



CDSS

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**DEPARTMENT OF SOCIAL SERVICES**

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GOVERNOR

February 12, 2013

**ERRATA**

ALL COUNTY LETTER NO. 12-49E

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 CALWORKS PROGRAM SPECIALISTS  
 ALL CALFRESH COORDINATORS  
 ALL COUNTY DISTRICT ATTORNEYS  
 ALL COUNTY CHILD CARE COORDINATORS  
 ALL COUNTY REFUGEE COORDINATORS  
 ALL COUNTY WELFARE-TO-WORK COORDINATORS  
 ALL COUNTY WELFARE FRAUD CHIEF INVESTIGATORS  
 ALL CONSORTIA MANAGERS

SUBJECT: CORRECTIONS TO ACL 12-49: IMPLEMENTATION OF THE ANNUAL REPORTING/CHILD ONLY (AR/CO) SYSTEM IN THE CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) AND CALFRESH PROGRAMS

REFERENCE: SENATE BILL (SB) 1041 (CHAPTER 47, SECTIONS 7-10, STATUTES OF 2012); ALL COUNTY LETTER (ACL) No. 12-49

The purpose of this errata is to make corrections to All County Letter (ACL) No. 12-49. This errata shows the prior and the corrected language for the impacted sentences or paragraphs only, and should be read in conjunction with ACL No. 12-49. The changes are as follows:

1. On page five, under "CalFresh Impact," the second and third bullets after the first paragraph read:
  - Earned income changes by \$100 or more;
  - Unearned income changes by \$50 or more (except CalWORKs, General Assistance, or Social Security Cost of Living Adjustments [COLAs])

This language appears again in the following locations:

- On page 13, after the last paragraph;
- Under the Income Reporting Threshold (IRT) chart of Attachment One;
- On the TEMP AR 1, under “For CalFresh”;
- On the AR 2 under “If you get CalFresh...”;
- On the AR 3, the top of page 2, under “I have had a change in income.”

**The revised language reads:**

- Earned income changes of more than \$100;
- Unearned income changes of more than \$50 (except CalWORKs, General Assistance, or Social Security Cost of Living Adjustments [COLAs]);

The revised TEMP AR 1, AR 2, and AR 3 are attached to this errata. Note the revised TEMP AR 1 and AR 2 need to be resent to all AR/CO cases, as the previous versions contained inaccurate Change Reporting information. The revised AR 3 may be provided to clients as needed on a prospective basis.

CAMERA READY COPIES OF FORMS: For a camera-ready copy in English, contact the Forms Management Unit at [fmudss@dss.ca.gov](mailto:fmudss@dss.ca.gov). Camera-ready copies of the English versions of the forms and notices referenced in this ACL are available on the CDSS Forms/Brochures web page at: <http://www.dss.cahw.net.gov/cdssweb/PG183.htm>.

2. On page five, under “CalFresh Impact,” the second through fourth sentences in the last paragraph read:

However, in accordance with Chapter 7 of the Code of Federal Regulations (CFR) § 273.14(b)(3), CDSS is exercising the state option that these HHs will not need to be interviewed during the initial six-month recertification (RC) during a 12-month period. The HH must be interviewed in conjunction with the RD interview during the second RC in the 12-month period. With the exception of the interview, all other procedures for recertification will apply (including the recipient completing the required RC forms and action being taken on the CalFresh case as appropriate) at the initial RC in accordance with MPP Sections 63-504.25 and 63-504.6.

**The revised sentences read:**

Interviews will be required for both the six-month and 12-month recertification (RC) periods for Change Reporting HHs with earned income. Interviews may be conducted by phone or in-person.

3. On page 12, the first two full sentences read:

However, as previously stated, in accordance with CFR § 273.14(b)(3), CDSS is exercising the state option that these HHs will not need to be interviewed during the interim six-month RC during the 12-month period. The RD/RC will occur in month 12, the final month in the AR/CO benefit period, and handled pursuant to existing noticing and processing deadline regulations for RD/RCs.

**The revised sentences read:**

CWDs shall conduct a six-month and 12-month RC for such cases. Both RCs require an interview, either by phone or in-person, and shall be handled pursuant to existing noticing and processing deadline regulations for RD/RCs.

4. On page 21, the first bullet reads:

When a case transitions from QR or SAR to AR/CO or vice-versa, the case retains the same QR or SAR cycle and RD/RC due date, which is based on the date of application;

**The revised sentence reads:**

When a case transitions from QR or SAR to AR/CO or vice-versa, the case retains the same QR or SAR cycle and RD/RC due date. The manner in which the cycle is determined depends on the reporting system the case was in when aid was initially granted. Cases that originate in QR will have their cycle based on the date of application. Cases that originate in SAR or AR/CO will have their cycles based on the beginning date of aid. While the lack of consistency in how to determine cycles is not ideal, upon implementation of SAR (no later than October 2013), all newly granted cases (whether SAR or AR/CO) will be assigned to a cycle based on beginning date of aid.

5. On page 21, the last sentence of Example 1 reads:

Moreover, the QR or SAR cycle and the RD/RC month will be based on the application date.

**The revised sentence reads:**

Moreover, the QR or SAR cycle and the RD/RC month will be based on the beginning date of aid (assuming the case originated as AR/CO).

6. On page 21, the second sentence of Example 2 reads:

The case would retain the same QR/SAR cycle the case had prior to becoming an AR/CO case and is based on the application date.

**The revised sentence reads:**

The case would retain the same QR/SAR cycle the case had prior to becoming an AR/CO case.

7. CWDs should disregard the IRT tables in Attachment One of ACL No. 12-49, and replace it with the new IRT table that follows. The new IRT table reflects a revised IRT that is one dollar lower for each family size. CWDs will need to resend the new IRT levels to affected recipients and apply the new IRT prospectively, as soon as AR/CO recipients can be notified. CWDs should hold AR/CO recipients harmless if they did not report at the lower IRT levels provided in the table below, prior to being notified of the new levels. For example, in December 2012, a Region 1, non-exempt AR/CO recipient (AU of 1) got a part-time job and earned \$746, but did not report the income to the CWD because it was under the (incorrect) \$747 IRT provided by the CWD to the recipient. In this example, an overpayment would not be created, because the client believed she was under the IRT, based on the IRT notice she received from the CWD.

Please note that this IRT table applies to AR/CO cases only. The IRT table for QR cases was released in ACL No. 13-05 on January 18, 2013. The IRT table is effective through September 30, 2013. Any changes to the table occurring after September 30, 2013 will be released under separate cover. However, CWDs should continue to use the most current IRT levels released until a new ACL is issued with updated IRT levels.

If there are any questions regarding this errata, please contact the CalWORKs Eligibility Bureau at (916) 654-1322 or the CalFresh Policy Bureau at (916) 654-1896.

Sincerely,

**Original Document Signed By:**

TODD R. BLAND  
Deputy Director  
Welfare to Work Division

<b>Federal Fiscal Year (FFY) 2012-13 Annual Reporting/Child-Only Income Reporting Threshold (IRT) Effective 10/1/2012-9/30/2013</b>					
<b>Region 1 IRT</b>			<b>Region 2 IRT</b>		
<b>AU Size</b>	<b>Exempt</b>	<b>Non-exempt</b>	<b>AU Size</b>	<b>Exempt</b>	<b>Non-exempt</b>
0	\$113	\$113	0	\$113	\$113
1	\$814	\$746	1	\$780	\$712
2	\$1,266	\$1,144	2	\$1,212	\$1,092
3	\$1,540	\$1,388	3	\$1,474	\$1,328
4	\$1,810	\$1,636	4	\$1,730	\$1,562
5	\$2,044	\$1,844	5	\$1,958	\$1,762
6	\$2,284	\$2,056	6	\$2,182	\$1,964
7	\$2,496	\$2,250	7	\$2,386	\$2,144
8	\$2,714	\$2,440	8	\$2,590	\$2,330
9	\$2,922	\$2,628	9	\$2,792	\$2,508
10 or more	\$3,132	\$2,814	10 or more	\$2,990	\$2,684

**IRT for CalFresh Cases Associated with an Annual Reporting/Child-Only (AR/CO) Case:**

- Earned income changes by more than \$100; or
- Unearned income changes by more than \$50.

## IMPORTANT INFORMATION

### New Reporting Requirements for CalWORKs and CalFresh

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The county is changing your case from Quarterly Reporting to Annual Reporting. Below are the changes that are effective October 1, 2012.

#### **Reporting Rules**

Before, you turned in a QR 7 every 3 months.

**As of October 1, 2012, you will only need to complete an annual redetermination/recertification (RD/RC). If you have earned income and you receive CalFresh benefits, then you have an RC every 6 months.**

Just like Quarterly Reporting, you will receive an appointment letter in the mail when your RD/RC is due. If you miss your RD/RC appointment and don't make it up by the end of the month, **your aid will stop.**

**Example:** On March 18, 2013, you receive an appointment letter from the county that says your RD/RC appointment is on April 4, 2013. If you miss the appointment and don't make it up by the end of the month, your case will be discontinued.

#### **Welfare to Work Reporting Rules**

Although you no longer have to submit a QR 7, you may still have to submit other reports to the county. For example: If you are working and report your work hours to the county, you will still have to do that if the county asks you to.

#### **Changes to the Income Reporting Threshold (IRT) Rules**

The IRT is the amount of total monthly income that you have to report **within 10 days**. By "total monthly income" we mean any money your household gets. The County will tell you your IRT amount and any time your IRT changes, the county will let you know in writing.

**For CalWORKs:** The amount of income that you have to report within 10 days is changing. The IRT is based on your total income and the number of people in your household. Before, we would stop your benefits if your total income was over the IRT. Under the new rule, when you report income over your IRT, the county may lower or stop your benefits.

**Example:** If your IRT is \$900 and you get income of \$800 you do not have to report the change until your next RD/RC. If you get income of \$901 or more you must report it to your worker within 10 days. Your benefits will go down or stop. If your benefits go down, the county will give you a new IRT.

**For CalFresh:** Before, you did not have an IRT. Effective October 1, 2012, you will have to report within 10 days anytime your source of income changes, anytime your total monthly income starts or stops, anytime your earned income changes by more than \$100, or anytime your unearned income changes by more than \$50.

#### **Mandatory Reporting Rules**

For CalWORKs, mandatory reporting rules are the same as under Quarterly Reporting, with one addition: you must report within ten days anytime someone moves into or out of your household.

For CalFresh, in addition to the income reporting requirements, you must also report within 10 days anytime you move, changes to your rent or utility costs (**only** if you move), any change in the amount of any court-ordered child support, or anytime someone moves into or out of your household.

#### **Voluntary Reporting Rules are the same.**

Voluntary reports may increase your benefits.

## REPORTING CHANGES FOR CalWORKs AND CALFRESH

CASE NAME:	
CASE NUMBER:	
WORKER NUMBER:	

**Because you get CalWORKs, you must report within 10 days when your TOTAL income reaches a certain level.** You must report anytime your household's total monthly income is more than your current Income Reporting Threshold (IRT).

Your family size is	_____
Your current income is \$	_____
<b>Your IRT is</b>	<b>\$ _____</b>

### How to report?

If your total income is over the IRT amount listed above, you must report this to the County **within 10 days**. You can report this information to the County by calling the County or reporting it in writing.

By "total monthly income" we mean:

- ⇒ Any money you get (both earned **and unearned**).
- ⇒ The amount *before* any deductions are taken out. (Examples of deductions are: taxes, Social Security or other retirement contributions, garnishments, etc.)

### What will happen?

- ⇒ Your benefits may be lowered or stopped based on income over your IRT.
- ⇒ Your IRT may change when your income changes or when someone moves in or out of your home.
- ⇒ The County will let you know in writing each time your IRT changes.
- ⇒ You also need to report during your annual redetermination/recertification (RD/RC) all income the RD/RC form asks about, even if you already reported that money.

### Penalty for not reporting

If you do not report when your income is more than your household's IRT limit you may get more benefits than you should. You **must** repay any extra benefits you get based on income you do not report. If you do not report on purpose to try to get more benefits, this is fraud, and you may be charged with a crime.

**If you get CalWORKs, you MUST ALSO report the things below within 10 days of when they happen:**

1. Anytime someone moves into or out of your household.
2. Anytime someone joins, or is in your household, who has a conviction for a drug related felony *that was not reported before*.
3. Anytime someone joins, or is in your household, who is in violation of a condition of probation or parole.
4. Anytime someone joins, or is in your household, who is running from the law.
5. Anytime you have an address change.

**If you get CalFresh, you MUST ALSO report the things below within 10 days of when they happen:**

1. All mandatory reports required for CalWORKs, other than IRT (see 1-5 above).
2. You have a change in the source of income including starting, stopping or changing jobs;
3. Earned income changes by more than \$100.
4. Unearned income changes by more than \$50 (except for CalWORKs or General Assistance).
5. Rent or utility costs change (only if you move).
6. Any change in the amount of any court-ordered child support.
7. If you are an Able Bodied Adult Without Dependents (ABAWD), you must report any time your work or training hours drop to less than 20 hours a week or 80 hours a month.

### Voluntarily reporting information

You may also voluntarily report changes to the County anytime. *Reporting some changes may get you more benefits.* For example:

- Someone in the house becomes pregnant.
- Someone on cash aid has a special need, such as: a pregnancy, a special diet prescribed by a doctor, household emergency, etc.
- For CalFresh, if someone disabled or age 60 or older has new or higher out of pocket medical costs.

**MID-YEAR STATUS REPORT****For CalWORKs and CalFresh**

RECIPIENT'S NAME:	CASE NUMBER (IF KNOWN):	SOCIAL SECURITY NUMBER (OPTIONAL)
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Use this form to report mandatory or voluntary changes that have occurred since your last redetermination/recertification (RD/RC).

If you are reporting income information, please provide proof, such as, pay stubs; copies of checks; letters from agencies, etc.

If you are reporting changes in expenses, please provide proof, such as, receipts; canceled checks, paid invoices; etc.

If you are reporting an address change, please provide proof of expenses such as, a copy of your new rental agreement or lease; rent receipt for your new address; copies of utility deposits; etc.

**MANDATORY INFORMATION**

**If you receive CalWORKs, report the information marked CW. If you receive CalFresh, report the information marked CF. The change of address and voluntary information sections are for all households/assistance units.**

CW  My combined household income is more than the limit for my household size.  
In the month of \_\_\_\_\_, the total combined income for my household is \$ \_\_\_\_\_.

CW/CF  Someone in my household is a convicted drug felon.  
Name of person \_\_\_\_\_  
Date of felony conviction \_\_\_\_\_

CW/CF  Someone in my household is running from the law to avoid a felony conviction; running from the law, to avoid custody or confinement after a felony conviction; or is in violation of probation or parole.  
Name of person \_\_\_\_\_

CW/CF  Someone moved into or out of my household. (Attach a separate sheet for additional persons.)

1. Did the person move In or Out? (circle one)
2. Name (First, Middle, Last) \_\_\_\_\_
3. Date of Birth (mm/dd/yyyy) \_\_\_\_\_
4. Relationship to you \_\_\_\_\_
5. Regularly purchase and prepare together? Yes/No (circle one)

CW/CF  I have moved, changed my phone number or have a new mailing address.  
New home address \_\_\_\_\_  
New mailing address (if different from your home address) \_\_\_\_\_  
New phone number (\_\_\_\_\_) \_\_\_\_\_

- I receive free rent at this new address.  I receive free utilities at this new address.  
 My rent amount is \$ \_\_\_\_\_ per month.  My utilities are \$ \_\_\_\_\_ per month.

**MANDATORY INFORMATION - continued**

- CF  I have had a change in income (check one):
- Total monthly income has stopped.
  - Earned income changed by more than \$100.
  - Unearned income changed by more than \$50.
  - Source of income changed.
  - New income started.

CF  A change has occurred in the amount of court-ordered child support.

CF  Complete this section to report reduced work or training hours for Able-Bodied Adults Without Dependents:

The number of hours worked or in training dropped below 20 hours a week or 80 hours a month to \_\_\_\_\_ hours per week or \_\_\_\_\_ hours per month.

Name of person(s) \_\_\_\_\_

Relationship to you \_\_\_\_\_

Explain what happened \_\_\_\_\_

Date of change \_\_\_\_\_

**VOLUNTARY INFORMATION** (All households/Assistance Units)

I would like to report the following information:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CERTIFICATION**

**I UNDERSTAND THAT:** If on purpose I do not report all facts or give wrong facts about my income, property, or family status to get or keep getting aid or benefits, I can be legally prosecuted. And, I may be charged with committing a felony if more than \$950 in cash aid and/or CalFresh is wrongly paid out.

I declare under penalty of perjury under the laws of the United States and the State of California that the facts contained in this report are true and correct and complete for the entire report month.

**WHO MUST SIGN BELOW:**

**For CalWORKs:** you, your aided spouse, CA Domestic Partner or the other parent (of cash aided children) if living in the home.  
**For CalFresh:** the head of household, responsible household member or the household's authorized representative.

Signature or Mark	Date Signed	Home Phone	Contact Phone
Signature of Spouse, Registered Domestic Partner, or Other Parent of Cash Aided Children	Date Signed	Signature of Witness to Mark, interpreter or other person completing form	Date Signed