



CDSS

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June 30, 2014

ALL COUNTY WELFARE DIRECTORS LETTER

REASON FOR THIS TRANSMITTAL

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

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALFRESH PROGRAM SPECIALISTS
ALL CONSORTIA MANAGERS
ALL QUALITY CONTROL COORDINATORS

FROM: TODD R. BLAND
Deputy Director
Welfare to Work Division

SUBJECT: CALFRESH MODIFIED CATEGORICAL ELIGIBILITY

The purpose of this All County Welfare Directors Letter is to provide information regarding CalFresh Modified Categorical Eligibility (MCE). The provisions of MCE for Medi-Cal recipients, as outlined in Assembly Bill (AB) 191 (Chapter 669, Statutes of 2013), are inoperative as of June 30, 2014. With the passage of Senate Bill (SB) 855 (Chapter 29, Statutes of 2014), effective July 1, 2014, all households with gross income at or below 200 percent of the Federal Poverty Level (FPL), must be conferred MCE status if they are issued or have online access to the Temporary Assistance to Needy Families (TANF)-funded "Family Planning – PUB 275" brochure and meet all other conditions of eligibility for CalFresh.

Receipt of the PUB 275 exempts all resources in the determination of eligibility for households who meet all other CalFresh eligibility requirements. In California, 200 percent of the FPL has been established as the maximum gross income that a household (for the TANF-funded service, the PUB 275) can have in order to have MCE conferred through receipt of the PUB 275. Receipt of the PUB 275 does not, in itself, confer MCE to a household. Counties must document the case record, or otherwise identify the case, as MCE for quality control purposes. In addition, the case must be re-evaluated and documented for MCE at recertification.

As stated in All County Information Notice (ACIN) I-50-13, non-assistance CalFresh households that have been approved for CalFresh as MCE/BBCE are subject to the same conditions that result in ineligibility as all other Categorically Eligible (CE) households. Federal guidance and regulations (7 CFR 273.2(j)(2)(vii) and State regulations (MPP Section 63-301.74) state that households are not CE and are subject to all CalFresh eligibility requirements in the following scenarios:

- Any household member is disqualified for an intentional program violation (IPV).
- Failure to comply with reporting requirements.
- The head of household does not comply with work requirements.
- Any member of a household has been convicted of a drug-related felony (refer to MPP Section 63-402.229). [Note: With the passage of AB 1468 (Chapter 26, Statutes of 2014) which removes the drug felon ban in California effective April 1, 2015, this may no longer apply. The California Department of Social Services (CDSS) will address this issue in subsequent guidance.]

Example #1

A household comes into the CWD and receives an application packet (or completes an online application). Included in the application packet (or on a linked website) is the PUB 275 (Family Planning brochure).

During the intake interview, it is determined that the household's gross income does not exceed 200 percent of the FPL for its household size. Therefore, the household can be considered MCE-eligible because the gross income did not exceed the maximum allowable for the TANF-funded service and they have received the PUB 275. All other conditions of eligibility must be met before CalFresh benefits can be determined.

The individual case record must first document (1) the household's gross income did not exceed the limit for the TANF-funded service (PUB 275), (2) the PUB 275 was provided to the household and (3) the MCE was conferred.

Example #2

A household comes into the CWD and receives an application packet (or completes an online application). Included in the application packet (or on a linked website) is the PUB 275 (Family Planning brochure).

During the intake interview, it is determined that the household's gross income exceeds 200 percent of the FPL for its household size. Therefore, even though the household has received the PUB 275, it cannot be considered to be MCE-eligible because the gross income exceeds the maximum allowable for the TANF-funded service unless the household contains an elderly/disabled individual in which case the county is to determine whether they are eligible based on net income.

The individual case record must first document that the household's gross income exceeded the limit for the TANF-funded service (PUB 275) and that MCE was not conferred, even if the PUB 275 was provided to the household. As a result of the household not being entitled to MCE, the CalFresh application would be denied because the household's gross income exceeded the CalFresh gross income limit.

Continuing Case

Since the gross income limit for MCE has been extended to 200 percent of the FPL, and if at any time it is discovered that a continuing CalFresh case (that previously received or had on-line access to the PUB 275 and was conferred MCE) has gross income exceeding 130 percent of the FPL but not over 200 percent, the household is still MCE-eligible. The household must be reevaluated to determine if the net income meets the eligibility standards for the household size. If it is a household of three or more, and the household's net income exceeds the maximum amount allowable, and there is no corresponding amount listed in the benefit of issuance table, the household must be discontinued.

NOTE

Households of one or two persons that have been conferred MCE status will be entitled to the minimum CalFresh benefit even though the household's net income exceeds the maximum allowable for their household size regardless of the bracketed amounts displayed in the benefit of issuance tables. In addition, households of three or more persons that have been conferred MCE status will be entitled to the allotment amount indicated in the tables of issuance by household size even if the household's net income exceeds the maximum amount allowable.

200 Percent Federal Poverty Level (FPL)

The table below displays the 200 percent FPL for Federal Fiscal Year 2014.

Household Size	Gross Monthly Income	Annual Gross Income
1	1,915	22,980
2	2,585	31,020
3	3,255	39,060
4	3,925	47,100
5	4,595	55,140
6	5,265	63,180
7	5,935	71,220
8	6,605	79,260
Each Additional Member	670	8,040

Income Reporting Thresholds (IRTs)

The United States Department of Agriculture, Food and Nutrition Service (FNS) allows states the option to set their income reporting threshold to equal the gross income limit of the program that triggers categorical eligibility. The following table displays the different IRTs for various household types. The CDSS will release further guidance on informing households of their IRT in a subsequent All County Letter (ACL).

Household Type	Non-Assistance CalFresh No Sanctioned Individual	Non-Assistance CalFresh Sanctioned Individual Not Categorically Eligible	Public Assistance CalFresh (PACF) All members are PACF Receiving CalFresh	Mixed Household Some members receive PACF All members receive CalFresh
IRT Level	200%	130%	CalWORKs IRT	2 IRTs (one for CalWORKs; one for CalFresh)

Zero Benefit Cases

For households of three or more members which are entitled to no benefits, FNS allows states the option of denying the application or certifying the household and carrying the zero benefit case. California has opted to deny such cases. This includes household of three or more who are otherwise Categorically Eligible (CE) or MCE.

This All County Welfare Directors Letter is issued due to the immediate effective date of July 1, 2014 and will be followed with an ACL.

If you have any questions regarding this letter, please contact your CalFresh county consultant or call the CalFresh Policy Bureau at (916) 654-1896.