

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, California 95814



May 20, 2004

ALL COUNTY INFORMATION NOTICE NO. I-29-04

TO: ALL COUNTY WELFARE DIRECTORS  
ALL CalWORKs PROGRAM SPECIALISTS  
ALL FOOD STAMP COORDINATORS  
ALL COUNTY DISTRICT ATTORNEYS  
ALL COUNTY CHILD CARE COORDINATORS  
ALL CAL-LEARN COORDINATORS  
ALL COUNTY REFUGEE COORDINATORS  
ALL COUNTY WELFARE TO WORK COORDINATORS  
ALL COUNTY WELFARE FRAUD CHIEF INVESTIGATORS  
ALL CAL-LEARN CASE MANAGEMENT AGENCIES  
ALL CONSORTIUM PROJECT MANAGERS  
ALL TRIBAL TANF PROGRAM ADMINISTRATORS  
ALL QUALITY CONTROL PROGRAM COORDINATORS

**REASON FOR THIS TRANSMITTAL**

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) AND FOOD STAMP (FS) PROGRAMS QUARTERLY REPORTING AND PROSPECTIVE BUDGETING (QR/PB) QUESTIONS AND ANSWERS (Q&As)

REFERENCE: ASSEMBLY BILL (AB) 444, (CHAPTER 1022, STATUTES OF 2002); AB 1402, (CHAPTER 398, STATUTES OF 2003); ALL COUNTY LETTER (ACL) 03-18; ALL COUNTY INFORMATION NOTICES (ACIN) 1-54-03, I-84-03, I-09-04, I-10-04

The purpose of this letter is to transmit another series of Q&As regarding the QR/PB System in the CalWORKs and FS programs. As questions are submitted by county and consortia representatives, California Department of Social Services (CDSS) management and program staff review the questions and develop QR/PB policies and responses with input from members of the County Welfare Directors Association (CWDA) who participated with staff from the CDSS in a Quarterly Reporting Workgroup. As additional QR/PB questions are received and responses developed by CDSS, they will be released in subsequent ACIN and posted on the Quarterly Reporting (QR) website which allows counties to view responses to questions they have regarding QR.

If you have any questions regarding the QR/PB system, you may contact the following CDSS staff:

QR/PB Q & As	Rosie Avena (916) 654-1514
CalWORKs Policy	Paulette Dreher (916) 654-3386
CalWORKs Forms, Notices	Paulette Dreher (916) 654-3386
Food Stamp Quality Control	Michael Bowman-Jones (213) 833-2260
TANF Data Collection	Warren Ghens (559) 445-6478
Food Stamps Policy	LeAnne Torres (916) 654-2135
FSP Forms and Notices	Frederick Hodges III (916) 653-7973
Fraud Policy	Mark Gagnon (916) 263-5735
IEVS Matches	Nanci O'Brien (916) 263-5713
FSET/ABAWDs	Robert Nevins (916) 654-1408
WTW Program	Milt Yee (916) 657-3399
Cal-Learn Policy	Dennis Ragasa (916) 654-1063
Child Care	Suzanne McNamee (916) 657-3815
Refugee Cash Assistance	Camille Ancona (916) 653-7785

Sincerely,

***Signed by Charr Lee Metsker on  
May 20, 2004***  
CHARR LEE METSKER, Chief  
Employment and Eligibility Branch

***Signed by Richton Yee on  
May 20, 2004***  
RICHTON YEE, Chief  
Food Stamp Branch

Attachment

c: CWDA  
CSAC

# **CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) AND FOOD STAMP (FS) PROGRAMS QUARTERLY REPORTING AND PROSPECTIVE BUDGETING (QR/PB) QUESTIONS AND ANSWERS**

**1. When is an add-a-person application considered disposed (approved/denied) in the following situations?**

- **When the request to add the person is done on a mid-quarter voluntary report.**
- **When the new person is reported on the QR 7.**

Answer: The application would be considered disposed (approved/denied) when the worker makes a determination and notifies the assistance unit (AU)/household (HH) of the decision with a notice of action (NOA) to: a) add or not add the new person mid-quarter (i.e. first of the month following a mid-quarter report); or b) add the person at the beginning of the next QR payment quarter or discontinue the case at the end of the current payment quarter (following the report of the person on the QR 7).

**2. The No Change NOA attached in All County Letter (ACL) 03-18 is specific to CalWORKs. Please confirm our understanding that this NOA is applicable for FS also. Also, please provide the No Change NOA template specific to no change in the FS allotment.**

Answer: The No Change NOA attached to ACL 03-18 is specific only to CalWORKs. A separate No Change form was not developed for the FS program. The QR 377.4, which is available on the internet, is specific to the FS program, and has language under the “No Change in Benefits” check box, which informs HHs that any voluntarily reported changes must be reported again on the next QR 7 and supported with submitted proof of the change(s).

**3. The current payment quarter is January, February, and March. The AU/HH consists of Mom and child. Mom reports that Dad who is earning \$900 per month moved into home on January 10<sup>th</sup>. Adding Dad from February 1<sup>st</sup> reduces benefits to the AU and therefore, Dad must be evaluated for the upcoming payment quarter (April, May, and June). However, Dad loses his job on February 10<sup>th</sup>. Mom reports Dad’s job loss on February 13<sup>th</sup>. Can Dad be re-evaluated again mid-quarter for March without considering his job earnings?**

Answer: Yes. All mid-quarter changes are treated separately and sequentially. In this situation the new report is that Dad wants to be added and he has reduced income. The change in circumstances caused by the job loss is a new report. The county welfare department (CWD) must add Dad to the AU/HH effective March 1st, as this will result in a grant increase.

- 4. Is the CWD required to act, or restricted from acting, on a voluntary report regarding property/resource mid-quarter changes, if the property/resource limits have not been exceeded; or is the CWD restricted from acting on all voluntary reporting of property/resource mid-quarter changes?**

Answer: Property/resources are only required to be reported on the QR 7. If an AU/HH is determined property eligible, they are considered eligible for the entire payment quarter. The required county action is to send a No Change NOA following a voluntary mid-quarter property report. Refer to ACL 03-18, page 16.

In the FS program, public assistance and food stamps HHs are categorically eligible for FS therefore in regards to the reporting of property, the FS program will defer to the CalWORKs program rules. For non-assistance and food stamps (NAFS) HHs, property only needs to be reported when it exceeds the resource limit in which case the NAFS HH must be discontinued after 10-day notice has been provided. This is the general rule for the FS program.

- 5. When a family that includes an individual who was previously denied aid for not providing a social security number (SSN) reapplies, what is the Beginning Date of Aid (BDA) for this individual who does not provide the SSN until some time after the other family members become eligible?**

Answer: Manual of Policies and Procedures (MPP) 40-105.21 requires that the individual's SSN or proof of an application for a SSN be provided before aid may be authorized. Therefore, the individual does not meet the required condition of eligibility until this requirement has been met. The BDA rules under QR would require that this individual be added the first of the month following receipt of the required information. Existing applicant rules regarding treatment of income of excluded individuals continue to apply.

- 6. Inter-County Transfers (ICTs) – Do we start a new quarter based on the receiving county's quarterly cycle or use the quarters that were set up in the sending county? What QR 7 would be used to set up the budgets for the receiving county? Do we transfer a case at the end of an existing quarter or continue to use the current rules for transferring a case?**

Answer: If CalWORKs is granted at the same time as food stamps in County B, the case will be assigned the same QR cycle. If the county grants FS prior to the CalWORKs case, the FS application would drive the QR cycle. The new county should use its own designated methodology (application date or terminal digits) for establishing QR cycles and apply it to the transferred case.

County B will use the most recent QR 7 along with available information received from the recipient, e.g., a new Statement of Facts, or contact with the recipient to determine ongoing eligibility and grant amount.

The timeframe for CalWORKs ICTs remains the same under QR/PB, which allows for County A to discontinue benefits mid-quarter when the transfer period expires. The new procedure for a FS program residency change is to continue

FS benefits in County A until County A discontinues CalWORKs benefits at the end of the ICT period.

7. **If a participant notifies the county on the 26<sup>th</sup> of the month that their income has dropped in the current month, and the worker can't take action on the request to evaluate for a current month supplement until the 1<sup>st</sup> of the following month, is the CWD required to pay the supplement or can it be used to offset an existing overpayment (O/P)?**

Answer: Supplements resulting from decreased income reported mid-quarter cannot be used to offset an existing overpayment. Supplements resulting from voluntary reports of decreased income or addition of a new AU/HH member are not considered "corrective underpayments (U/P)" and cannot be used to offset O/P, regardless of whether they are issued in the following month or not. A supplement is required to be paid for the month in which the change occurred and was reported.

8. **When we close our CalWORKs case so that Tribal Temporary Assistance to Needy Families (TANF) can pick it up, we close at the end of a particular month and they pick it up the beginning of the next month. Can we discontinue mid-quarter?**

Answer: Yes. CWDs would discontinue the CalWORKs case mid-quarter in order to transfer the case to the Tribal TANF program timely. The county however, will retain the FS case. Counties are encouraged to work with their Tribal TANF programs to align the Tribal TANF redetermination date and the FS recertification period to avoid duplicative reporting requirements on their shared clients.

9. **A county's Tribal TANF program has chosen not to adopt QR/PB regulations. Tribal TANF recipients will be required to report income and changes on a monthly basis. When changes are made to a Tribal TANF recipient's cash aid, how is the CWD required to act on these changes when computing companion FS benefits?**

Answer: In this situation, counties will need to establish reporting protocols between the Tribal TANF program and the CWD regarding transfer of case information. These protocols should be contained in the Memorandum of Understanding between the Tribal TANF program and the CWD. Information reported by the client to the Tribal TANF program will be considered third party information and treated in accordance with QR/PB rules. Changes to Tribal TANF cash aid will be treated in the same manner as changes to the CalWORKs program.

10. **Are the changes in Mom's non-citizen status and increase in Mom's earned income two separate unique mid-quarter changes or one unique mid-quarter change, since both changes are for the same person?  
Example: CalWORKs/Medi-Cal (CW/MC) case. Mom is an undocumented**

**non-citizen with her child. Mom becomes citizen mid-quarter and starts working part-time.**

Answer: If Mom became a citizen first, and the CWD added her to the AU/HH prior to her income increasing, she would be added to the AU/HH the month after the report of her new citizenship status and her income would not be included in the budget calculation.

**11. Are there any new data reports needed for QR/PB?**

Answer: At this time, we do not anticipate any new statewide reports. Food and Nutrition Services (FNS) has requested that data be provided as part of the waiver process and Assembly Bill 1402, (Chapter 398, Statutes of 2003) mandates that certain QR information be reported to the Legislature. CDSS will work with CWDA to determine data gathering needs and sample size.

**12. Should the 20 percent earned income disregard be allowed when good cause for late reporting exists for the FS program?**

Answer: When good cause exists for late QR 7 reporting, the 20 percent earned income disregard is allowed. When calculating an overissuance (O/I), where good cause does not exist, the 20 percent earned income deduction to that portion of earned income which the HH failed to report is disallowed.

**13. On Page 36 of ACL 03-18, in the “move out of state” section, it states that CWD will end benefits at the end of the month after 10-day notice can be provided. However, this appears to contradict the FS program section that states that a timely notice is not required. Please indicate which instruction is correct.**

Answer: The lead-in sentence in the ACL on page 36 should only have been included for CalWORKs instructions. A 10-day notice is not required for the FS program when there is a move out of state.

**14. If a CWD receives information from a voluntary mid-quarter report which would result in a decrease in benefits the following quarter, and the information is not reported on the appropriate QR 7, can we use the previously reported information to change benefits for the future month and resolve the discrepancy with the recipient to avoid an OP/OI in the future month? The case would be in a hold status pending the discrepancy resolution.**

Answer: If information from a previous (voluntary) report is not reported on the next QR 7, the QR 7 would be considered “incomplete,” and the CWD must act to resolve the discrepancy between the two reports before changing benefits for the next quarter. The CWD should not assume that the previously reported situation remains the same and should not act solely on that information to decrease benefits for the next quarter.

**15. Does the CalWORKs determination of a period of ineligibility (POI) for transfer of income go away?**

Answer: Yes. The “transfer of income” rule at MPP Section 42-221.4 is rendered obsolete under QR/PB. Income that is received on a nonrecurring basis is considered lump sum income, and with the implementation of QR/PB, lump sum income will be treated as property in the month received. Therefore, only transfers of property (including cash) for less than fair market value will result in a POI.

**16. How would you treat the changes in the following scenario: CW/MC case. AU consists of Mom and her child. Mom is working part-time. QR Payment Quarter is Jan/Feb/Mar. Mom’s second child enters the home on Jan 5<sup>th</sup> (mid-quarter) and Mom loses her job on Jan 7<sup>th</sup> (mid-quarter). Both changes are reported to the CWD on Jan 9<sup>th</sup>.**

Answer: The CWD must evaluate each change separately and according to the sequence of occurrence, keeping in mind the timing of when benefits can be increased based on decreased income and new household members in the QR/PB system.

- The rules for increasing benefits based on decreased income require CWDs to increase benefits (supplement) in the month of the report.
- The rules for adding new persons to the AU/HH require that benefits be increased to reflect the add-on no earlier than the first of the month following the report of the change. If the new person being added to the AU/HH has income, the CWD must first consider the add-on, taking into consideration the income that that individual brings to the AU/HH without considering Mom’s decreased income. Once the CWD determines that the new person can be added the next month or the next quarter, then the CWD would recompute benefits based on Mom’s decreased income.

In the scenario described above, the CWD would act to increase benefits for the month of January based on Mom’s decreased income. The CWD would add the child to the AU/HH effective February 1. The February benefits would be based on an AU/HH of three with the decreased level of income resulting from the job loss.

**17. If an existing NAFS case applies for CalWORKs, does the report quarter stay the same or does it change to correspond with the new program?**

Answer: The CalWORKs program would adjust to the existing NAFS QR cycle. The FS program cannot shorten its certification period solely on the basis of conforming to another reporting cycle. The CalWORKs program will also match the FS recertification month which will become the QR submit month for both programs.

**18. Have the BDA regulations for CalWORKs and FS intake cases changed with QR/PB?**

Answer: For FS program or CalWORKs intake cases, an individual/applicant may apply for aid on any date in a given month. The beginning date of aid currently starts on the date the request was made (i.e., the date of application) and remains the same under QR rules. Therefore, the benefits for that initial month are prorated to determine the benefit amount to be authorized for the remaining days of the application month. For ongoing cases, ACL 03-18 states that applications and beginning dates of aid for individuals being added to an already approved case/program (such as, father being added to the home) begins effective the first of the month following the date of request if adding him would result in an increase in benefits. If adding the father would result in a decrease in benefits, he would be added the first of the next QR Payment Quarter following the receipt of this information on a QR7.

**19. Would a change to “Exempt Maximum Aid Payment (MAP)” status constitutes a county initiated mid-quarter action?**

Answer: No, a change to Exempt MAP status would not be considered a County-Initiated Mid-Quarter Action. The change in an AU’s exempt/nonexempt status occurs when an AU voluntarily reports a change mid-quarter in order to have their grant increased. The CWD would act on the reported information if the change to exempt status results in an increase to the grant. However, if the change in status is due to the AU’s receipt of disability-based income as specified in regulation, the CWD must consider this income at the same time that it determines the AU’s eligibility for Exempt MAP. If the Exempt MAP status, together with the disability income, would result in a decrease to benefits, the CWD would not make the change mid-quarter.

**20. When adding a child mid-quarter, what action is the CWD required to take on the pregnancy special need (PSN) and adding the child to the AU?**

Answer: For Non-Maximum Family Grant (MFG) newborns: If the recipient voluntarily reports the birth of a non-MFG child mid-quarter and adding the child would result in an increase to the cash grant the CWD must add the newborn to the AU the first of the month following the month in which the birth was reported after all verification has been provided. The PSN is discontinued at the end of the month prior to the month in which the newborn is added to the AU.

If the pregnant woman never reports the pregnancy and no PSN was paid, the child is treated as any other mid-quarter request to add a person and those BDA rules apply.

If a recipient, who is receiving a PSN, voluntarily reports the birth of a child mid-quarter, but adding the child would not result in an increase to the cash grant due to the application of MFG rules (MPP Section 44-314), the MFG child is added to the AU the first of the upcoming QR Payment Quarter. Because the grant cannot be reduced mid-quarter due to removal of the PSN, the PSN would continue



through the end of the quarter in which the birth was expected, ending at the end of the month prior to the month in which the newborn is added to the AU.

When the recipient does not report the birth mid-quarter and the pregnant woman was receiving a PSN payment, the PSN shall continue only through the end of the quarter in which the child was expected to be born.

- 21. When county initiated mid-quarter actions are taken, is an overpayment established only for those actions related to a child reaching the age limit or for an adult reaching the 60-month time limit (as described in the scenario listed on page 59 paragraph 3 of the ACL 03-18)?**

Answer: No. CWDs must establish an O/P for any mid-quarter county-initiated action that was not acted upon timely and such action results in an incorrect payment. The CWD must take action to reduce benefits effective the first day of the next month in the current QR Payment Quarter, with 10-day notice or as soon as 10-day notice can be provided.

- 22. Can a CWD waive the 10-day notice requirement based on the client's verbal request for discontinuance of food stamps and/or CalWORKs?**

Answer: No. The only time the 10-day notice is not required is when the request for discontinuance is in writing.

- 23. When a SAWS 2 is needed to redetermine eligibility mid-quarter, is the CWD required to adjust the redetermination/recertification date?**

Answer: When the CWD redetermines eligibility based on the new SAWS 2, the CWD should ensure that the redetermination date remains aligned with the accompanying FS recertification date.

- 24. Per ACL 03-18, page 16, "If the information on the QR7 is not consistent with information provided in the voluntary or mandatory mid-quarter report, the CWD shall take action to resolve the discrepancy." What is the timeframe for contacting the client?**

Answer: Action to resolve the discrepancy should occur immediately. Such resolution must occur prior to the timeframes for processing the incomplete QR 7 (i.e., sending the NA 960Y QR) because the QR 7 will be considered incomplete if the discrepancy is not resolved. CWDs should use the same rules they currently use to clarify discrepant reports. Case narratives may be sufficient documentation to clarify why the client did not report information on a QR 7 that was previously reported. The CWD must request verification, if applicable, as required in current regulations to resolve the discrepancy.

- 25. In regards to reporting income exceeding the Income Reporting Threshold (IRT), page 40 of ACL 03-18, says: "There is no overissuance as long as the change was reported timely." This appears to indicate that if the change were not reported timely, there would be an O/I. Yet on page 41 it reads:**

**“Because the IRT does not apply in the FS program, a recipient’s failure to report income that exceeds the IRT in CalWORKs (which results in discontinuance from CalWORKs) will not result in a client error for the FS program.” Is this saying that there would be an O/I but would not be considered client error or are these sections in conflict?**

Answer: The statement on page 41 regarding “recipient failure to report income that exceeds the IRT not being an error,” is intended to address Quality Control (QC) audit/case review procedures. Since reporting income that exceeds the CalWORKs IRT is not required to be reported in the FS program, a QC error shall not be cited in the FS program. There would, however, still be an O/I established if recalculation of FS benefits results in an O/I due to changes in the CalWORKs grant/eligibility.

- 26. In the section regarding other failure to report/county error, ACL 03-18 states: “With the exception of address changes, unless it involves a move out of the state, if these occurrences are not reported, or not correctly acted on, the CWD shall calculate the OP/OI by redetermining benefits the recipient would have received based on correct reporting and CWD actions.” What about address changes involving a move out of county on a FS-only case? Why wouldn’t the CWD calculate an O/I by redetermining benefits the recipient would have received based on correct reporting?**

Answer: In a NAFS case, the CWD would be required to establish an O/I for FS benefits issued in one county when the HH moved to another county and failed to report it or the CWD did not act on reported information.

- 27. ACL 03-18 page 48 states, “A mid-quarter report of increased shelter costs must be acted upon by the CWD by re-computing benefits using the new shelter cost once it’s been verified.” There is no FS regulation currently that requires verification of shelter when it changes. Is this a change to FS program policy?**

Answer: No. This is not a new FS program policy. Please refer to ACL 00-79, dated March 7, 2000. There are counties that prefer to verify shelter costs though they are not required to do so. If the CWD opted to verify shelter cost changes, the action to change FS benefits would occur when verification of the change is received. Counties have the option to verify shelter costs, with the stipulation that once the option is selected it applies countywide. If the CWD opted to not verify new shelter costs, the action would be taken for the month the change was reported and continued at that new rate until a new shelter cost change is reported.

- 28. If a recipient voluntarily reports a mid-quarter change in the shelter cost and results in a FS increase, would the CWD make the change in the month it is reported and any remaining months in the quarter?**

Answer: For counties that require verification of shelter costs: If verification is provided within 10 days of the report and the verification is received in the next

month, but within the 10-day timeframe for providing verification, the action to increase benefits would be effective in the month the change was reported. If the verification is received outside of the 10-day timeframe for providing verification, the change would be effective when verification is received. If a county does not require verification of shelter costs, benefits would be increased at the time the change is reported and the expense is expected to be incurred.

- 29. What is the CWD's responsibility to ask a HH about a shelter cost change when the HH reports an address change? If no shelter cost information is provided, would the county use the amount last reported by the HH, even if it is at the previous address, or would the county disallow shelter costs and use zero shelter costs?**

Answer: The recipient must report housing cost changes at the time of an address change. This is not different from current requirements, which require a report of the address change and the accompanying shelter cost changes. Counties that opt to verify the expense must do so and allow the recipient 10 days to provide verification. If the recipient fails to provide verification, the CWD must disallow the shelter cost deduction.

- 30. A worker contacts the AU/HH because a voluntary mid-quarter report was submitted indicating that an AU/HH member had left the home. That same information was not reported on the QR 7. The worker contacts the client by phone and discovers that the HH member that left has now returned. Is it sufficient for the worker to do a contact sheet? If not, in what way should the worker tie together information from the three sources – the QR 3, the QR 7 and the phone contact to get a full picture of the HH's circumstances?**

Answer: Annotation in the case file of the content of the phone contact(s) and subsequent recipient reports should be sufficient documentation for mid-quarter reports. In the case narrative, the worker should describe what was reported, what happened (the dates the person left and/or re-entered the home), and indicate what action was taken or not taken based on these reports.

The CWD should inform the AU/HH that even though mid-quarter changes in household composition are not required to be reported within 10-days, the change (person moving in or out of the home) must be reported on the next QR 7 that follows the change. In order for a report of a new household member to be considered reported timely, the AU/HH must report the new person in the home no later than on the QR 7 that is submitted following the change. The timeliness of the report is important in determining when benefits may be increased, as well as in determining eligibility for cash-linked Medi-Cal for the new household member.

- 31. What is required to transition a FS case from no monthly reporting (change reporting) to QR/PB? What about the reverse?**

Answer: When a FS HH changes its reporting status from change (no monthly) reporting to quarterly reporting, the CWD must take the following steps:

- a) Put the HH into a QR cycle based on that county's method of determining cycles. The CWD would determine the cycle by the application date or terminal digit, ensuring that it's appropriately aligned with the recertification date.
- b) Establish the QR cycle to determine when the first QR 7 for the HH is due.
- c) Ensure that the HH is properly informed about the QR/PB rules, the HH's QR cycle and QR 7 due dates and the HH's IRT level (if it's a PAFS case).

When a quarterly reporting HH changes its status to change reporting, the CWD must take the following steps:

- a) Remove the HH from the QR cycle and stop sending QR 7s;
- b) Inform the HH of their new reporting responsibilities as a change reporting HH; and
- c) Establish benefits based on last known income and any anticipated income, as described in MPP Section 63-503.242(a)(1). The last QR 7 or new information provided by the HH may also be used.

**32. The ACL states that if items pertaining to one program's requirements are not completed on the QR 7 submitted for both programs, the QR 7 shall be considered incomplete for that program only. It will be considered complete for the other program.**

- a. **Does this mean that we have separate reporting criteria for FS and CalWORKs and that if one program reporting requirements are met but the other is not, it would not constitute an "incomplete report" for the other program whose requirements were met?**
- b. **Are there any questions on the QR 7 which, if left unanswered, would make the report incomplete for one program and not the other?**

Answer: a) No. Monthly Reporting Retrospective Budgeting (MRRB) rules for treatment of completeness of the reporting form remains unchanged under QR/PB for the CalWORKs and the FS program. Both programs have some limited differences in reporting criteria. The ACL 03-18 (page 11) states if items pertaining to one program's requirements are not completed on the QR 7 submitted for both programs, the QR 7 shall be considered incomplete for that program only. It will be considered complete for the other program. However, all unanswered questions don't necessarily result in an incomplete report for either program. For example, the QR 7 asks if anyone paid court-ordered child support. This question applies to FS HHs only and represents a reporting difference, but not necessarily an incomplete report for the FS HH. If the question is not answered, the FS program would not allow any child support payment to be used as a deduction in the FS budget. Because this is not a CalWORKs question, the QR 7 would not be considered incomplete for either program.

b) Currently, there are no questions on the QR 7 that if left unanswered, would make the report incomplete for one program and not the other (See MPP Sections 40-181.22, 63-504.271 and 63-504.31). However, the signature

requirement for both programs is different. If in a two parent AU/HH, the QR 7 is received with only one of the parent's signature, the report is considered incomplete for the CalWORKs program but not for FS program. The CWD shall not delay FS benefits to the AU/HH.

**33. A) Currently, individuals who cure their welfare-to-work (WTW) sanctions are added effective the date they cure the sanction or the date the minimum sanction period ends, whichever is later. Will this functionality change under quarterly reporting?**

Answer: Yes, this functionality will change. Since quarterly reporting eliminates all partial month benefit prorations, the date on which aid is restored will change as described below.

**B) When should a county add an individual who cures a WTW sanction mid-month?**

Answer: The following is the policy regarding the restoration of aid under quarterly reporting, including for those individuals who cure a sanction mid-month, which is included in the recently released ACL 03-59 on sanctions. Curing occurs when a sanctioned individual contacts the county to indicate a desire to cure, signs a Plan to Stop a WTW Sanction, and successfully meets the terms of that plan. However, before cash aid may be restored, any applicable minimum sanction period must also be met.

When an individual contacts the county to start the curing process after a first sanction is imposed, or after the minimum sanction period has ended for a second, third, or subsequent sanction, and the individual successfully completes the curing process, cash aid is restored effective the first day of the month following the date that the individual contacted the county to indicate his or her desire to cure.

**Example 1:** An individual who was sanctioned for failing to attend orientation contacts the county on July 14 and indicates he wishes to cure his sanction. The individual signs his curing plan on July 17, attends orientation on July 23 as required by his plan, and cures his sanction. On August 1, his cash aid is restored.

**Example 2:** An individual contacts the county on July 14 and indicates she wishes to cure her sanction. The individual signs her curing plan on July 17, which specifies that she must participate in two weeks of job search/job club beginning on July 23. She successfully completes job search/job club on August 5, and cures her sanction. The individual's cash aid is restored back to August 1. In cases when an individual contacts the county to initiate the curing process within the allowable 45-calendar day timeframe prior to the end of any required minimum sanction period as described in ACL 03-59, and once curing requirements are met, aid is restored effective the first day of the first month following the end of the minimum sanction period (see Examples 3 and 4).

**Example 3:** An individual contact the county 15 days prior to the end of his minimum sanction period which ends on July 31, signs his plan, and completes the activity in the plan before the end of the minimum sanction period. On August 1, his cash aid is restored.

**Example 4:** An individual contacts the county on July 14, 17 days prior to the end of her minimum sanction period, indicates her wish to cure her sanction, and signs a curing plan that same day. The plan specifies she must participate in 30 days of community service which she begins on July 15. On August 14, she successfully completes her community service assignment and cures her sanction. Her cash aid is subsequently restored back to August 1.

**C. A family is reapplying for aid and the adult is still under sanction for failing to cooperate with WTW. What is the beginning date of aid for the adult?**

Answer: Aid is restored for sanctioned individuals after they fulfill the requirements for curing a sanction, in accordance with ACL 03-59.

- 34. There seems to be a contradiction regarding whether to restore benefits at prior level or to use newly reported information on the QR 7 when determining benefits following determination of good cause for failure to submit the QR 7. Which action is the CWD required to take?**

Answer: Benefit determination based on information reported on the QR 7 and the determination of good cause for a late QR 7 are two separate steps in a sequential process. It is no different from good cause determinations made under MRRB for late CW 7s. The following are the steps for issuing benefits after the CWD determines that good cause exists:

- 1) When rescinding discontinuance after good cause has been determined and the information reported on the QR 7 results in an increase in benefits, and the CWD cannot increase benefits by the first of the month of the next QR Payment Quarter, a supplement shall be issued for that month and benefits increased for the remaining months of the QR Payment Quarter. The 10-day notice requirements do not apply to increase in benefits.
- 2) If the information reported on the QR 7 results in a decrease in benefits, the CWD must provide 10-day notice before taking action to decrease benefits.
- 3) If the 10-day notice requirement prevents the CWD from decreasing benefits the first of the month following receipt of the late QR 7, the CWD shall make a mid-quarter change in the QR Payment Quarter to decrease benefits based on information reported on the late QR 7 allowing for 10-day notice.
- 4) An OP/OI would be established for benefits released at a previous higher level as a result of the CWD's inability to decrease benefits without 10-day notice.

- 35. Can a recipient request a hearing if they no longer can claim good cause due to the timeframe expiring? For example, if the recipient fails to return a February 2004 QR 7 by March 31, 2004 and requests a hearing on May 5, 2004, is (s)he still entitled to a hearing even though (s)he did not request good cause from the CWD in April 2004?**

Answer: Yes, a recipient may request a hearing. There have been no changes to the rules governing a recipient's right to a state hearing. Under QR/PB the recipient may not claim good cause for a late QR 7 once a full calendar month has passed since the discontinuance date. However, a state hearing continues to be available to any claimant who is dissatisfied with a county action and requests a hearing.

- 36. Will QR impact FS program work requirements for individuals in NAFS households?**

Answer: No. Under QR, NAFS recipients must meet work registration requirements as a condition of eligibility unless they qualify for a work registration exemption at MPP Section 63-407.21. This includes participation in the FSET program when assigned by the county. NAFS recipients must also satisfy the monthly Able-Bodied Adult Without Dependents (ABAWD) work requirement at MPP Section 63-410, unless they live in a county where the ABAWD work requirement is waived or they qualify for an ABAWD exemption at MPP Section 63-410.3.