



CDSS

WILL LIGHTBOURNE
DIRECTOR

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

744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

REASON FOR THIS TRANSMITTAL

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

July 30, 2012

ALL COUNTY LETTER NO.: 12-35

TO: ALL COUNTY WELFARE DIRECTORS
ALL CalWORKs PROGRAM SPECIALISTS
ALL COUNTY CALFRESH PROGRAM SPECIALISTS
ALL CONSORTIA REPRESENTATIVES

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) AND CALFRESH PROGRAMS: IMPLEMENTATION OF ASSEMBLY BILL (AB) 959 FOR THE CalWORKs AND CALFRESH PROGRAMS

REFERENCE: AB 959 (CHAPTER 506, STATUTES OF 2011); WELFARE AND INSTITUTIONS CODE (WIC) SECTION 11265.4 (a); ALL COUNTY LETTERS (ACL) 03-18 AND 10-32; MANUAL OF POLICES AND PROCEDURES (MPP) SECTIONS 40-105.3, 40-125.91, 40-125.92, 40-125.941 (QR), 40-125.942.QR, 40-125.96 (QR), 40-181.22, 40-181.221, 40-181.23, 40-181.24 (QR), 41-440.22, 44-111.23, 44-315.7, 44-316.31, 63-508.4, 63-508.5, and 63-508.532; UNITED STATES DEPARTMENT OF AGRICULTURE, FOOD AND NUTRITION SERVICE (FNS) WAIVER #2090046

The purpose of this letter is to inform County Welfare Departments (CWDs) of the changes pursuant to AB 959. The new law will change the way CWDs process recently discontinued CalWORKs and CalFresh cases who submit a completed QR 7 in the month following discontinuance for failure to submit the quarterly eligibility report form (QR 7) in the Submit Month.

Existing Regulations:

Current state law and regulations require CWDs to redetermine recipient eligibility and grant/benefit amounts on a quarterly basis, using the recipient QR 7 form. Regulations at Manual of Policies and Procedures (MPP) Sections 40-181.22 and 63-508.5 state that a complete QR 7 is due by the 5th calendar day of the QR submit month and is still considered timely if received by the 11th day of that month. CWDs use information reported by the recipient on the QR 7 to determine continuing eligibility and grant/benefit amount for the next quarter. When a recipient fails to submit a complete QR 7 by the 11th day of their report month (as defined at MPP Sections 40-181.22 and 63-508.5), CWDs are required to send a Notice of

Action (NOA) informing the recipient that their cash aid and/or CalFresh benefits will be discontinued at the end of that month.

Current Law:

Currently, if a recipient does not submit a complete QR 7 by the end of the first working day of the month following the discontinuance, the discontinuance remains in effect, and the client must reapply for aid as a new applicant. Existing regulations at MPP Section 40-125.91 allow CWDs, on a case by case basis, the option of not requiring clients to provide a new SAWS 2 when the client is requesting a restoration of aid, if case circumstances haven't changed significantly since the case was discontinued and if the family's annual redetermination of eligibility was not overdue.

In addition, currently, if a recipient is determined to have good cause for not submitting a complete and timely QR 7, CWDs are required to rescind the discontinuance and restore aid back to the first of the month following discontinuance, pursuant to MPP Sections 40-125.94 and 40-181.234. Under these circumstances, the CWD is required to determine eligibility using recipient rules, and calculate the grant/benefit amount based on information contained on the complete QR 7. Good cause is defined at MPP Section 40-181.23 (QR).

New Law:

Effective July 1, 2012, the new law under Welfare and Institutions Code (WIC) Section 11265.4(a) requires that when a recipient submits a complete QR 7 within the month following the discontinuance for an incomplete QR 7 or for nonsubmission of a QR 7 (pursuant to MPP Section 40-125.92 (QR) and 63-508), the CWD must restore benefits to the AU/household without requiring a new application or intake interview, provided all other eligibility criteria are met. Eligibility and benefits shall be determined based on the complete submitted QR 7 and prorated from the date that the AU/household provides the complete QR 7 and the recipient shall be issued a NOA (M40-125A) informing them of this change. **These restored AU/households shall be considered recipient cases and shall not be subject to applicant eligibility criteria.** In other words, these cases are subject to the recipient earned income disregards at MPP Section 44-111.23 for purposes of grant/benefit calculation when earnings are reported, and not the applicant disregard of \$90 (MPP Section 44-207.11). These cases are also not subject to the applicant 100-hour rule for two-parent cases described in MPP Section 41-440.2. If the information reported on the complete QR 7 results in a decrease in benefits from the amount issued in the month prior to their QR 7 discontinuance, CWDs would be required to restore benefits at the decreased level. Restoring benefits at a decreased level is appropriate given that the case is going from a discontinued status to an active (aided) status after a break in aid, and the CWD's action would not be considered a mid-quarter decrease, as the QR cycle was disrupted when benefits were terminated. For these cases, the client's current QR cycle and certification period shall be retained as if the case were never discontinued. As a requirement for CalWORKs only, it is not necessary to obtain another Statewide Fingerprint Imaging System (SFIS) image for these cases (MPP Section 40-105.3).

SFIS is no longer a requirement for CalFresh. If the recipient does not submit a complete QR 7 within the month following discontinuance or if he/she submits an incomplete QR 7, the original discontinuance shall remain in effect. Current good cause rules for failure to submit a complete and timely QR 7 continue to apply. If the CWD has discontinued a client, and the client is determined to have good cause for not submitting the QR 7, the CWD will still be required to rescind the discontinuance and restore full aid back to the beginning of the month pursuant to MPP Sections 40-125.94 and 40-181.234.

Implementation of AB 959 primarily changes the rules for restoring aid in the month following QR 7 discontinuance for those AUs who do not have good cause for failing to submit their QR 7 in that when aid is restored, it is restored as of the date the QR 7 is received (i.e. aid is pro-rated.) Also, unlike the treatment of other restoration of aid cases, which occur when the client applies for aid within 12 months after being discontinued, AB 959 requires that the CWD treat the AU as a recipient AU, rather than an applicant AU when they submit a complete QR 7 in the 30 days following discontinuance for non-receipt of a complete QR 7.

Timing of Implementation:

AB 959 became effective July 1, 2012; therefore, any client who applies for aid in the month of July after being discontinued June 30, 2012, for failure to submit a complete and timely QR 7, or who submits a May 2012, QR 7 in the month of July 2012, shall be considered under the new AB 959 rules. The June 30 discontinuance must either be rescinded (if the client had good cause) back to the discontinuance date or restored as the date the May QR 7 is submitted if the client did not have good cause.

As of August 1, cases discontinued for non-receipt of a complete QR 7 must also be considered under the new AB 959 rules shared in this ACL.

Please see Attachment A for examples of various case situations and how they should be treated under the new AB 959 changes.

CalWORKs/ Transitional CalFresh (TCF):

Public Assistance CalFresh (PACF) households who do not submit their complete QR 7 by the first working day of the next QR payment quarter will have their CalWORKs benefits terminated, but they will receive TCF benefits. AB 959 allows PACF recipients to submit a completed QR 7 within the month following the discontinuance. Regular CalFresh benefits will be restored effective the first of the following month, providing the county issues a timely NOA prior to the termination of TCF benefits.

Under the provisions FNS Waiver #2090046, Non-Assistance CalFresh (NACF) recipients already are permitted to submit a completed QR 7 within the month following discontinuance without having to re-apply (see Non- Assistance CalFresh section below). The new law extends this same opportunity to PACF recipients.

Non-Assistance CalFresh (CalFresh-only households):

As stated in ACL 10-32, most NACF (CalFresh-only) households (those cases without a CalWORKs component) already can have their cases restored within the month following discontinuance per United States Department of Agriculture, FNS Waiver #2090046. Please refer to the ACL for information regarding the restoration of NACF households.

Attachment A also includes examples of how to treat CalFresh cases for PACF households who have been discontinued for non-receipt of a complete QR 7, starting with Example 3.

Regulations, Forms and NOAs:

The California Department of Social Services (CDSS) will be revising all necessary regulations, forms and NOAs in response to these changes. Attached to this letter are revised NA 960X and the NA 960Y notices, which have been revised to reflect the new provisions of AB 959. CWDs are instructed to use these forms as of August 1, 2012.

For questions regarding CalFresh, please contact your county consultant or call the CalFresh Policy Bureau at (916) 654-1896. If you have any questions regarding CalWORKs, please contact your county consultant or call the CalWORKs Eligibility Bureau at (916) 654-1322.

Sincerely,

Original Document Signed By:

TODD R. BLAND
Deputy Director
Welfare to Work Division

Attachments