

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



May 21, 1990

ALL-COUNTY LETTER NO. 90-41

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: IMPLEMENTATION OF ELECTIVE STATE DISABILITY INSURANCE COVERAGE FOR CERTAIN IHSS FAMILY PROVIDERS WITHIN THE CASE MANAGEMENT, INFORMATION AND PAYROLLING SYSTEM (CMIPS)

This letter is to inform you that effective June 1, 1990 the In-Home Supportive Services (IHSS) program will be making State Disability Insurance (SDI) available to spouse and other family member providers. Eligible family member providers, in addition to spouses, are defined in the California Code of Regulations, Title 22, Section 631-1 as follows:

- A. "Father" and "Mother" include adoptive parents but do not include stepparent, foster parent, father-in-law or mother-in-law.
- B. "Son" and "Daughter" include adopted child but do not include stepchild, foster child, son-in-law or daughter-in-law.
- C. "Child under the age of 18" includes adopted child under the age of 18 but does not include stepchild or foster child under the age of 18.
- D. With respect to the exempt status of a child under the age of 18 it is immaterial whether or not the child is living with his or her parents or is married or is independently self-supporting.

A recipient's spouse provider is also eligible for elective SDI.

Previously, only non-family providers whose employer had a payroll of \$750 or more for any quarter during the current or preceding calendar year were covered by SDI.

The responsibilities for implementing elective SDI are outlined as follows:

IHSS Recipients/Providers

The IHSS recipient and provider will complete the IHSS/CMIPS Elective SDI Form SOC 409 and submit it to the County for review and processing.

County

The County is to provide the necessary forms (Disability Insurance - EDD Form DE 2515 and the IHSS/CMIPS Elective SDI Form SOC 409) to IHSS recipients so their eligible providers can enroll for coverage. The

County will screen the completed forms for accuracy, enter the tax status data in CMIPS and file the SOC 409 form in the recipient's case folder.

State Department of Social Services (SDSS)

The CMIPS will deduct the necessary elective SDI tax from the providers' warrants and report the quarterly elective SDI wages and taxes to EDD.

State Employment Development Department (EDD)

EDD is responsible for the overall administration of the elective SDI program. All SDI claims and questions regarding SDI coverage or benefits must be directed to EDD.

The following attachments are included with this letter:

- o County Procedures for elective SDI enrollment.
- o IHSS/CMIPS Elective SDI Form SOC 409.
- o Disability Insurance - EDD Form DE 2515.

The above attachments will be incorporated into the IHSS/CMIPS USER'S MANUAL and will be distributed in the next IHSS/CMIPS Newsletter.

Implementation of elective SDI will be done as follows:

Current Providers

Electronic Data Systems (EDS), the state contractor for data processing services, has identified current IHSS providers who are eligible for elective SDI. The DSS will notify by mail the current providers who are eligible for elective SDI and provide them with the following forms: Disability Insurance - EDD Form DE 2515 and IHSS/CMIPS Elective SDI Form SOC 409.

Future Providers

County social service workers will be responsible for making recipients and their eligible family member providers aware of elective SDI coverage. This can be accomplished by distributing a copy of the Disability Insurance - EDD Form DE 2515 to the recipient. If they are interested in participating in elective SDI then the County social service worker should provide them with the IHSS/CMIPS Elective SDI Form SOC 409.

County Processing of Elective SDI

The recipient and his/her family member provider will complete and sign the IHSS/CMIPS Elective SDI Form SOC 409 and return it to their County Welfare

Department's IHSS Unit. County staff will review the enrollment form for completeness and signatures. The County will complete a Provider Eligibility Update SOC 311 by entering data into the following fields: in Field D2 Ded./Exempt circle the recipient relationship; in Field D5 enter a birthdate if the provider is a child of the recipient; in Field F8 enter a "Y" to initiate elective SDI. This data can then be entered into the CMIPS via the PELG Screen.

The County must retain the IHSS/CMIPS Elective SDI Form SOC 409 for auditing purposes.

Questions and Answers

The following questions and answers will assist you in better understanding the elective SDI process:

1. **Who is responsible for answering any questions the recipient or provider may have?**

If his/her question is about SDI coverage, claims or benefits the Employment Development Department should be contacted. If the question is about how to complete the IHSS/CMIPS Elective SDI Form SOC 409 then the County Social Service Worker should be contacted.

2. **With whom should the provider file a claim for SDI benefits?**

All claims are the responsibility of the EDD.

3. **After the recipient and his/her family member provider have completed the IHSS/CMIPS Elective SDI Form SOC 409, what is the next step?**

The recipient returns the enrollment form to his/her County Welfare Department's IHSS unit to review the form for completeness and signatures. The County will enter the necessary data onto the CMIPS SOC 311 and PELG Screen.

4. **Does the EDD Form DE 2515 have to be distributed to all recipients and their providers?**

Yes, California Unemployment Insurance Code, Section 2613 requires that all employees be made aware of SDI.

5. **After the County enters the provider's elective SDI information into CMIPS when will the provider's warrant show deductions for elective SDI?**

Any provider warrants dated after the provider's elective SDI information has been entered into CMIPS will show a deduction for elective SDI. For example: If the provider's information is entered into CMIPS on June 10, 1990 any warrants for the provider dated after that day, regardless of the service period the warrant covered, will have elective SDI deductions.

6. After the County has entered the provider information into the CMIPS what happens to the IHSS/CMIPS Elective SDI Form SOC 409?

The form should become a permanent part of the recipient's case folder documentation. Since the elective SDI is employer specific, it is felt that records should be maintained in the recipient's folder or some other permanent file that is accessible to auditors.

7. Will deductions be made from Advance Pay warrants?

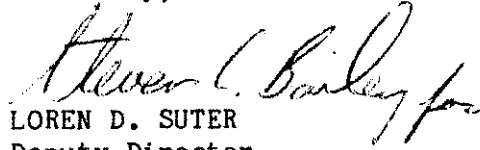
Yes, family providers who are employed by "Advance Pay" recipients can participate in the elective SDI program.

8. Can a child provider continue with SDI coverage after reaching age 18?

When a child provider turns 18 he/she will continue with SDI coverage if his/her parent employer had a payroll of \$750 or more for any quarter during the current or preceding calendar year. If the \$750 threshold is not met then the child provider is not in covered employment and the provider's wages are not subject to SDI deductions.

If you have any questions regarding elective SDI within CMIPS, please call Barry Bureau at (916) 323-9283.

Sincerely,


LOREN D. SUTER
Deputy Director
Adult and Family Services

Enclosures

cc: CWDA

PROCEDURES FOR ELECTIVE STATE DISABILITY INSURANCE

The procedures for Elective State Disability Insurance (SDI) within the In-Home Supportive Services (IHSS) Case Management, Information and Payrolling System (CMIPS) are effective June 1, 1990.

I. GENERAL INFORMATION

All current providers, who are eligible for elective SDI, will be mailed a notice informing them of the opportunity to enroll in elective SDI. Along with this announcement letter these providers will be sent a Disability Insurance - Employment Development Department (EDD) Form DE 2515 and a IHSS/CMIPS Elective SDI Form SOC 409. If they wish to apply for elective SDI they are instructed to complete, sign and return the elective SDI enrollment form to their County Welfare Department's IHSS unit. Future family member providers should be provided with the Form SOC 409, EDD Form DE 2515 and instructed to enroll as described above.

Electronic Data Systems (EDS) sends all SDI provider deductions to the EDD EDD on a quarterly basis.

There are two types of SDI coverage: Standard and Elective.

A. STANDARD SDI COVERAGE

Standard SDI has been available to eligible providers since the inception of the CMIPS. Standard SDI coverage requires that the provider's recipient/employer have a total payroll of \$750 or more for any quarter during the preceding or current calendar years. If this \$750 wage threshold has not been met then the provider(s) would not be eligible for SDI coverage. Once the \$750 threshold has been met, the providers under the standard SDI coverage are to be reported for the remainder of the current year and all of the next year, even if the wages total less than \$750 each quarter. Family members, except a recipient's child over age 18, were excluded from coverage regardless of the amount of the recipient's payroll.

B. ELECTIVE SDI COVERAGE

Elective SDI within CMIPS will become available to eligible family member providers effective June 1, 1990. Eligible persons for elective SDI coverage are family member providers as defined in paragraph III. A below. Elective SDI coverage does not require the providers to meet any quarterly wage minimum.

II. RESPONSIBILITIES FOR IMPLEMENTING ELECTIVE SDI

- A. The recipient and his/her family member providers will complete the IHSS/CMIPS Elective SDI Form SOC 409 and submit it to the County for review and processing.
- B. The County will be responsible for providing the forms (Disability Insurance - EDD Form DE 2515 and the IHSS/CMIPS Elective SDI Form SOC 409) to new recipients and reviewing the completed elective SDI form. The County will complete a Provider Eligibility Update SOC 311 by entering data into the following fields: in Field D2 Ded./Exempt circle the recipient relationship; in Field D5 Birthdate enter the birthdate if the provider is a child of the recipient; in Field F8 SDI BEG DT enter a "Y" to initiate elective SDI. This data can then be entered into the CMIPS via the PELG Screen. The County must also retain the SOC 409 form in the recipient's case folder or some other permanent file that is accessible to auditors.
- C. Department of Social Services (DSS) is responsible for assuring CMIPS is programmed to deduct the necessary elective SDI tax from the provider's warrant and then every quarter reporting these SDI taxes to EDD.
- D. EDD is responsible for the administration of the SDI program. They will also answer any questions the recipient or provider might have regarding coverage, claims or benefits.

III. ELIGIBILITY FOR ELECTIVE SDI.

To be eligible for elective SDI coverage a recipient and his/her provider must meet the following criteria:

- A. The persons who will be covered under elective SDI are spouse and family member providers. Eligible family member providers, in addition to spouses, are defined in the California Code of Regulations, Title 22, Section 631-1 as follows:
 - 1. "Father" and "Mother" include adoptive parents but do not include stepparent, foster parent, father-in-law or mother-in-law.
 - 2. "Son" and "Daughter" include adopted child but do not include stepchild, foster child, son-in-law or daughter-in-law.

3. "Child under the age of 18" includes adopted child under the age of 18 but does not include stepchild or foster child under the age of 18. With respect to the exempt status of a child under the age of 18, it is immaterial whether or not the child is living with his or her parents or is married or is independently self-supporting.
- B. A provider's employment for IHSS must not be seasonal. If a provider answers "NO" to the question on the IHSS/CMIPS Elective SDI Enrollment Form SOC 409 "Is the employment intended to be continuing and not intermittent or seasonal in nature?" he/she is not eligible for elective SDI. A provider's services cannot be intermittent or seasonal. The provision of these services must be provided on a continuing basis.
 - C. A provider must be capable of giving normal and customary services. If a provider answers "NO" to the question on the IHSS/CMIPS Elective SDI Enrollment Form SOC 409 "Are you able to perform normal and customary provider services with IHSS?" he/she is not eligible for elective SDI.

Throughout this section the standard SDI eligibility criteria will be mentioned. The standard SDI eligibility is for providers who are not eligible for elective SDI and whose recipient/employers have a payroll of \$750 or more for any quarter during the preceding and current calendar year. All of a recipient/employer's wages paid to providers are used to determine the \$750 threshold.

There are no recipient/employer wages paid criteria for providers covered under elective SDI. For example, a recipient could have a payroll of \$100 per month, or \$300 for a quarter. In the standard SDI scheme, no provider would be eligible unless the \$750 total wage threshold for any quarter has been met during the current or preceding calendar years. However, under elective SDI - with no minimum dollar threshold - family member providers could become eligible if they apply.

The following examples are provided for the County to better understand elective SDI eligibility:

- A. A son/daughter provider who is over the age of 18 is eligible for standard SDI coverage if the recipient/employer meets the standard SDI eligibility criteria. He/ she does not qualify for elective SDI.

- B. When a son/daughter provider, who is covered under elective SDI, reaches age 18 he/she will automatically be converted to standard SDI coverage if the employer's payroll meets the standard SDI eligibility criteria. In this case the switch from elective to standard SDI would be effective on the provider's 18th birthdate and the actual switch in deductions would be effective with the first warrant issued after the birthdate. If the standard SDI payroll eligibility criteria is not met, then the provider would not be eligible for either the standard or elective SDI coverage.

IV. COMPLETING THE IHSS/CMIPS ELECTIVE SDI FORM SOC 409.

The County must provide all individual providers a copy of Disability Insurance - EDD Form DE 2515. Copies of the IHSS/CMIPS Elective SDI Form SOC 409 are included in the IHSS/CMIPS User's Manual Section X, Part G and can be photocopied and distributed to eligible providers as required.

The County should initially screen recipients to determine if they anticipate employing a family member provider. If the recipient is going to employ a family member, the County should give the recipient a copy of the IHSS/CMIPS Elective SDI Form SOC 409. The recipient and his/her family member provider can complete, sign and return this form to the County at a later date.

If the recipient is unable to complete and sign the IHSS/CMIPS Elective SDI Form SOC 409 then his/her legal guardian or conservator can sign. If the family member provider is also the recipient's legal guardian or conservator then he/she can sign as the recipient's guardian/conservator and as the provider.

The SOC 409 form should become a permanent part of the recipient's case folder documentation. Since the elective SDI is employer specific, records should be maintained in the recipient case folder or some other permanent file that is accessible to auditors.

V. COUNTY PROCESSING OF ELECTIVE SDI

After the recipient and his/her family member provider have completed, signed and returned the enrollment form to the County Welfare Department's IHSS unit, the County is responsible for reviewing the form for completeness and

signatures. If the form is not completed or signed properly, it must be returned to the recipient for completion. When a completed SOC 409 form is received the County shall then complete a Provider Eligibility Update form SOC 311. The only information on the IHSS/CMIPS Elective SDI Form SOC 409 that will be included on the SOC 311 is:

- A. Enter Field D2 - DED/EXEMPT. This field identifies the provider's tax status. If the provider is either the natural or adopted child of the recipient then the appropriate answer would be to circle "C". If the provider is a parent of the recipient then circle "P". If the provider is the spouse of the recipient then circle "S".
- B. Enter Field D5 - BIRTHDATE if the provider is a recipient's child.
- C. Enter Field F8 - SDI BEG DT. This field is required for all elective SDI providers. Enter a "Y" on the SOC 311. The County must enter a "Y" into a one character field on the PELG Screen, to the left of the field where the SDI BEG DT information will be displayed. The date a "Y" is entered will be the date the system will display as the SDI beginning date.

The elective SDI tax will commence with the first provider's warrant after the displayed SDI BEG DT.

The completed IHSS/CMIPS Elective SDI Form SOC 409 must be retained by the County for auditing purposes.

Once a relative provider is covered by elective SDI, he/she can only terminate coverage under the following circumstances:

- A. When the provider, who is covered by elective SDI, terminates providing IHSS services for his/her family member recipient. A temporary stoppage of providing services is permitted as long as it is not permanent - for example a family member is providing services and the recipient goes into a hospital or convalescent home for two weeks and into Leave (L) Status. The recipient returns home and the family member provider resumes providing services. The provider's eligibility for elective SDI would have continued throughout this period.

- B. When a child provider reaches his/her 18th birthdate CMIPS will end elective SDI coverage. If the child provider's employer's payroll was \$750 or more for any quarter during the current or preceding calendar year CMIPS will switch the provider to standard SDI. If the \$750 or more in quarterly employer's payroll was not met the child provider will be dropped from SDI coverage. The provider's 18th birthdate, indicating the end date for elective SDI, will be displayed on the PELG Screen and on the SOC 311 in Field G8 SDI END DT.
- C. A recipient and his/her provider must elect to remain under elective SDI for at least two complete calendar years. The recipient (not the provider) may choose to terminate coverage by filing a request for termination. The recipient should sign and date the request for termination section on his/her original IHSS/CMIPS Elective SDI Form SOC 409. If the original is lost or misplaced the recipient can complete the termination section on a new SOC 409.

After the recipient and his/her family member provider have completed, signed and returned the enrollment form to the County Welfare Department's IHSS unit, the County is responsible for reviewing the form for completeness and signatures. If the form is not completed or signed properly, it must be returned to the recipient for completion. When a completed SOC 409 form is received the County shall then complete a Provider Eligibility Update SOC 311. The only information on the IHSS/CMIPS Elective SDI Form SOC 409 that will be included on the SOC 311 is:

- A. Enter Field G8 - SDI END DT. Enter a "N" on the SOC 311. The County must enter a "N" into a one character field on the PELG Screen, to the left of the field where the SDI END DT information will be displayed. After the "N" is entered into the system CMIPS will display the SDI ending date. CMIPS will calculate the earliest ending date for elective SDI based on the elective SDI participation requirements. January 1st of whatever year it is that would meet the two complete calendar year minimum will be displayed on the PELG Screen.
- B. This termination request should be retained in the recipient's case folder or some other permanent file that is accessible to auditors for documentation.