

June 5, 2020

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY WELFARE DIRECTORS LETTER

This letter provides guidance on temporary changes to the Income and Eligibility Verification System (IEVS) processes for County Welfare Departments affected by the statewide outbreak of the Coronavirus Disease 2019 (COVID-19).



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June 5, 2020

ALL COUNTY WELFARE DIRECTORS LETTER

TO: ALL COUNTY WELFARE DIRECTORS

FROM: Natasha Nicolai, Chief Data Strategist
Deputy Director
Research, Automation, and Data Division

SUBJECT: TEMPORARY CHANGES TO THE INCOME AND ELIGIBILITY
VERIFICATION SYSTEM (IEVS) PROCESSES IN RESPONSE TO
COVID-19

The California Department of Social Services (CDSS) has issued several All County Letters (ACL) in response to concerns surrounding COVID-19. The ACLs provide general guidance and flexibilities available to County Welfare Departments (CWD) to continue to administer the California Work Opportunity and Responsibility to Kids (CalWORKs) and CalFresh programs. The purpose of this All County Welfare Directors Letter (ACWDL) is to provide guidance to CWDs on temporary changes related to program integrity.

Temporary Changes to Paper and Electronic IEVS Match Distributions

Consistent with other temporary changes in the CalWORKs and CalFresh program areas, all paper and electronic Recipient IEVS (R-IEVS) matches, except for Payment Verification System (PVS) matches, are suspended for the months of March, April, and May 2020. The CWDs must not process any R-IEVS matches (except for the electronic PVS match), received either by paper or electronically, during the suspension period.

Additionally, CWDs have been granted an extension on any follow-up timeframes, as prescribed in Manual of Policies and Procedures Sections 20-006.42 and 20-006.5, and ACL 17-41, that fall in March, April, and May 2020.

R-IEVS PVS Matches

The PVS match is a monthly process that provides CWDs with information on CalWORKs and CalFresh recipients who receive or are entitled to receive Retirement, Survivors and Disability Insurance (RSDI), State Unemployment Insurance (UI), or Disability Insurance (DI) benefits. The match is generated from information received from the California Employment Development Department (EDD) and the Social Security Administration (SSA).

On March 27, 2020, the Coronavirus Aid Relief and Economic Security (CARES) Act authorized temporary additional UI benefits, referred to as Pandemic Unemployment Compensation (PUC). These additional benefits are being issued by the EDD.

CalFresh Treatment of PUC, Pandemic Unemployment Assistance (PUA), and Pandemic Emergency Unemployment Compensation (PEUC)

As stated in ACWDL dated April 21, 2020, PUC, PUA, and PEUC payments authorized under the CARES Act **must be** considered unearned income for the purposes of determining a household's CalFresh eligibility and benefit amount.

CalWORKs Treatment of PUC, PUA, and PEUC

As stated in ACWDL dated May 5, 2020, PUC payments **must be** exempt from consideration as income in determining CalWORKs recipients' continued eligibility or grant amount, while PUA and PEUC payments **must not be** exempt from consideration as income for CalWORKs applicants and recipients. PUC **must not be** exempt from consideration as income for CalWORKs applicants.

Verifying PUC, PUA, and PEUC Payments

The CDSS is currently working with the EDD to provide PUC, PUA, and PEUC payments in the PVS match. In the meantime, CWDs must continue to process PVS matches based on the information received according to existing program rules.

There may be circumstances where recipients provide additional information related to PUC, PUA and PEUC as follows:

- CalFresh cases – If a recipient responds to a notice of adverse action with the additional income, the CWD must verify the recipient's receipt of PUC, PUA, or PEUC benefits and take appropriate action.
- CalWORKs cases – Any additional UI benefits reported by the recipient must be paired with earned income and exceed the recipient's Income Reporting Threshold (IRT) to be considered a missed mandatory report (over IRT). If the

CWD discovers the recipient may have missed a mandatory report, a recipient verification letter must be mailed to the recipient to request verification of all UI benefits. CWDs are required to request verification of PUA and PEUC benefits using a recipient verification letter (i.e., CW 63 or CW 2200) prior to taking any action.

Other R-IEVS Matches

The CDSS has suspended the distribution of electronic and paper R-IEVS matches through May 31, 2020. The suspension affects the following R-IEVS matches:

- Annual Internal Revenue Service (IRS) Asset Match;
- Beneficiary Earning Exchange Record (BEER);
- California Youth Authority (CYA);
- Deceased Persons Match (DPM);
- Fleeing Felon Match (FFM);
- Integrated Fraud Detection (IFD);
- Nationwide Prisoner Match (NPM); and
- New Hire Registry (NHR).

Beginning June 1, 2020, all matches that would have normally been distributed either by paper or electronically will resume. This includes the BEER, CYA, DPM (next match delivery is November 2020), FFM, IFD, NPM, and NHR. However, the Annual IRS Asset Match will not be distributed this year. It will resume in early 2021.

CalFresh Quality Control (QC) Impact

The CDSS will waive QC reviews for all paper and electronic IEVS matches (except for PVS matches) for the months of March, April, and May 2020. The QC reviews for such IEVS matches will resume beginning June 1, 2020.

Voice over Internet Protocol (VoIP) Use with Federal Tax Information (FTI) for BEER and IRS Asset Matches

The CWDs who are using VoIP to verify information found on R-IEVS matches that contain FTI are reminded to follow guidance provided in ACL 19-07. Under no circumstances can FTI be disclosed to the recipient during the call. Attached is additional guidance on how to securely use VoIP when working on R-IEVS matches containing FTI. This guidance applies to the BEER and IRS Asset matches only.

CWD Employees Working Remotely on R-IEVS Matches

The CWDs are reminded that the security requirements for remote access to SSA and other personally identifiable information data included in any of the R-IEVS matches must be met in accordance with the ACWDL dated May 4, 2020.

Special Investigative Units (SIU)

Pursuant to Manual of Policies and Procedures (MPP) Section 20-004, referrals must still be made to SIU when fraud is suspected in order to maintain program integrity regardless of temporary waiver periods, restrictions, or thresholds that may be implemented by the CDSS or the United States Department of Agriculture, Food and Nutrition Service due to the COVID-19 crisis. County Investigators will continue to have the option to conduct face-to-face interviews while adhering to state and county physical distancing requirements (for example, maintaining a distance of six feet). However, consideration should be given to using “non face-to-face” interviews when possible, to mitigate the spread of COVID-19.

If fraud is suspected but further evidence such as a face-to-face interview is needed, such referrals can be reassessed later within the statute of limitations to investigate. Likewise, no application or aid should be delayed, denied, or interrupted without sufficient evidence to take case action. It is important to note that investigators may be required to perform duties as law enforcement officers and first responders for their counties during the COVID-19 crisis, engaging the public as circumstances and personal safety allow.

The CDSS' Program Integrity Bureau will continue to monitor respective email inboxes for policy interpretation requests, tax intercept inquiries, IEVS review inquiries, and SIU inquiries. If you have any questions regarding any of these topics, please call (916) 654-2125 or email pibpolicyunit.dss.ca.gov.

For CalFresh program questions or inquiries, please contact the CalFresh Policy Bureau at (916) 651-8047.

For CalWORKs program questions or inquiries, please contact the Early Engagement and Eligibility Bureau at (916) 654-1322.

Attachment

Taking Calls from Clients Pertaining to Federal Tax Information (FTI)

This guide will help county workers when talking with clients over a Voice Over Internet Protocol (VoIP) line when the county workers need to discuss discrepancies from Income and Eligibility Verification System (IEVS) matches that contain FTI.

Most importantly:

- **Do NOT record calls that may possibly include FTI.** Regardless of all efforts to prevent disclosing FTI county workers must NOT record telephone conversations that might include FTI.
- **Do not disclose FTI over a VOIP telephone line.** Even if a client calls to discuss their own information, do not discuss their FTI.

Remember that data provided by the client or the third-party (e.g. bank or employer) is NOT FTI and may be discussed. Be careful to avoid disclosing data that was **not** provided by the client or the third party.

How to Prevent Disclosing FTI over a VoIP Line:

- Do not provide details from the IRS Asset or BEER matches.
- Do not reveal the source of the information or tax year.
- Use vague terms when referencing data and its sources such as “retirement” instead of “your federal retirement benefits from working for the IRS.”
- A strategy is to use information previously reported by the client or a third party and available in the client’s record. Because the client/third party reported the data it is not FTI. If a client worked at Mary’s Pie Shoppe **before** working for the employer in the BEER match and then worked at Red’s Diner **after** leaving the employer in the BEER match the county worker can ask “Did you work between Mary’s Pie Shoppe and Red’s Diner? If so, where?” Or, if the client worked at a second job during all or part of the timeframe, they worked for the employer listed in the BEER match, the county worker can ask “Did you work a second job in the spring of 2020? If so, where?”
- Let the client provide details. Data sourced from and provided by clients is not FTI. It may be personally identifying information, but it is not FTI.

Approved Sample Questions:

- Do you have any earned or unearned income?
- Is there any change to your work hours?
- Does the company you work for go by another name?
- Are you self-employed?
- Have you had any change in your income?
- Did you start a new job?
- Are you still working at “Knitting Knecessities” (IF this employer has already been reported by the client)?

- Did you work a second job during the [season] of [year]? (For example - fall of 2018 or summer of 2016.)
- Have you ever won anything in the lottery? If so, where, and when?
- Have you ever won anything at a casino or racetrack? If so, where, and when?
- Are you getting any retirement benefits? If so, from where?

Unapproved Sample Questions:

- Can you verify the income from your IRS tax report?
- Can you verify the information we received from the IRS regarding an income from tax year [year]?
- Can you verify this unearned income we received from the IRS?
- Did you work for Snickerdoodles? (IF “Snickerdoodles” is found in the BEER or Asset match, and the client has **not** previously disclosed this employer.)
- Did you win \$94,000 playing poker in Vegas in September 2017? (When the IRS Asset match clearly shows \$94,000 in gambling winnings from a Las Vegas casino.)

At no time can FTI be disclosed to the client during this call. If the client does not independently disclose the information received in the IRS or BEER match, thank the client for their call and end the conversation without disclosing information from the match. Close the case due to insufficient information or refer the case for investigation (do not include FTI in the referral for investigation).