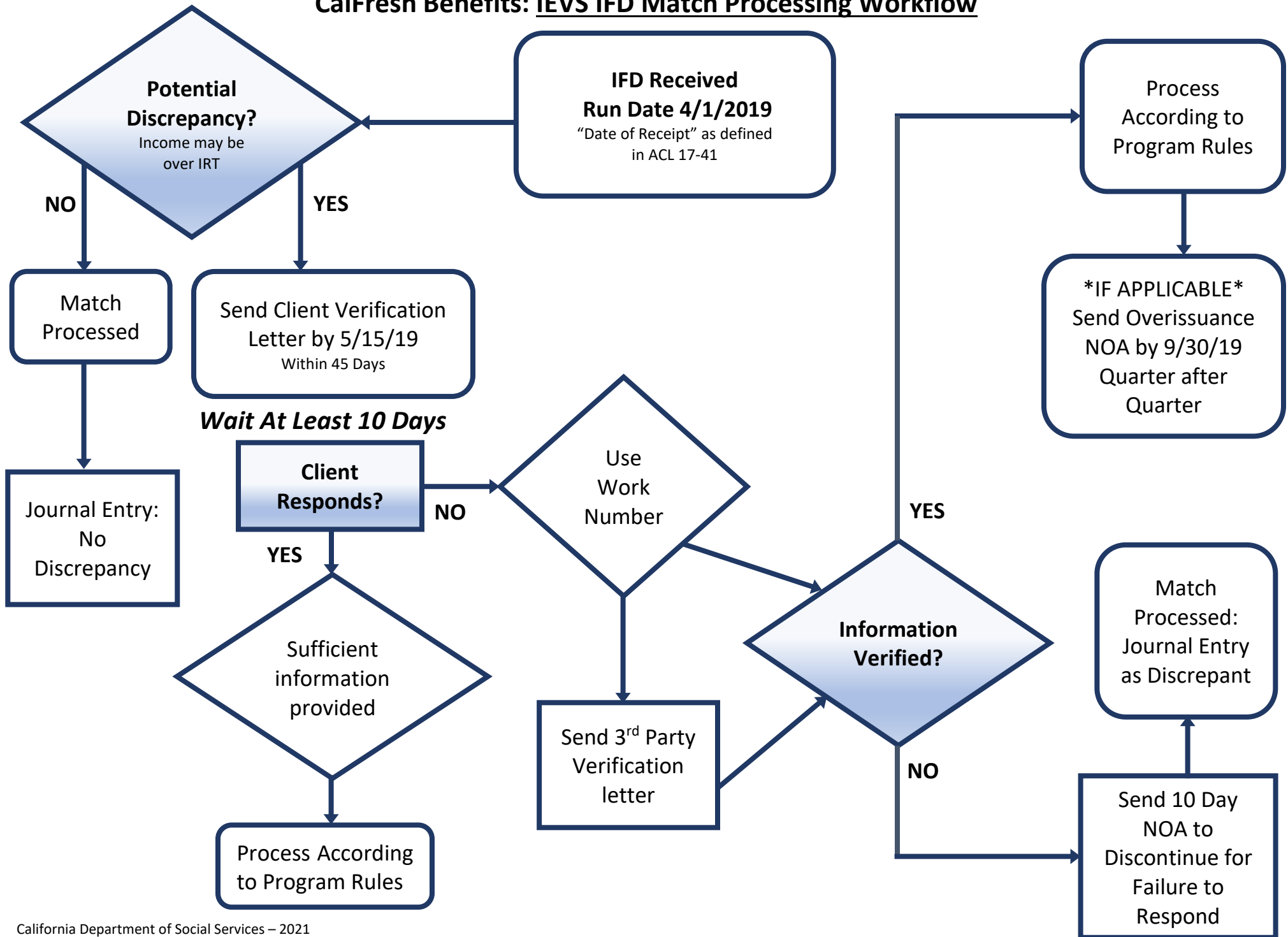
Sincerely,

### ***Original Document Signed by:***

NATASHA NICOLAI, Chief Data Strategist  
Deputy Director, Research, Automation, and Data Division

Attachment

## CalFresh Benefits: IEVS IFD Match Processing Workflow



## **CalFresh Benefits: IEVS IFD Match Processing Workflow chart**

Workflow starts here: IFD Received with run date 4/1/2019

Is there a potential Discrepancy?

- If No, match processed and journal entry: no discrepancy, workflow ends.
- If Yes, then send client verification by 5/15/2019
  - Wait at least 10 days

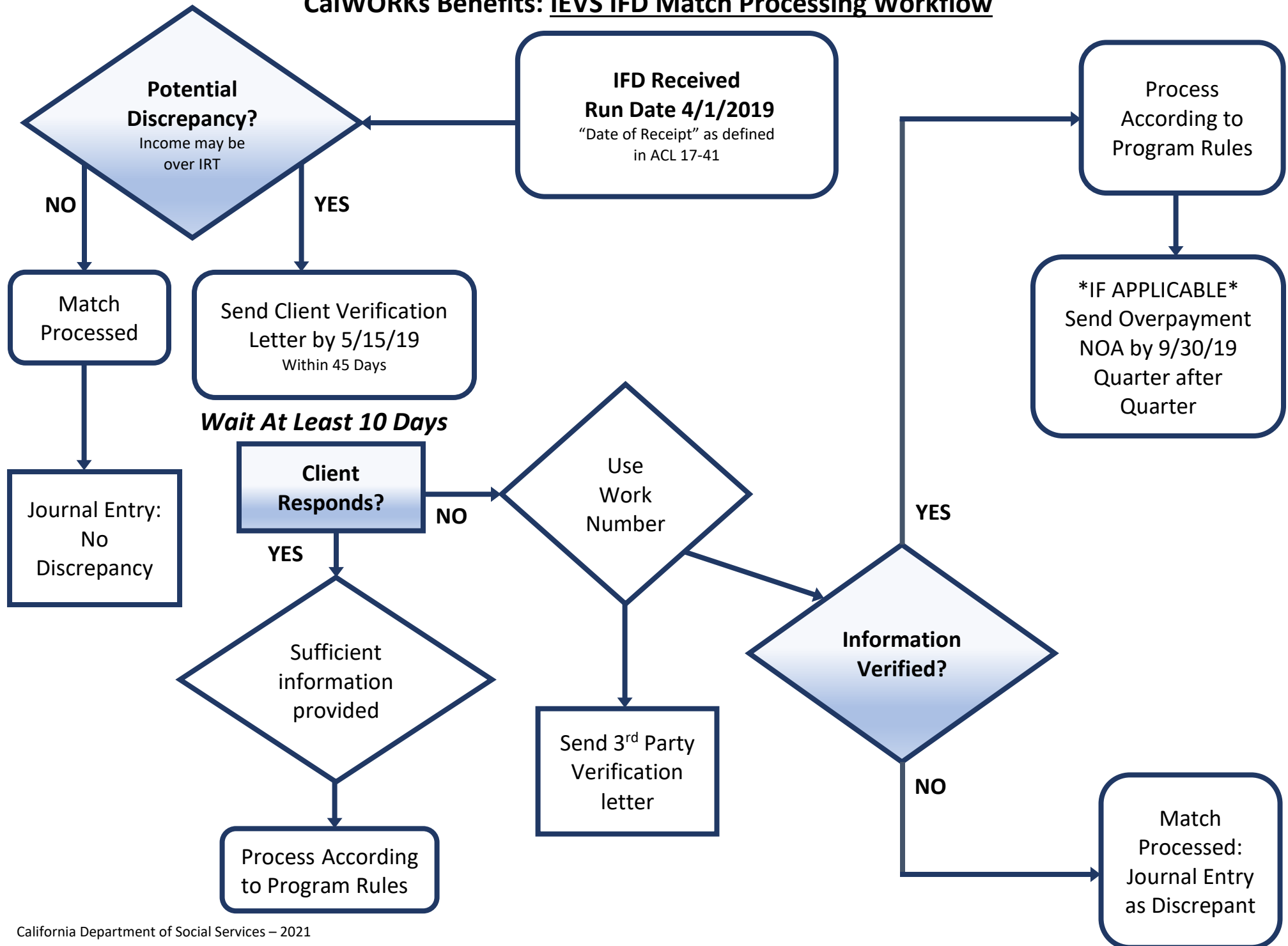
Did the client respond?

- If No, use The Work Number and send a third-party verification letter if the payroll information is unavailable.
- If Yes, if there is sufficient payroll information provided, process according to program rules, workflow ends.

Is the information verified?

- If No, send a 10-day notice of action for discontinuance for failure to respond, match processed: journal entry as discrepant, workflow ends.
- If Yes, process according to program rules, if applicable: send overissuance notice of action by 9/30/2019.

## CalWORKs Benefits: IEVS IFD Match Processing Workflow



## **CalWORKs Benefits: IEVS IFD Match Processing Workflow chart**

Workflow starts here: IFD Received with run date 4/1/2019

Is there a potential Discrepancy?

- If No, match processed and journal entry: no discrepancy, workflow ends.
- If Yes, then send client verification by 5/15/2019
  - Wait at least 10 days

Did the client respond?

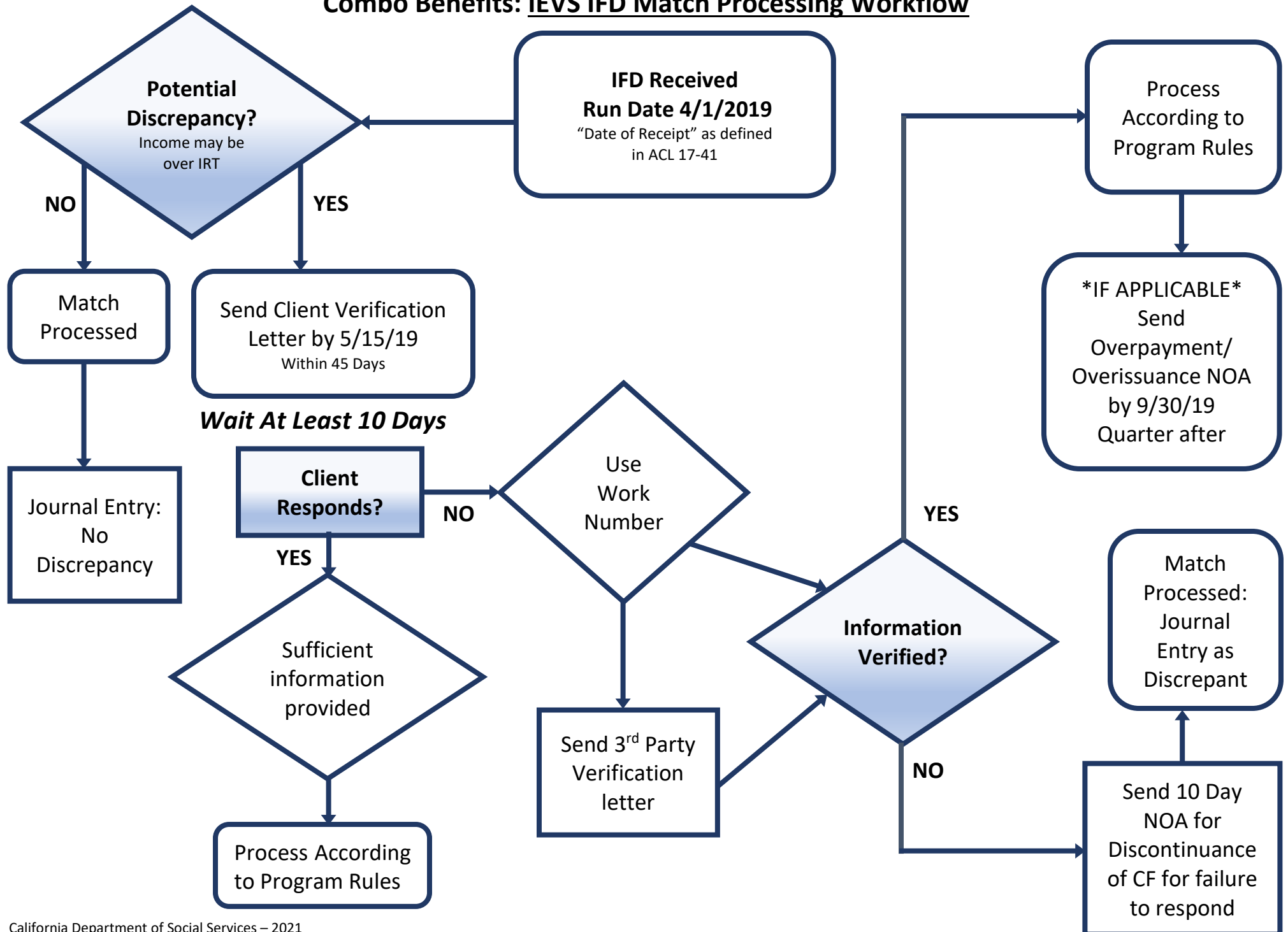
- If No, use The Work Number and send a third-party verification letter if the payroll information is unavailable.
- If Yes, if there is sufficient payroll information provided, process according to program rules, workflow ends.

Is the information verified?

- If No, match processed: journal entry as discrepant, workflow ends.
- If Yes, process according to program rules, if applicable: send overpayment notice of action by 9/30/2019.



## Combo Benefits: IEVS IFD Match Processing Workflow



## **COMBO Benefits: IEVS IFD Match Processing Workflow chart**

Workflow starts here: IFD Received with run date 4/1/2019

Is there a potential Discrepancy?

- If No, match process and journal entry: no discrepancy, workflow ends.
- If Yes, then send client verification by 5/15/2019
  - Wait at least 10 days

Did the client respond?

- If No, use The Work Number and send a third-party verification letter if the payroll information is unavailable.
- If Yes, if there is sufficient payroll information provided, process according to program rules, workflow ends.

Is the information verified?

- If No, send a 10-day notice of action for discontinuance of CalFresh for failure to respond, match process: journal entry as discrepant, workflow ends.
- If Yes, process according to program rules, if applicable: send an overpayment or overissuance notice of action by 9/30/2019.