

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



September 27, 1990

ALL COUNTY LETTER NO. 90-92

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: EMERGENCY ASSISTANCE PROGRAM

The purpose of this letter is to inform you of the status of California's Emergency Assistance (EA) Program which will terminate on September 30, 1990.

The EA Program, from its inception, has experienced problems based in part on its extensive program and administrative reporting requirements imposed by the Department of Health and Human Services (DHHS).

DHHS has taken and continues to take exception to the administration of California's EA program. From 1982 to the present, DHHS has deferred from California approximately \$108 million in State and County EA reimbursements. These deferrals continue to accumulate at the rate of approximately \$18 million per year. The State Department of Social Services (SDSS) worked to modify the program to conform to Federal requirements with an attempted redesign of the current program. A State Plan Amendment was submitted to DHHS in January 1987; however, the plan amendment was rejected by DHHS. SDSS subsequently appealed this decision.

Continued problems with EA resulted in recent negotiations on the 1984 EA program review results between SDSS and DHHS. The negotiated settlement requires that: DHHS will pay State and County claims representing approximately 47% of Federal funds from fiscal quarter 1984/85 through October 1 1990; DHHS cancel planned audits of EA; SDSS repeal statutory authority for the EA program effective September 30, 1990; SDSS not pursue approval of EA redesign; and SDSS withdraw the State's EA appeal.

As a follow-up to the settlement, Assembly Bill 3282, (Chapter 1225, Statutes of 1990), repeals statutory authority ~~EA~~ This bill requires that EA, consisting of an Unemployed Parent (UP) component and an Abused, Neglected, and Exploited Children (ANEC) component, be terminated in California effective September 30, 1990.

With the elimination of the EA-ANEC component, service delivery to abused and neglected children will continue under Child Welfare Services programs. With the elimination of the EA-UP component, payments to eligible unemployed parents will continue under the Nonfederal Aid to Families with Dependent Children-Unemployed Parent program (State-Only AFDC-UP) if the family is otherwise eligible.

With the repeal of the EA-UP regulations, the Notice of Action (NOA) 202 and message number 41-440 UT, will become obsolete effective October 1, 1990. The NOA 201 will continue to be used **in the usual manner.**

The Fiscal Policy & Procedures Bureau will be providing time study and claiming instructions in the December 1990 quarter County Fiscal Letter.

The statistical report entitled "'Aid to Families with Dependent Children-Emergency Assistance Caseload Movement & Expenditures Report (Form CA-237-EA)'" will become obsolete effective October 1, 1990.

If you have any questions concerning program issues, please contact the Foster Care Program Bureau at (916) 445-0813 or the Welfare Policy Implementation Bureau at (916) 322-5330; **for questions concerning fiscal issues, please contact the Fiscal** Policy & Procedures Bureau at (916) 445-7046 or for questions **concerning statistical responding issues, please contact** Statistical Services at (916) 322-5462.

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cc: CWDA