

DEPARTMENT OF SOCIAL SERVICES

1444 P Street, Sacramento, CA 95814



July 8, 1985

ALL-COUNTY INFORMATION NOTICE I-58-85

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: MONTHLY ELIGIBILITY REPORT (CA 7) QUALITY CONTROL ERRORS

REFERENCE:

This notice is to remind you that the quality control (QC) hold harmless policy concerning the monthly reporting provisions of the Omnibus Budget Reconciliation Act of 1981 (OBRA) expire on September 30, 1985, and to inform you that monthly reporting errors are still occurring.

OBRA imposed recipient monthly reporting requirements in the Aid to Families with Dependent Children (AFDC) program. Acknowledging the significant impact of these requirements, the Department of Health and Human Services allowed for a hold harmless period during which monthly reporting errors would be identified by QC reviewers but would not be counted when computing any state's error rate. The hold harmless period was originally set for October 1, 1981 through March 31, 1983; however, it was later extended through September 30, 1985. After September 30, 1985, any monthly reporting error discovered during QC reviews will be included in the state's error rate. These errors will also be counted in the state sample reviews beginning with October 1985 reviews.

Monthly reporting errors are of two types:

- The agency issued a payment during the payment month without a required Monthly Eligibility Report (CA 7) on file for the corresponding budget month.
- The agency failed to withhold the earned income disregards when the CA 7 was received late without good cause documented in the case file.

QC review findings for the period April 1984 through February 1985 show monthly reporting errors of the first type are still being made. During this eleven month span there were eight such errors. Because monthly

reporting is a condition of eligibility, errors of the first type (no CA 7 on file) result in total ineligibility for the case and therefore have a large impact on the payment error rate. We urge that counties take steps to assure required CA 7s are on file and that earned income disregards continue to be withheld from cases which submit late reports.

Staff are available to answer questions about these issues and also assist counties in error prevention activities. If you have any questions, please direct them as follows:

- o CA 7 policy - AFDC Policy Implementation Bureau, (916) 322-5330.
- o Quality Control issues - Your local state QC district office.
- o Error prevention/corrective action - AFDC Corrective Action Bureau,  
(916) 445-4458.

Your attention to this area is important and appreciated.



ROBERT A. HOREL  
Deputy Director

cc: CWDA