

October 17, 2022

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY LETTER NO. 22-87

The purpose of this All County Letter is to clarify that overpayments which occurred during the pandemic emergency and were classified as administrative error must be reclassified to Intentional Program Violation if the overpayments are later determined to be fraudulent.



KIM JOHNSON
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

October 17, 2022

ALL COUNTY LETTER NO. 22-87

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALWORKS PROGRAM SPECIALISTS
ALL WELFARE-TO-WORK COORDINATORS
ALL COUNTY REFUGEE COORDINATORS
ALL CONSORTIA REPRESENTATIVES
ALL COUNTY SPECIAL INVESTIGATIVE UNIT CHIEFS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO
KIDS (CALWORKS): IMPLEMENTATION OF SENATE BILL (SB)
187 AND RECLASSIFICATION OF ADMINISTRATIVE ERROR
OVERPAYMENTS IF DETERMINED TO BE FRAUDULENT

REFERENCE: [ASSEMBLY BILL \(AB\) 135 \(CHAPTER 85, STATUTES OF 2021\);](#)
[SB 187 \(CHAPTER 50, STATUTES OF 2022\);](#) WELFARE AND
INSTITUTIONS CODE (WIC) SECTION [11004](#) AND [WIC](#)
[SECTION 11004.1](#); MANUAL OF POLICIES AND PROCEDURES
(MPP) SECTION [20-004.1](#), [MPP SECTION 20-351\(i\)](#), [MPP](#)
[SECTION 22-071](#), [MPP SECTION 22-072](#), [MPP SECTION 44-](#)
[350.35](#), [MPP SECTION 44-352.511](#) AND [MPP SECTION 69-212](#);
ALL COUNTY LETTERS (ACL) [ACL 21-85](#) AND [ACL 21-151](#); ALL
COUNTY WELFARE DIRECTORS LETTER (ACWDL) [ACWDL](#)
[DATED JUNE 27, 2022](#)

This letter provides clarification that overpayments which were originally established and classified as administrative error (AE) as outlined in All County Letter [\(ACL\) 21-85](#) must be reclassified to Intentional Program Violation (IPV) if the overpayments are later determined to be fraudulent pursuant to [Senate Bill \(SB\) 187 \(Chapter 50, Statutes of 2022\)](#), which amended [Welfare and Institutions \(WIC\) Code section 11004.1](#).

As provided in [ACL 21-85](#) and All County Welfare Directors Letter [\(ACWDL\) dated June 27, 2022](#), overpayment claims established on or after August 1, 2021, which include the pandemic months between April 2020 through June 2022 must be classified as AE.

County Welfare Departments (CWDs) cannot establish these claims as client error (CE). However, [WIC section 11004.1](#) provides the authority for any of these claims to be reclassified to IPV if they are later determined to be fraudulent. This instruction of reclassifying AE claims to IPV claims only applies to overpayment claims that include any of the months in the time period specified above.

The existing processes for issuing adequate and timely notice of action, referring cases to Special Investigations Unit (SIU) and IPV determination have not changed. CWDs shall follow the guidance and the criteria outlined in the Manual of Policies and Procedures ([MPP section 22-071](#), [MPP section 22-072](#), [MPP section 44-352.511](#), [MPP section 44-352.52](#) and [MPP section 20-004.1](#)). As a reminder, an IPV can only be determined through a court determination in accordance with [MPP section 20-351\(i\)](#), a signed Disqualification Consent Agreement, an Administrative Disqualification Hearing (ADH) decision, or a signed ADH waiver.

Other Programs Affected

The changes to the CalWORKs overpayment process pursuant to [WIC section 11004](#) and [WIC section 11004.1](#) also apply to the Refugee Cash Assistance (RCA), Entrant Cash Assistance (ECA), and Trafficking and Crime Victims Assistance Program (TCVAP) cash assistance programs. Per [MPP section 69-212](#), RCA, ECA, and TCVAP cash assistance programs follow the administrative policies of CalWORKs. For questions regarding these programs, please contact the CDSS Refugee Programs Bureau at RefugeePolicy@dss.ca.gov.

If you have any questions or need additional guidance regarding the information in this letter, contact the CalWORKs Early Engagement and Eligibility Bureau at CWEligibilityPolicy@dss.ca.gov

Sincerely,

Original Document Signed By

JENNIFER HERNANDEZ
Deputy Director
Family Engagement and Empowerment Division