



CDSS

WILL LIGHTBOURNE
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES

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EDMUND G. BROWN JR.
GOVERNOR

July 21, 2011

ALL COUNTY LETTER NO. 11-47

TO: ALL COUNTY WELFARE DIRECTORS
ALL CalWORKs PROGRAM SPECIALISTS
ALL CALFRESH COORDINATORS
ALL COUNTY CONSORTIUM PROJECT MANAGERS
ALL COUNTY REFUGEE COORDINATORS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO
KIDS TREATMENT OF ADOPTION ASSISTANCE PROGRAM
PAYMENTS AS A RESULT OF THE CADARET V WAGNER
SETTLEMENT ORDER

REFERENCE: ALL COUNTY LETTER (ACL) 90-101, MANUAL OF POLICIES
AND PROCEDURES (MPP) SECTIONS 69-206, 69-211 AND
44-111.61, ALL COUNTY INFORMATION NOTICES (ACIN)
I-05-92 AND I-58-08

REASON FOR THIS TRANSMITTAL

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

The purpose of this letter, required by Cadaret v Wagner, is to provide counties with clarification on the treatment of Adoption Assistance Program (AAP) payments made to families applying for or receiving California Work Opportunity and Responsibility to Kids (CalWORKs). Effective immediately County Welfare Departments (CWD) are to exempt AAP payments as income for families applying for or receiving CalWORKs, if these payments have not previously been exempted.

Additionally, if a CWD becomes aware of any cases in which AAP payments were incorrectly included as an income source when determining eligibility for an applicant or when calculating a cash grant for a recipient, the CWD must take corrective action to re-evaluate the eligibility and recalculate prior cash grants excluding the AAP payment. In cases where an underpayment has occurred or an applicant was denied due to the AAP payment, the CWD shall restore any aid that the applicant or recipient was entitled to after offsetting any existing overpayments for the case.

On November 1, 1990, the California Department of Social Services (CDSS) released ACL 90-101 instructing counties to exempt AAP payments as income for families receiving Aid to Families with Dependent Children (AFDC). With the passage of welfare reform legislation under the Personal Responsibility and Work Opportunity

Reconciliation Act in 1996, the AFDC program was terminated and replaced with the Temporary Assistance for Needy Families (TANF) program.

As with AFDC, counties are to exempt AAP payments as income for families applying for or receiving CalWORKs. Cadaret v Wagner also requires CDSS to revise CalWORKs regulations to add AAP payments to the list of “complementary program” assistance payments that the Administration for Children and Families has identified as excluded or disregarded sources of income. CDSS expects that the revisions to the MPPs will be completed and issued by February 2012.

Refugee Cash Assistance (RCA), Entrant Cash Assistance (ECA), and Trafficking and Crime Victims Assistance Program (TCVAP)

The RCA, ECA, and TCVAP regulations require that counties use CalWORKs program rules for determining eligibility and benefit levels. Therefore, AAP payments are also excluded as income for individuals and families applying for or receiving RCA, ECA, and TCVAP benefits.

CalFresh

In the CalFresh program, AAP subsidies are treated as unearned income, with the exception that any portion of the AAP subsidy that is earmarked for an excludable reimbursement (e.g., medical or dental care expenses) shall be excluded from consideration as income, determined on a case-by-case basis. Refer to ACIN I-05-92 and ACIN I-58-08 for additional information regarding CalFresh (formerly known as Food Stamps) treatment of AAP.

If you have any questions regarding this letter, please contact the following CDSS representatives:

CalWORKs Eligibility County Consultant	(916) 654-1322
CalFresh Policy, Tracy Ahlenstorf	(916) 657-3283
RCA, ECA, and TCVAP County Analyst	(916) 654-4356

Sincerely,

Original Document Signed By:

CHARR LEE METSKER
Deputy Director
Welfare to Work Division