January 30, 2019

COUNTY FISCAL LETTER (CFL) NO. 18/19-49

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL CALWORKS PROGRAM SPECIALISTS
ALL WELFARE-TO-WORK COORDINATORS
ALL COUNTY REFUGEE COORDINATORS
ALL TRIBAL TANF ADMINISTRATORS
ALL CHILD CARE COORDINATORS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS HOME VISITING INITIATIVE CLAIMING INSTRUCTIONS

REFERENCE: ALL COUNTY WELFARE DIRECTORS LETTER (ACWDL) DATED JULY 31, 2018; ASSEMBLY BILL (AB) 1811 (CHAPTER 35, STATUTES OF 2018); COUNTY FISCAL LETTER (CFL) NO. 17/18-55, DATED MARCH 27, 2018; CFL NO. 17/18-70, DATED JUNE 19, 2018; CFL NO. 14/15-16, DATED SEPTEMBER 5, 2014; CFL NO. 18/19-17, DATED SEPTEMBER 28, 2018; CFL NO. 18/19-50, DATED JANUARY 30, 2019; CFL NO. 18/19-51, DATED JANUARY 9, 2019; 2 CODE OF FEDERAL REGULATIONS (CFR) 200.501(F); 2 CFR 200.330; 45 CFR 263.0(B)

The purpose of this letter is to provide county administrative claiming instructions for the California Work Opportunity and Responsibility to Kids (CalWORKs) Home Visiting Initiative (HVI) as described in the ACWDL dated July 31, 2018. This letter informs counties of the claiming instructions related to the implementation of new Program Codes (PCs), Time Study Codes (TSCs), Program Identifier Numbers (PINs), a Direct to Program (DTP) code, and one state use only (SUO) code.
Background

As set forth in AB 1811, the CalWORKs HVI is a county-optional program established for the purpose of supporting positive health, development, and well-being outcomes for eligible pregnant and parenting women, families, and infants born into poverty; expanding their future educational, economic, and financial capability opportunities; and improving the likelihood that they will exit poverty. Evidence-based home visiting is a primary component of the program. These home visiting services may be provided by a home visiting agency, pursuant to an agreement with the county, or by the county itself.

An allocation in the amount of $25.8 million in federal Temporary Aid for Needy Families funds and General Fund is available based on the Budget Act of 2018, as described in CFL No. 18/19-51, dated January 9, 2019. Funding for the HVI will be used to provide counties with resources to offer home visiting services to a member of a CalWORKs assistance unit who is pregnant, with no other children at the time of enrollment, or a first-time parent or caretaker relative of a child less than twenty-four months of age at the time he or she enrolls in the HVI. The services offered via the HVI are not entitlement services and participating counties may limit the number of families participating in the program to ensure that the costs do not exceed the amount of funds awarded to the county for this purpose.

Allowable HVI Activities

Home visitors shall provide the following services under the HVI including, but not limited to, resources and referrals for all of the following:

- Prenatal, infant, and toddler care.
- Infant and child nutrition.
- Developmental screening and assessments.
- Parent education, parent and child interaction, child development, and child care.
- Job readiness and barrier removal.
- Domestic violence and sexual assault, mental health, and substance abuse treatment, as applicable.

Allowable case management services provided by the home visitor include assessing the family’s needs, developing a case plan, monitoring progress in achieving case plan objectives, and ensuring the provision of all services specified in the case plan. Training related to the provision of home visiting services as outlined in the ACWDL dated July 31, 2018, is also an allowable cost. Additionally, coordination activities between county CalWORKs staff and home visiting agency staff that are carried out in order to ensure the provision of services in the case plan and the sharing of data regarding family outcomes are allowable. This includes activities involving data collection and reporting outcomes on program participation.
Expenses related to the administration of the HVI are also allowable. Please refer to 45 CFR 263.0(b) for the activities that may be included or are excluded as administrative costs. These may include establishing agreements or contracts to provide HVI services directly to HVI clients and facilitate coordination between the county CalWORKs staff and the home visiting agency staff for the subsequent data collection and program evaluation that will follow program implementation. Overhead expenses incurred by the home visiting agencies that are associated with the administration of the program are also allowable.

**Differentiation of HVI and Non-HVI Costs**

Many of the case management and services activities associated with the HVI that are performed or referred by home visitors are similar to those performed or referred by CalWORKs case managers. For the purpose of distinguishing and claiming costs associated with the HVI separate from other CalWORKs activities and services, the following criteria should be applied:

- **Case management services:** Case management services (and all related or similar services) that are provided by a home visitor to a HVI client should be charged or time studied to HVI. Services provided to the HVI client by their CalWORKs case manager should be charged to the appropriate CalWORKs case management code.
- **Child care services:** Some HVI clients may be eligible to receive child care services due to their participation in the Welfare to Work (WTW) program in addition to their participation in the HVI. If an HVI client is eligible for CalWORKs Stage One child care services to either PC 453 (Stage One Child Care) or to the appropriate HVI PC based on the population to which the client belongs. Refer to CFL No. 14/15-16, dated September 5, 2014, for additional claiming instructions for Stage One child care. Details regarding the data collection associated with tracking child care related to program participation will be released in future correspondence from the California Department of Social Services (CDSS) Child Care Programs Bureau. Stage Two and Stage Three child care costs will continue to be reported to current Stage Two and Stage Three program codes and reimbursed through the state Department of Education. *For child care services provided to HVI recipients, regardless of the funding source of that child care (Stage One or HVI), counties should make every effort to ensure no break in child care is experienced by the client.* To this end, counties are encouraged to utilize HVI funding for a HVI client’s child care services.

Home visitors may refer HVI clients to services that fall outside the formal scope of the HVI program, such as Mental Health and Substance Abuse services. These types of services should be claimed by the county to the normal claiming structures for those services, as applicable.
Exceptions to Claiming HVI costs to HVI PCs

Employment services and transportation costs associated with HVI clients do not need to be claimed separately from those associated with non-HVI clients. An amount of $989,000 for Employment Services associated with the HVI was provided as an augmentation to the CalWORKs Single Allocation for counties participating in the HVI (CFL No. 18/19-50, dated January 30, 2019). Any employment services and transportation costs associated with the HVI should be claimed using existing codes that access the Single Allocation. Please refer to CFL No. 18/19-17, dated September 28, 2018, for the list of CalWORKs PCs that access the Single Allocation.

Subrecipient Monitoring and Funding Eligibility Reminder

When home visiting services are provided by a home visiting agency under an agreement between the agency and the county, the county must determine if the home visiting agency is a subrecipient or a contractor, pursuant to the federal definitions under audit requirements. Refer to Title 2 Code of Federal Regulations (CFR) section 200.330 and 2 CFR 200.501(f) for the applicable definitions. If the agency is classified as a subrecipient, the county must identify and claim the subrecipient’s administration (overhead) expenses separately from the subrecipient’s program services expenses and exercise an appropriate amount of oversight over the subrecipient. Generally speaking, entities that administer a program on behalf of the county, rather than merely providing a service at the specific direction of the county, should be considered subrecipients instead of contractors. Refer to CFL No. 17/18-70, dated June 19, 2018, for more information about the determination between subrecipients and contractors and the nature of this oversight.

As part of this oversight, per CFL No. 17/18-55, dated March 27, 2018, the CWDs must ensure that subrecipients, contractors, their principals or affiliates, or any subcontractors are in good standing with the federal government and therefore are eligible to receive federal funds. As a reminder, an award or contract cannot be made to a subrecipient or contractor who has been identified as suspended or debarred in the System for Award Management (SAM) database.

The ACWDL dated July 31, 2018, instructs that funds provided for the HVI to participating counties should not supplant expenditures from any other existing funding sources subject to county control for home visiting services.

Claiming Instructions

The CWDs will claim allowable HVI administrative costs to the County Expense Claim using the new PCs, TSCs, PINs, and DTP code below. These administrative costs consist of the program services costs and the administration (overhead) costs. The administrative costs associated with these allocated funds are specific to the activities stated in the ACWDL dated July 31, 2018.
Program Services Costs

County Provided Program Services

The time associated with the provision of program services by county casework staff should be time studied to the program service delivery TSCs provided below, based on the eligibility of the case being worked on. For example, a caseworker providing HVI program services to a non-federal case would time study to TSC 4242 (Home Visiting Initiative – Non-Federal Service Delivery). Direct costs should be charged to the appropriate PIN, based on the eligibility of the case and the employment status of the case, if applicable. For example, child care services referred by a county HVI worker to a non-federal employed case should be claimed through PIN 424082 (Home Visiting Initiative – Non-Federal – Child Care – Employed).

Home Visiting Agency Provided Program Services

Counties that provide home visiting services through a home visiting agency that they have determined is a contractor should use PINs ending in Type of Expense (TOE) codes 31 (for unemployed participants) and 32 (for employed participants) to charge the costs of those services. For example, the cost of program services delivery by a home visiting agency to a non-federal unemployed case should be charged to PIN 424031. Counties that provide home visiting services through a home visiting agency that they have determined is a subrecipient should use PINs ending in TOE code 71 (Subrecipient Non-Admin) for charging the costs of those services.

Administration Costs

County Administration

The CWD should claim county staff time spent on general (non-case specific) HVI administration to the time study codes based on the ratio of the populations included in its overall HVI caseload. For example, if the county’s overall caseload (including any cases which receive services through a home visiting agency) consists of 15 federal cases, two non-federal cases, and three non-Maintenance of Effort (MOE) cases, and the county has 40 hours of administration time related to HVI, it should allocate 30 hours to TSC 4221 (Home Visiting Initiative – Federal Admin), four hours to TSC 4241 (Home Visiting Initiative – Non-Federal Admin), and six hours to TSC 4261 (Home Visiting Initiative – Non-Federal Non-MOE Admin).

Home Visiting Agency Administration

As part of the determination of how administration costs for home visiting agencies should be claimed, counties must make a determination (on an individual basis) as to whether the home visiting agency in question is a subrecipient or a contractor, as explained above in the section on subrecipient monitoring. Generally speaking, a home
visiting agency that is administering a home visiting program on behalf of a county is a subrecipient rather than a contractor. The county will charge the HVI administration costs of a subrecipient to PINs ending in TOE code 70 (Subrecipient Admin) based on the ratio of populations included in each agency’s caseload, similar to the method applied to county administration costs described above.

For example, if a home visiting agency is a subrecipient, and currently carries fifteen federal cases, two non-federal cases, and three non-MOE cases, administration costs of that agency in the amount of $1,000 would be allocated and claimed as follows: $750 to PIN 422070, $100 to PIN 424070, and $150 to PIN 426070.

Agencies that are not administering the HVI but are merely providing services in support of the program at the direction of the county are considered contractors. Contractors do not need to separately identify their administration costs from their program services costs, and these costs are not claimed to the Subrecipient Admin PINs. Instead, these administration costs are charged together with the contractor’s program services costs to the appropriate PINs ending in TOE codes 31 and 32, as described previously in the section on home visiting agency-provided program services, using caseload population and employment status to allocate these more general, non-case specific costs.

Training Costs

If the county provides training to county workers who will be acting as home visitors, the counties should claim such costs and time to the appropriate HVI PCs and TSCs in proportion to the HVI caseload of the county, similar to the method used to allocate county administration costs. The costs of training provided to home visitors through a home visiting agency should be charged to PINs ending in TOE codes 31 and 32 of the appropriate program codes in proportion to the HVI caseload of the agency, similar to the method used to allocate home visiting agency administration costs.

Home Visiting Initiative Program Codes and Support Staff Code

The following PCs and DTP code have been established for claiming expenditures relating to the administration and implementation of the HVI. These codes are effective January 1, 2019, and may be used in the County Expense Claim beginning in the March 2019 claiming quarter:

- PC 422 Home Visiting Initiative – Federal
- PC 424 Home Visiting Initiative – Non-Federal
- PC 426 Home Visiting Initiative – Non-Federal Non-MOE

The support staff DTP code B88 (Home Visiting Initiative) may be used to claim support staff time spent on the HVI.
Costs claimed in excess of a county’s HVI allocation will be shifted to SUO code 436 (Home Visiting Initiative Overmatch), which is funded at 100 percent county-only.

Details for these PCs are provided in the following tables and descriptions:

<table>
<thead>
<tr>
<th>PC</th>
<th>422</th>
<th>Home Visiting Initiative – Federal</th>
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<tbody>
<tr>
<td>TSC</td>
<td>4221</td>
<td>Home Visiting Initiative – Federal Admin</td>
</tr>
<tr>
<td>TSC</td>
<td>4222</td>
<td>Home Visiting Initiative – Federal Service Delivery</td>
</tr>
<tr>
<td>PIN</td>
<td>422018</td>
<td>Child Care – Unemployed</td>
</tr>
<tr>
<td>PIN</td>
<td>422031</td>
<td>Contracted Activities – Unemployed</td>
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<tr>
<td>PIN</td>
<td>422032</td>
<td>Contracted Activities – Employed</td>
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<tr>
<td>PIN</td>
<td>422068</td>
<td>Direct Costs</td>
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<tr>
<td>PIN</td>
<td>422070</td>
<td>Subrecipient Admin</td>
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<tr>
<td>PIN</td>
<td>422071</td>
<td>Subrecipient Non-Admin</td>
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<tr>
<td>PIN</td>
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<td>PIN</td>
<td>422088-91</td>
<td>Support Operating*</td>
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<tr>
<td>PIN</td>
<td>422092</td>
<td>Casework OT/CTO</td>
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<td>Support Staff OT/CTO</td>
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<tr>
<td>PIN</td>
<td>422094</td>
<td>Start Up/Nonrecurring Costs</td>
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<tr>
<td>DTP</td>
<td>B88</td>
<td>Home Visiting Initiative</td>
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The sharing ratio for this code is 100/00/00/00 (Federal/State/Health/County).

*The county must have a Letter of Intent on file with CDSS to use Support/Operating PIN Codes (88-91).

**CODE 4221 HOME VISITING INITIATIVE – FEDERAL ADMIN**

This code includes activities necessary for the proper administration and implementation of the HVI program on behalf of the federally eligible population (i.e. general administration, which includes salaries and benefits of staff for time performing administration and coordination functions of monitoring programs and projects). This also includes establishment of contracts and data sharing agreements between the CWD and the home visiting agency for federally eligible HVI clients.

**CODE 4222 HOME VISITING INITIATIVE – FEDERAL SERVICE DELIVERY**

This code includes time spent on the delivery of services for the HVI program, including home visits, case management, and referrals for additional services. It also includes activities necessary for data collection regarding the administration of the HVI for the purpose of reporting outcomes for federally eligible HVI clients.
The sharing ratio for this code is 00/100/00/00 (Federal/State/Health/County).

*The county must have a Letter of Intent on file with CDSS to use Support/Operating PIN Codes (88-91).

**CODE 4241 HOME VISITING INITIATIVE – NON-FEDERAL ADMIN**

This code includes activities necessary for the proper administration and implementation of the HVI program on the behalf of the non-federally eligible population (i.e. general administration, which includes salaries and benefits of staff for time performing administration and coordination functions of monitoring programs and projects). This includes establishment of contracts and data sharing agreements between the CWD and the home visiting agency for non-federally eligible HVI clients.

**CODE 4242 HOME VISITING INITIATIVE – NON-FEDERAL SERVICE DELIVERY**

This code includes time spent on the delivery of services for the HVI program, including home visits, case management, and referrals for additional services. It also includes activities necessary for data collection regarding the administration of the HVI for the purpose of reporting outcomes for non-federally eligible HVI clients.
CODE 4261 HOME VISITING INITIATIVE – NON-FEDERAL NON-MOE ADMIN

This code includes activities necessary for the proper administration and implementation of the HVI program on the behalf of the Safety Net, Long-Term Sanction, or Fleeing Felon population (i.e. general administration, which includes salaries and benefits of staff for time performing administration and coordination functions of monitoring programs and projects). This includes establishment of contracts and data sharing agreements between the CWD and the home visiting agency for HVI clients who are members of the Safety Net, Long-Term Sanction, or Fleeing Felon population.

CODE 4262 HOME VISITING INITIATIVE – NON-FEDERAL NON-MOE SERVICE DELIVERY

This code includes time spent on the delivery of services for the HVI program, including home visits, case management, and referrals for additional services. It also includes activities necessary for data collection regarding the administration of the HVI for the purpose of reporting outcomes for HVI clients who are members of the Safety Net, Long-Term Sanction, or Fleeing Felon population.

Retitle of TOE codes 70 and 71

The TOE codes 70, formerly titled “Contractor Admin”, and 71, formerly titled “Contractor Non-Admin”, have been retitled as “Subrecipient Admin” and “Subrecipient Non-Admin”, respectively, to more accurately reflect their use in this letter and other correspondence. Clarifying updates to claiming instructions for PCs with PINs composed of these TOE codes will be issued, if needed.
Contact Information

If you have any questions about the HVI, you may contact the Child Care Programs Bureau at (916) 657-2144 or email CalWORKsHVI@dss.ca.gov. Questions regarding the fiscal information in this CFL should be directed to fiscal.systems@dss.ca.gov.

Sincerely,

Original Document Signed By:

SALENA CHOW, Chief
Fiscal Forecasting and Policy Branch