

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, California 95814



September 24, 2007

ALL COUNTY LETTER NO. 07-34

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

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS  
 (CalWORKs): RETROACTIVE COST OF LIVING ADJUSTMENT  
 (COLA) INCREASE TO THE MAXIMUM AID PAYMENT (MAP) LEVELS

REFERENCE WELFARE & INSTITUTIONS (W&I) CODE SECTIONS 11450, 11452,  
 and 11453; ACL 07-23

REASON FOR THIS TRANSMITTAL

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

MAP COLA

The purpose of this letter is to inform counties that the MAP COLA has been suspended for the 2007-08 fiscal year. W&I Code Section 11453 provides that the CalWORKs MAP levels shall be adjusted annually to reflect any increases or decreases in the cost of living. The 2007-08 State budget and related legislation suspended the CalWORKs MAP COLA for one year so the MAP levels in effect June 2007 will remain in effect through June 30, 2008. However, since the budget and related legislation were not approved until late August 2007, the months of July and August are exempt from this one-year COLA suspension. Therefore, County Welfare Departments (CWDs) shall issue a one-time supplement to CalWORKs recipients for July and August 2007 as soon as administratively possible. This ACL supercedes MAP levels provided in ACL 07-23.

Retroactive Eligibility for Discontinued Cases

MAP levels are used to determine ongoing financial eligibility for CalWORKs recipients. Therefore, CWDs must review all CalWORKs cases that were discontinued due to excess income for the months of July and August 2007 to determine if the new increased MAP levels would result in those cases being eligible. If found to be eligible using the new MAP level as the eligibility threshold for the months of July and August 2007, CWDs must rescind the discontinuance and redetermine retroactive eligibility and grant amounts to these families as soon as administratively possible.

### Retroactive Eligibility for Denied Cases

As soon as administratively possible, CWDs will also be required to search for and redetermine eligibility and grant amounts based on the higher MAP levels for any new CalWORKs applicants who were denied in July or August 2007 as a result of failing to pass the second financial eligibility test.

### Retroactive Eligibility and Quarterly Reporting (QR)

If the initial application is re-evaluated and still denied due to excess income, the county has no further action to take. However, depending on the timeframe it takes for the CWDs to process these retroactive determinations, retroactive eligibility may have to be established for more than one QR Payment Quarter. For any QR Payment Quarter following the approval of the original/initial application, the applicant **will** be required to provide the necessary information and documentation for each individual quarter. Under QR, eligibility and cash aid for the QR Payment Quarter are based on the QR 7 information and on mid-quarter reports and mid-quarter county initiated actions.

### Refugee Cash Assistance (RCA) and Trafficking and Crime Victims Assistance Program (TCVAP)

These implementation instructions for the retroactive MAP COLA changes shall also apply to RCA and TCVAP applicants and recipients.

### Treatment of Retroactive Payments

As specified in Manual of Policies and Procedures (MPP) Section 44-340.13, the county shall take all reasonable steps necessary to promptly correct any underpayment that comes to the county's attention. The amount of the retroactive corrective underpayment is equivalent to the amount of CalWORKs cash aid to which the applicant would have been entitled had the increased MAP levels been applied from July 1 through August 31, 2007.

For CalWORKs, RCA and TCVAP purposes, this payment is considered a corrective underpayment and pursuant to MPP Section 44-340.6, is not considered income or a resource in the month paid or the following month. The Food Stamp Program will treat the July and August CalWORKs MAP COLA as a resource, in accordance with MPP Section 63-501.111, since **it** is a non-recurring, one-time payment. In both the CalWORKs and Food Stamp programs, property and resources are only determined once per quarter based on the QR 7 information.

When a recipient is found retroactively eligible and receives a corrective underpayment, the payment shall be counted against both recipient's TANF and CalWORKs 60-month time limit for each month the retroactive payment was intended to cover. For example, if a recipient receives retroactive payments for July and August, but they are paid in September, the recipient's TANF and CalWORKs 60-month time limit will count for July and August.

### Overpayment Recovery

Retroactive corrective underpayments made to CalWORKs recipients as head of their own Assistance Unit are to be offset against existing cash aid overpayments, as required by MPP Section 44-351.3. However, counties must not use these payments to offset supportive service overpayments except when the recipient volunteers as allowed under MPP Section 42-751.4 (e) (regarding transportation and ancillary overpayments) and MPP Section 47-440.12 (regarding child care overpayments).

### Fiscal Claiming Instructions

Any approved underpayments are to be reported on the appropriate assistance claim form as a prior month supplemental payroll.

### Attachments

Please refer to the attachment for MAP levels needed to calculate the July and August supplement. Mandatory Notice of Action language for the supplement is also attached.

### Camera Ready Copies and Translations

For a camera-ready copy in English, contact the Forms Management Unit at (919) 657-1907. If your office has internet access you may obtain these forms from the COSS webpage at [http://www.dss.cahwnet.gov/cdssweb/FormsandPu\\_271.htm](http://www.dss.cahwnet.gov/cdssweb/FormsandPu_271.htm). When all translations are completed per MPP Section 21-115.2, including Spanish forms, they are posted on an on-going basis on our web site. Copies of the translated forms can be obtained at [http://www.dss.cahwnet.gov/cdssweb/FormsandPu\\_274.htm](http://www.dss.cahwnet.gov/cdssweb/FormsandPu_274.htm). For questions on translated materials, please contact Language Services at (916) 651-8876.

### Contacts

If you have any questions or need additional information regarding this ACL please contact your CalWORKs county consultant at (916) 654-1322. For questions regarding RCA and TCVP, please contact Lynne Reich in the Refugee Programs Bureau at (916) 654-7327. For questions regarding the Food Stamp Program, please contact LeAnne Torres in the Food Stamp Policy Bureau at (916) 654-2135.

Sincerely,

### ***Original Document Signed By:***

CHARR LEE METSKER  
Deputy Director  
Welfare to Work Division

Attachments

c: CWDA  
CSAC