

April 29, 2022

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY LETTER NO. 22-24

The purpose of this letter is to transmit guidance for the tools the county Special Investigative Units (SIUs) can use to gather evidence on wage, Disability Insurance (DI), and Unemployment Insurance (UI) data as part of a welfare fraud investigation. This includes the manual UI/DI process to request information from the Employment Development Department.



KIM JOHNSON
DIRECTOR

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DEPARTMENT OF SOCIAL SERVICES
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GAVIN NEWSOM
GOVERNOR

April 29, 2022

ALL COUNTY LETTER NO. 22-24

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY SPECIAL INVESTIGATIVE UNITS

SUBJECT: EARNED AND UNEARNED INCOME AS PART OF AN
INVESTIGATION USING THE UNEMPLOYMENT INSURANCE
AND DISABILITY INSURANCE (UI/DI) MANUAL PROCESS

REFERENCE: [WELFARE AND INSTITUTIONS CODE \(WIC\) SECTIONS 10553
AND 10554; MANUAL OF POLICIES AND PROCEDURES \(MPP\)
SECTIONS 20-005, 20-006, AND 20-007; ALL COUNTY LETTER
\(ACL\) NO. 09-08; ALL COUNTY INFORMATION NOTICE \(ACIN\)
NO. I-27-07](#)

The purpose of this All County Letter (ACL) is to provide guidance on the tools county Special Investigative Units (SIUs) can use to gather evidence on wage and the UI/DI data as part of a welfare fraud investigation.

BACKGROUND

The County Welfare Departments (CWDs) are required to investigate all cases of suspected fraud of public assistance, including those cases involving earned and unearned income, in accordance with the [MPP Section 20-005](#).

When the CWD has reason to suspect fraud exists or has been attempted on a case, a complete and detailed referral must be made to the SIU for investigation. During an investigation, the SIUs and investigators check multiple sources to identify any potential aid overpayments or over issuances and fraudulent activity. This may include, but is not limited to, verifying household composition, interviewing witnesses, identifying data received from various wage and income matches, and contacting collateral sources as necessary.

PRIMARY INVESTIGATION RESOURCES

Per the [MPP Section 20-006](#), the CWDs must ensure investigative staff have access to wage and income data supplied by the Income and Eligibility Verification System (IEVS).

The IEVS matches reporting wage and income include the quarterly Integrated Fraud Detection/Wage and the monthly UI/DI matches supplied by the Employment Development Department (EDD).

The California Department of Social Services (CDSS) contracts with the Internal Revenue Service, the Social Security Administration, and the Franchise Tax Board to provide earned and unearned income data to the CWDs.

The CDSS contracts with the Department of Health Care Services to provide the Medi-Cal Eligibility Data System (MEDS) access. MEDS can be used to view the earned and unearned income information. The CWD staff who complete investigations must have access to the MEDS information in order to complete welfare fraud investigations.

The Work Number is a third-party payroll source that reports earned income. Per [ACL 19-08](#), the SIUs are authorized to use the Work Number to gather information necessary to complete a welfare fraud investigation.

Although the SIUs are not required to have direct access to the systems such as IEVS, MEDS, and The Work Number, the CWD must ensure the SIUs have access to all necessary data from these and other systems to complete fraud investigations.

During the course of an investigation, the SIUs and county investigators may utilize various sources and collateral contacts other than those listed above to gather information that may be used as evidence in the case. Pursuant to [MPP Section 20-007.36](#) the SIUs and investigators are not bound by restrictions requiring recipient/applicant permission to contact these sources.

EMPLOYMENT DEVELOPMENT DEPARTMENT REQUESTS

The CDSS also contracts with the EDD to provide the UI/DI information request process. However, the CWDs are only authorized to request the UI/DI data directly from the EDD in order to complete a fraud investigation.

The SIU staff are only authorized to use the EDD UI/DI service to provide wage, unemployment, and DI data when the information is not available through primary investigation resources referenced above. The SIU staff must utilize the IEVS, MEDS, The Work Number, and other investigative sources prior to requesting the EDD UI/DI information.

The SIU staff must only make one request to the EDD. If the EDD does not respond within 30 days, the SIU staff must contact the CDSS Data Stewardship and Integrity Bureau to report the EDD's failure to respond.

Upon the CWD request, the EDD will match records, produce reports, and mail results to the attention of a CWD or the SIU single point of contact (SPOC). The EDD will not process or return requests if they are unreadable, illegible, incomplete, or have an incorrect Social Security Number (SSN).

Each CWD must designate a primary and alternate SPOC and obtain an Access Code to request and receive the EDD documents for the purpose of completing a fraud investigation, as outlined in [ACIN I-27-07](#). The SPOCs must be part of the SIU or the CWD staff who assists the SIU in completing fraud investigative activities. The SPOC information must be kept up to date with the CDSS. In order to update the SPOC information, the CWDs can contact the CDSS at PIBPolicyUnit@dss.ca.gov.

If you have any questions, need additional guidance regarding this letter, or to report a failure to respond from EDD, please contact the Data Stewardship and Integrity Bureau at PIBPolicyUnit@dss.ca.gov.

Sincerely,

Original Document Signed By:

RYAN GILLETTE
Chief Data Strategist
Research, Automation and Data Division