

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



May 23, 2003

ALL COUNTY LETTER NO. 03-22

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL CalWORKs PROGRAM COORDINATORS
ALL FOOD STAMP PROGRAM COORDINATORS

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: INTERCOUNTY COLLECTION (ICC) OF CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) OVERPAYMENTS AND FOOD STAMP OVERISSUANCES

REFERENCE: MANUAL OF POLICIES AND PROCEDURES (MPP) – DIVISION 40 ELIGIBILITY AND ASSISTANCE MANUAL AND DIVISION 63, FOOD STAMP MANUAL

The purpose of this All County Letter (ACL) is to notify you of changes to the CalWORKs Intercounty Transfer (ICT) and Food Stamp Program Intercounty Claims Collection regulations. These regulations change the procedure by which CalWORKs cash aid overpayments and food stamp overissuances are collected when recipients move from one county to another. The attached regulations have been filed with the Office of Administrative Law and became effective May 1, 2003.

BACKGROUND

Under prior policy, when a CalWORKs family moved from County A to County B, County B collected the overpayment originating in the prior county of residence and reimbursed that county for any amount collected. These regulations modify and put into regulation a process for the collection of overpayments that allows the county that collects the overpayment to retain the amount collected and any resulting incentive funds.

These regulations also modify the procedure for the recovery of food stamp overissuances when recipients move from one county to another. Under the prior procedure, when a family moved from County A to County B, County A initiated or continued the overissuance collection. If County A was unable to initiate an action, then County B initiated collection procedures and received the resulting incentive. These amendments require in all instances, that County B initiate or continue the collection action until the overissuance is fully repaid or the family moves to a subsequent county.

The county that collects the overissuance will report the collection and be entitled to any collection incentive.

SUMMARY OF REGULATION CHANGES

Division 40 (Eligibility And Assistance Manual)

- Section 40-187.1 – amended to specify that the definitions that follow also pertain to ICC procedures.
- Section 40-188.139 – adds the overpayment repayment record to the list of documents the first county must send to the second county when an overpayment balance exists that will continue beyond the end of the transfer period.
- Section 40-190.51 – amended to require the first county to transmit the overpayment recoupment record to the second county and clarifies that the second county is to assume responsibility for the overpayment adjustment at the end of the transfer period.
- Section 40-190.52 - .523 – specifies that the second county is to continue to recoup the overpayment by grant adjustment until it is repaid in full, the recipient moves to a subsequent county, or aid is discontinued. It also instructs the second county to continue the recoupment of an outstanding overpayment after aid has been discontinued, through appropriate collection procedures.
- Section 40-190.53 – adds a provision that allows the county that collects the overpayment to retain the amount collected and to receive any incentive funds regardless of where the overpayment occurred.
- Handbook – adds a cross-reference to the overpayment recovery and recoupment regulation sections.

Division 63 (Food Stamp Manual)

- Section 63-801.782(a) – amended to modify the procedure for the collection of food stamp overissuances to require the former county of residence to provide, in all instances, overissuance collection documentation to the new county of residence. This section also instructs the current county to initiate or continue the collection until repaid in full or the recipient moves to a subsequent county.

- Section 63-801.782(b) – adds a provision to specify that for households no longer receiving food stamp benefits, the last county welfare department that provided benefits is to continue to collect the overissuance until repaid in full.
- Handbook – adds an example to illustrate the overissuance collection procedure for households that re-apply for benefits and are subject to an overissuance collection previously established in a different county.
- Section 63-801.783 – adds a provision that claim collection incentives will be paid to the county welfare department for the overissuances collected by that county.

PROGRAM CONTACTS

For questions related to CalWORKs intercounty collections, contact Paulette Dreher at (916) 654-3386, for general questions regarding CalWORKs overpayments, contact Eden Eulingborough at (916) 653-4992, and for questions related to food stamp overissuance collections, contact Rosemary Ahkidenor at (916) 654-2116.

Sincerely,

*Original signed by
Bruce Wagstaff on 5/23/03*

BRUCE WAGSTAFF
Deputy Director
Welfare to Work Division

Attachments

c: CSAC
CWDA