



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

September 16, 2014

ALL COUNTY LETTER (ACL) NO. 14-63

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 MANAGERS
ALL QUALITY CONTROL COORDINATORS

SUBJECT: HOUSEHOLDS ELIGIBLE FOR CALFRESH, BUT ENTITLED TO NO BENEFITS

REFERENCE: ALL COUNTY INFORMATION NOTICE (ACIN) NO. I-50-13 (August 23, 2013), TITLE 7 CODE OF FEDERAL REGULATIONS (CFR) PART 273.10 (e)(2)(iii)(A) and (B)

The purpose of this letter is to provide instructions regarding the treatment of households comprised of three or more members who are categorically eligible (CE) to CalFresh, but whose net income would not entitle them to receive any benefits.

For CE households, either “traditional” or “modified” categorical eligibility (MCE), it is possible for the household to be gross income eligible as a result of CE but actually not entitled to receive benefits due to their level of net income. This is especially the case with MCE households where the gross income limit (for TANF-funded service and subsequent CalFresh eligibility) is up to 200% of the Federal Poverty Level.

If the calculation of benefits for an initial month would yield an allotment of less than \$10 for the household, no benefits shall be issued to the household for the initial month. Except during an initial month, those CE households with one or two members would receive no less than the current minimum allotment regardless of their net income. However, households of three or more would only receive the benefit allotment that corresponds to the amount indicated on the tables of benefit issuance based on their net income even if the household’s net income exceeds the net income limit, and even if the corresponding

allotment amount is under \$10, except in the initial month. In some cases, that amount may be zero. Federal rules at 7 CFR 273.10 (e)(2)(iii)(A) and (B), gives states the option to either deny, or certify and suspend, eligible households of three or more whose net income would result in the receipt of no benefits. As stated in ACIN I-50-13, California has opted to deny zero benefit cases. This also applies to existing households with three or more members in which the tables of benefit issuance indicate a benefit amount of zero. Such cases are to be terminated.

It has come to our attention that we had not “officially” notified counties regarding this option which was chosen as less administratively costly than certifying and carrying cases that are eligible for zero benefits. Therefore, the following instructions are provided.

Applicant Households

If a household of three or more that is determined to be categorically eligible either through traditional CE or MCE and has a net income amount that results in eligibility for zero benefits, the county will deny the application. The denial will be based on the fact that the household’s net income exceeds the level at which benefits are issued.

Ongoing Households

If a CE/MCE household with three or more members has a reported change in gross income and/or allowable expenses which causes their net income to increase to the point where they no longer qualify to receive any benefits, the county will discontinue the household’s participation as a result of the net income exceeding the level at which benefits are issued.

For those CE households being recertified that would receive no benefits due to their net income, the county will deny the recertification application for the same reason as an initial application as indicated above.

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

Sincerely,

Original Document Signed By:

TODD R. BLAND
Deputy Director
Welfare to Work Division