

July 22, 2021

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY LETTER NO. 21-65

The purpose of this letter is to provide County Welfare Departments with guidance regarding the one-time payment pursuant to the Pandemic Emergency Assistance Fund under Section 9201 of the American Rescue Plan Act of 2021 and its treatment in the California Work Opportunity and Responsibility to Kids (CalWORKs), CalFresh and Medi-Cal Programs.



KIM JOHNSON
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



GAVIN NEWSOM
GOVERNOR

July 22, 2021

ALL COUNTY LETTER NO. 21-65

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CALWORKS PROGRAM SPECIALISTS
ALL COUNTY WELFARE-TO-WORK COORDINATORS
ALL CALFRESH PROGRAM SPECIALISTS
ALL COUNTY REFUGEE COORDINATORS
ALL COUNTY CHILD CARE COORDINATORS
ALL TRIBAL TANF ADMINISTRATORS
ALL COUNTY CONSORTIA REPRESENTATIVES

SUBJECT: TREATMENT OF PAYMENTS TO CALWORKS (CALIFORNIA
WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS)
FAMILIES PURSUANT TO THE PANDEMIC EMERGENCY
ASSISTANCE FUND UNDER SECTION 9201 OF THE AMERICAN
RESCUE PLAN ACT, PUBLIC LAW 117-2; SECTION 403(C) OF
THE SOCIAL SECURITY ACT.

REFERENCE: [PANDEMIC EMERGENCY ASSISTANCE FUND \(SECTION 9201 OF THE AMERICAN RESCUE PLAN ACT, PUBLIC LAW 117-2; SECTION 403\(C\) OF THE SOCIAL SECURITY ACT\); TANF-ACF-PI-02; MANUAL OF POLICIES AND PROCEDURES \(MPP\) SECTION 44-101\(I\)\(SAR\)\(1\), MPP SECTION 44-111.61\(I\); TITLE 7 CODE OF FEDERAL REGULATIONS \(CFR\) SECTION 273.9\(c\)\(8\); CALIFORNIA CODE OF REGULATIONS \(CCR\) TITLE 22 CCR § 50535.5; TITLE 20 CODE OF FEDERAL REGULATIONS \(CFR\) SECTION § 416.1150; ASSEMBLY BILL 135 \(SECTION 18, CHAPTER 4.8 PANDEMIC EMERGENCY ASSISTANCE\); AND SENATE BILL 135 \(SECTION 18, CHAPTER 4.8 PANDEMIC EMERGENCY ASSISTANCE\)](#)

The purpose of this All County Letter (ACL) is to provide County Welfare Departments (CWDs) with guidance regarding the one-time payment that was issued to eligible California Works Opportunity and Responsibility to Kids (CalWORKs) families pursuant to the Pandemic Emergency Assistance Fund (PEAF), and its treatment in the

CalWORKs, CalFresh and Medi-Cal programs. The PEAFF was established under Section 9201 of the American Rescue Plan Act, Public Law 117-2; Section 403(c) of the Social Security Act, and signed into law by President Biden on March 11, 2021. Pursuant to [TANF-ACF-PI-02](#), effective April 9, 2021, the PEAFF provided funding to states to assist needy families impacted by the Coronavirus Disease (COVID-19) pandemic. California used this funding to provide payments to CalWORKs families experiencing economic disruptions resulting from the COVID-19 pandemic on July 10, 2021.

PEAFF PAYMENT

The phrase "Pandemic Emergency Assistance Fund payment" refers to the payment being made to active eligible CalWORKs Assistance Units (AU), as determined by the Statewide Automated Welfare System (SAWS).

SAWS issued a \$640 one-time PEAFF payment to eligible CalWORKs AUs who were active on July 10, 2021.

TREATMENT OF PEAFF PAYMENT FOR CALWORKS, CALFRESH AND MEDI-CAL

The PEAFF payment is separate from CalWORKs grants and assistance. The PEAFF payment does not count as income for CalWORKs and CalFresh programs and does not count against the resource limit for 12 months from receipt of the payment.

The PEAFF payment is not subject to CalWORKs laws and regulations, including those related to time on aid, child support assignment, or overpayment regulations outlined in [Welfare and Institutions Code \(WIC\) Section 11004](#) and [MPP Sections 44-350 through 44-353](#). If an AU received a PEAFF payment in July, but the AU is later determined to have been ineligible for all or a portion of the CalWORKs grant as of the PEAFF eligibility date, the CWD can establish an overpayment for only the CalWORKs grant.

Regarding Medi-Cal, DHCS' policy is to treat the PEAFF payment for Modified Adjusted Gross Income (MAGI) Medi-Cal as a qualified disaster relief payment similar to other disaster payments that the Internal Revenue Service exempts from gross income. Therefore, this payment is not counted in the MAGI Medi-Cal eligibility determination. For Non-MAGI Medi-Cal, the payment would be considered as disaster assistance and would not be counted as income or resource.

PEAFF PAYMENT COMMUNICATION

CDSS conducted outreach to inform families who received the payment. Phone and email notification were sent by CDSS to families during the week of July 12, 2021. The

CWDs may implement mass informing practices to communicate information about the payment to families. CWDs are encouraged to consider including messages on their websites, social media, Interactive Voice Response System, and other communication tools. Suggested messaging language and social media graphics are available on the California Department of Social Services (CDSS) website.

ISSUING AND CLAIMING THE PEAFF PAYMENT

Eligible CalWORKs AUs received the \$640 one-time payment via the same method they receive their CalWORKs grant (i.e. EBT or direct deposit). CWDs are also permitted to issue these payments via checks and warrants if an issue exists that prevented issuance via EBT or direct deposit. The SAWS issued these payments via a batch process. However, additional county actions may have been required to finalize the payments for any payments that were unable to be issued via the batch process and for any payments made via direct deposit. CWDs should consult with the SAWS on any challenges encountered when trying to finalize these payments.

CDSS will be issuing claiming instructions related to PEAFF payments under separate cover.

ADDITIONAL RESOURCES

The CDSS launched a [webpage](#) to provide information to CalWORKs recipient families and supportive materials for CWDs and community-based organizations serving recipients of programs overseen by the CDSS. The materials were designed to be used by CWDs and other partner organizations to raise awareness of the PEAFF for CalWORKs families and notify clients of the payment. The webpage included information and resources for:

- Members of the public, including:
 - Frequently Asked Questions
- County Welfare Departments and Community-Based Organizations, including:
 - Email and phone script for CDSS client notification campaign
 - Client Facing Flyer (English and Spanish versions)
 - Social Media Graphics
 - Social Media Post information (English and Spanish)

ADDITIONAL QUESTIONS

Attachment I to this ACL provides additional information regarding the PEAFF payments.

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If you have any additional questions or need additional guidance regarding the information in this letter, contact:

For CalWORKs, contact the Early Engagement and Bureau at (916) 654-1322.

For CalFresh, email the CalFresh Policy and Employment Bureau:
CalFreshPolicy@dss.ca.gov.

For Outreach or the Client Notification campaign, email:
CalWORKsOutreach@dss.ca.gov.

For Medi-Cal, email MCED.COVID@dhcs.ca.gov.

Sincerely,

Original Document Signed By

Jennifer Hernandez
Deputy Director
Family Engagement and Empowerment Division

QUESTION AND ANSWER (Q&A)

GENERAL

Q1: Who was eligible to receive a PEAFF Payment?

A1: All active CalWORKs AUs received the PEAFF payment.

Q2: How were CalWORKs AUs notified that they were eligible recipients of the PEAFF payment?

A2: CDSS informed families who received the payment via phone and email messages during the week of July 12, 2021.

Q3: Did CalWORKs applicants receive a PEAFF Payment?

A3: CalWORKs applications that were approved by July 10, 2021, were eligible to receive the PEAFF payment.

CALWORKS TIME LIMITS

Q4: What impact will the PEAFF payment have on CalWORKs and Temporary Assistance for Needy Families (TANF) time limits?

A4: The PEAFF payment is not considered CalWORKs Aid or TANF assistance and therefore will not tick either the CalWORKs or TANF time clocks. CWDs are reminded to review whether the recipient's time limit is accurate at application, redetermination, and as clients approach time limits.

Q5: Will the PEAFF payment affect the Unreimbursed Assistance Pool (UAP)?

A5: No, the payment is to have no impact to the UAP. The UAP is the portion of received CalWORKs aid that has not been collected from child support payments. As the PEAFF payment is separate from the grant and other assistance provided through CalWORKs, when CWDs untick months on a current or former recipient's CalWORKs time limit clock they must verify the \$640 payment was not included as CalWORKs aid.

EBT

Q6: May PEAFF payments be replaced if a recipient reports electronic theft from their EBT account?

A6: PEAFF payments that are issued via the EBT system are subject to the requirements stipulated in [WIC Section 10072](#). If an individual or AU incurs skimming or scamming of their cash benefits and applies for reimbursement, the CWD shall follow existing processes described in [ACL 18-148](#). PEAFF payment theft replacements are eligible for reimbursement from the state through the claiming instructions provided in [CFL No. 18/19-79](#).