



CDSS

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

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EDMUND G. BROWN JR.
GOVERNOR

October 30, 2012

ALL COUNTY LETTER NO. 12-61

REASON FOR THIS TRANSMITTAL

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

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALFRESH PROGRAM SPECIALISTS
ALL CONSORTIA REPRESENTATIVES
ALL QUALITY CONTROL COORDINATORS

SUBJECT: IMPLEMENTATION OF THE HEAT AND EAT PROGRAM FOR CALFRESH

REFERENCE: WELFARE AND INSTITUTIONS CODE (WIC) SECTION 18901.2;
Assembly Bill (AB) 6 (Chapter 501, Statutes of 2011)

The purpose of this letter is to provide County Welfare Departments (CWDs) with instructions for the implementation of the Heat and Eat Program via the issuance of a nominal Low Income Home Energy Assistance (LIHEAP) benefit for CalFresh recipients. AB 6 (Chapter 501, Statutes of 2011) requires the California Department of Social Services, in conjunction with the Department of Community Services and Development, to develop and implement a utility assistance initiative whereby all CalFresh households will annually receive a nominal LIHEAP benefit (a cash benefit of \$0.10). Per existing United States Department of Agriculture, Food and Nutrition Service [FNS] regulations, receipt or the expectation of receipt of a LIHEAP benefit entitles households to the full Standard Utility Allowance (SUA), for the purpose of calculating CalFresh benefits.

The LIHEAP benefit will be given via Electronic Benefit Transfer (EBT) to all CalFresh households, including homeless households, and households receiving benefits through the California Food Assistance Program (CFAP). The result will be an increase in the amount of CalFresh benefits for many households. In addition, some households who would otherwise be income ineligible will become eligible for CalFresh due to the SUA being used in their eligibility computation.

Counties are strongly encouraged to continue asking for verification of heating or cooling expenses due to the possibility that the Heat and Eat Program may be eliminated in California at such time that the Farm Bill is re-authorized. In the event the program is eliminated, not having utility verification in case files may result in an

increase in Quality Control errors. However, households will no longer be required to provide verification of utility expenses in order to have the SUA used in the computation of their CalFresh allotment.

The receipt of this nominal LIHEAP benefit shall not disqualify the applicant or recipient of CalFresh benefits from receiving other LIHEAP service benefits or other utility benefits for which they may qualify. Effective January 1, 2013, all CalFresh recipients will be entitled to the SUA as part of their CalFresh budget computation. All new CalFresh recipient households should be issued the LIHEAP benefit no later than the end of the month in which CalFresh benefits are authorized. Annual benefits will be issued in the month of October thereafter for continuing households.

As stated above, all CalFresh recipient households will be eligible for the SUA as a result of receiving the nominal LIHEAP benefit. Therefore, the homeless shelter deduction, Telephone Utility Allowance and Limited Utility Allowance will no longer be used in the determination of CalFresh allotments.

In addition, aging and expungement rules will apply to the LIHEAP benefit. However, unlike other cash benefits, LIHEAP benefits that have been expunged cannot be reissued upon reapplication or request by the recipient. As stated in WIC Section 18901.2(c)(1)(C), "Any funds allocated for this purpose not expended by CalFresh recipient households shall be recouped through the "Heat and Eat" program and reinvested into the program on an annual basis as determined by both departments."

The CWDs are responsible for determining whether or not a household has previously received the nominal LIHEAP benefit within the federal fiscal year. This applies to circumstances in which a household has moved from one county to another or is reapplying within the same county in which it was previously receiving benefits. Receipt of the nominal LIHEAP benefit does not disqualify a recipient from receiving other LIHEAP benefits or other utility benefits for which they may qualify.

Transitional CalFresh

Transitional CalFresh (TCF) cases will not receive the nominal LIHEAP benefit. As stated in Manual of Policy and Procedures 63-504.132(a), TCF benefits will be issued in an amount equal to the allotment received in the last month of CalWORKs eligibility, adjusted for the change in household income as a result of the termination in the CalWORKs program. The TCF households that transition back to regular CalFresh are eligible to receive the LIHEAP benefit and have the SUA determined in their eligibility calculation.

EBT

The \$0.10 LIHEAP cash benefit will be issued to all CalFresh households via their EBT account. A new EBT benefit type has been established for LIHEAP and is available on the EBT system. The LIHEAP benefit type is available for county use once it is programmed into the county's respective welfare eligibility system.

The new EBT benefit type is as follows:

Benefit Type Name: Low-Income Home Energy Assistance Program (LIHEAP)

Benefit Type Code: LIHEAP

Aid Code: None

Fiscal claiming instructions will be issued under a separate County Fiscal Letter. For fiscal claiming questions, please contact the Fiscal Systems Bureau at fiscal.systems@dss.ca.gov.

For CalFresh questions regarding the Heat and Eat Program, please contact your CalFresh county analyst or call the CalFresh Policy Bureau at (916) 654-1896.

For EBT questions regarding the Heat and Eat Program, please contact the Program Technology and Support Bureau at (916) 654-1874.

Sincerely,

Original Document Signed By:

TODD R. BLAND

Deputy Director

Welfare to Work Division