

**DEPARTMENT OF BENEFIT PAYMENTS**  
744 P Street, Sacramento, CA 95814



August 25, 1974

ALL-COUNTY LETTER NO. 75-188

TO: ALL COUNTY WELFARE DIRECTORS AND  
ALL COUNTY FOOD STAMP COORDINATORS

SUBJECT: FOOD STAMP PROGRAM - DRUG ADDICT AND ALCOHOLIC TREATMENT AND  
REHABILITATION CENTERS

REFERENCE: DIVISION 63 SDBP FS REGULATIONS SECTIONS 2330, 2330.4 AND 2262.10;  
ACL #75-59; USDA FNS PUBLICATION 732-1; P.L. 93-282; P.L. 91-616

This is to provide policy direction regarding income computation for residents of authorized drug addict or alcoholic treatment and rehabilitation centers, and an introduction to an additional procedure whereby residential alcoholism programs not classified as alcoholic recovery homes may receive state approval for participation in the Food Stamp Program.

First, in accordance with instructions received from FNS - Western Region, payments made to any authorized drug or alcohol treatment program by federal, state, or local sources based upon a predetermined dollar amount per calendar unit (i.e., day or month) and computed on the basis of bed space or projected program capacity should not be considered in the determination of individual participants' adjusted net incomes and purchase price requirements. Because such payments are not tied to specific individuals and because a percentage of such payments is intended to cover facility administrative costs, these subsidies clearly do not reflect a consideration of, nor provide specifically for individual participant needs. Thus, simply dividing the amount of the grant by the number of participants in the facility would not provide a realistic monetary value for the benefit received by a given participant.

Conversely, as required by FNS instructions, all identifiable payments received by an authorized drug or alcohol treatment center specifically on behalf of named individuals shall be considered income to those individuals when determining adjusted net income and coupon purchase price. Participants receiving such benefits are entitled to all normal income deductions. For example, a resident participant in an authorized alcohol treatment program is a recipient of county General Relief Board and Care payments totaling \$161 per month. One hundred fifty-one dollars is paid to the alcohol treatment center specifically on behalf of the named individual. The payment is broken down by the county to

provide \$63 for room, \$55 for board, and \$33 for care. The remaining \$10 is paid directly to the participant/recipient for personal and incidental expenses. The participant/recipient has no other nonexempt income nor allowable income deductions for the month cited. His adjusted net income would be determined as \$161, less an excess shelter deduction of \$14.70 (\$63 minus 30 percent of \$161 or \$48.30) or \$146.30. The resultant \$30 purchase requirement is to be paid in full by the treatment facility out of the \$55 board portion of the GR Board and Care payment.

Secondly, regarding approval mechanisms for alcoholism programs, the section titled "Instructions for Alcoholism Treatment and Rehabilitation Facilities" contained in All County Letter No. 75-59 (dated March 14, 1975) outlined that procedure whereby alcoholic recovery homes could secure state certification and federal authorization to participate in the Food Stamp Program on behalf of their residents in compliance with Section 2330, Division 63, SDBP FS Regulations and the Food Stamp Certification Handbook (USDA FNS Publication 732-1). Attached is a copy of the State Office of Alcohol Program Management (OAPM) memorandum dated August 5, 1975, presenting the new procedure through which residential alcoholism and alcohol abuse programs not currently satisfying the OAPM program standards of an alcoholic recovery home, may also secure state approval for participation in the Food Stamp Program pursuant to P.L. 93-282 and P.L. 91-616.

Questions regarding the status of a specific residential alcoholism or alcohol abuse program may be referred to OAPM at (916) 322-2960. All other questions regarding any of the above discussion should be directed to Beth Hardesty Fife of the Food Stamp Systems Bureau at (916) 322-4403.

Sincerely,



GARY D. MACOMBER  
Deputy Director

Attachments

cc: USDA, FNS  
OAPM, Agency  
Substance Abuse, DOH  
CWDA