

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



December 13, 1999

ALL COUNTY INFORMATION NO. I-96-99

TO: ALL COUNTY WELFARE DIRECTORS
ALL CalWORKs PROGRAM SPECIALISTS
ALL FOOD STAMP COORDINATORS
ALL COUNTY WELFARE FRAUD INVESTIGATORS
ALL COUNTY DISTRICT ATTORNEYS

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: IMPLEMENTATION OF QUARTERLY REPORTING IN THE CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS) AND FOOD STAMP PROGRAMS

REFERENCE: WELFARE AND INSTITUTIONS CODE SECTIONS (WIC) 11265.1 AND .2 AND WIC SECTION 18910 AS ENACTED BY ASSEMBLY BILL (AB) 510, (CHAPTER 826, STATUTES OF 1999)

The purpose of this letter is to inform all County Welfare Departments (CWDs), District Attorneys (DAs), and Special Investigative Units of the implementation of a recipient Quarterly Reporting (QR) system in the CalWORKs and Food Stamp programs, as provided by the enactment of AB 510. This letter requests CWDs to begin considering whether they are interested in participating in the initial start-up phase of the QR implementation.

For Los Angeles County and up to eight other counties selected by CDSS, AB 510 eliminates the current monthly reporting and retrospective budgeting system in the CalWORKs and Food Stamp programs and replaces it with a quarterly and change reporting system with prospective budgeting. The new system can be implemented as early as July 1, 2000. The law requires that the CDSS complete an evaluation of the QR system no later than January 1, 2003. If the legislature takes action to remove sunset provisions that are contained in the law, statewide implementation could begin January 1, 2004. Pending legislative action to implement QR statewide, all other counties remain subject to the current monthly reporting and retrospective budgeting system.

Overview of AB 510

The new law requires:

- Quarterly reporting to be used in the CalWORKs program;
- CDSS to conform the Food Stamp Program (FSP) requirements to the new CalWORKs QR rules to the extent permitted by federal law, regulations, directives and waivers;
- Recipients to report specified changes to the CWD within ten days, in addition to submitting quarterly reports;
- CWDs to make prospective changes to recipient benefits as changes are reported, using existing FSP prospective budgeting rules for nonmonthly-reporting households;
- CDSS to request a FSP waiver to increase the income-reporting threshold from \$25 to \$100 and to allow counties to recalculate recipient benefits only upon report of a required change; and
- CWDs to establish over/underpayments in accordance with existing FSP rules for nonmonthly reporting households.

General Implementation Activities

The Department has requested the necessary federal waivers to have the QR rules apply to the entire FSP population, including public assistance and non-assistance households, in order to achieve maximum compatibility with the CalWORKs program rules. Although the CDSS is working with FNS to facilitate the approval of these waivers, CDSS cannot assure CWDs that all the waivers will be approved.

The law requires that, in order to participate in the initial phase of implementation beginning in July 2000, counties must have the agreement of their local DA and must be selected by the CDSS. The CDSS will be determining the county selection criteria in the near future and will be issuing a call letter to solicit CWD interest in participating in the first phase of QR implementation. We anticipate that the call letter will be issued in February 2000, once FNS has responded to the waiver requests and the quarterly reporting and budgeting rules have been finalized.

The law provides for the CDSS to implement the new provisions by All County Letter (ACL), followed by emergency regulations. The ACL will provide instructions to counties that are participating in the start-up phase, as well as to the non-participating counties for purposes of understanding how to treat recipients who transfer from one reporting and budgeting system to the other.

CDSS will work closely with representatives from the County Welfare Directors Association, California State Association of Counties, welfare and food policy advocates, HWDC/SAWS Consortia groups, the Department of Health Services (Medi-

Cal), California Welfare Fraud Investigators Association, California District Attorneys Association and the Office of Criminal Justice Planning (OCJP) to establish program policy and regulations and ensure successful implementation.

Considerations For County Participation

Although a formal call letter soliciting CWDs' participation in early implementation will not be issued until next year, we urge CWDs to begin discussions now with the necessary local entities to determine whether their county wishes to participate in the start-up phase of QR implementation. It is stressed that in order to achieve maximum workload reduction and to secure valid evaluation data, CWDs should consult with appropriate automation technology staff to determine if their automation system can readily accommodate the necessary changes to ensure that implementation does not require manual eligibility determinations. CWDs should also consult with their automation consortia representatives to ensure that the consortia can accommodate dual systems – the existing monthly reporting system, as well as the new QR system.

Keeping these considerations in mind, it is critical that CWDs that are interested in early participation secure approval from their local DA's office and appraise their readiness and willingness to participate in early implementation. Although there are still several unknown factors which could affect a county's final decision to participate, the CDSS is asking interested counties to submit a preliminary letter of interest to our department, indicating your desire to participate as a start-up county, with implementation targeted for July 1, 2000. CWDs wishing to do so may submit an informal letter of interest by January 18, 2000, to:

Mr. Bruce Wagstaff
744 P Street, M.S. 16-26
Sacramento, CA 95814
Attn: Charr Lee Metsker

If you or your staff have questions, you may contact the QR Project Lead, Cora Myers, at (916) 654-2236, or CalNET 464-2236. Inquiries may also be directed to her at Cora.Myers@dss.ca.gov.

Sincerely,
Original signed by
Maria Hernandez
for Charr Lee Metsker
on 12/13/99

CHARR LEE METSKER, Chief
Employment and Eligibility Branch

c: CWDA
CSAC