

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

September 5, 1989



ALL-COUNTY INFORMATION NOTICE NO. I-62-89

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: SALDIVAR v. McMAHON UPDATE

REFERENCE: ALL-COUNTY LETTER 84-47, DATED APRIL 19, 1984
ALL-COUNTY LETTER 84-74, DATED JULY 11, 1984
ALL-COUNTY LETTER 88-145, DATED NOVEMBER 16, 1988

The purpose of this letter is to provide an update of information for Food Stamp Program (FSP) purposes pertaining to the Saldivar v. McMahon Interim Order issued on December 9, 1983, by the U.S. District Court in San Francisco. As a result of this court order, California has been permanently enjoined from implementing the provisions of MPP 22-022(j), M.S. 63-504.264(a)(b) and .265(b).

In order for SDSS to go back to the court to have the permanent injunction lifted against the use of adequate but not timely notices of action, proof must be presented that the State is in compliance with the five day rule for providing Aid Paid Pending (APP) a State hearing (M.S. 63-804.631). SDSS is currently in the process of compiling statistics regarding CWD processing time frames for compliance with M.S. 63-804.631. Although some counties have not submitted the statistical report requested in All-County Letter (ACL) 88-145, preliminary figures indicate approximately 85% of those recipients requesting APP are receiving benefits within five days or the effective date of action, whichever is later. Once statistics show that at least 90% of such recipients receive their benefits within these time frames, SDSS will be in a position to return to the court to request that the injunction be lifted. In the meantime, County Welfare Departments (CWDs) must continue to provide timely and adequate notice in all instances where a proposed action would result in a discontinuance or reduction of benefits due to a late or incomplete CA 7.

Instructions for implementation of the Saldivar v. McMahon decision were initially provided in ACLs 84-08 dated January 10, 1984, and 84-19 dated February 3, 1984. However, ACL 84-47 dated April 19, 1984 (Attachment #1), was developed to minimize CWD administrative

problems associated with the processing of a CA 7. ACL 84-47 rescinded all previously issued implementation instructions and continues to provide current operating instructions under this decision for CWDs. In addition, ACL 84-74 dated July 11, 1984 (Attachment #2), provided modifications to ACL 84-47 in the area of processing a complete CA 7 as defined in M.S. 63-504.32.

The modifications included in ACL 84-74 provided two options to be utilized as appropriate to each individual county's capabilities when a CA 7 is complete but missing information/verification of deduction(s). Option #1 does not disallow any unverified deduction(s). Instead, previously verified deduction amount(s) are used in the computation of the allotment amount if verification/information is received too late to effect any resultant decreases. Option #2 disallows any unverified deduction(s) if the requested verification/information is not received before the extended filing date. Additional specific information regarding these options and applicable actions pertaining to the DFA 377.4 notice of action form are included in Attachment #2. However, it should be noted that a potential Quality Control variance may result if option #1 is chosen. In addition, the CWD must not establish a claim against the household as long as a complete CA 7 is submitted by the extended filing date.

Until such time as there is a change in the status of Saldivar v. McMahon, CWDs must continue to operate under the instructions provided in ACLs 84-47 and 84-74. If you have any questions regarding this matter, please contact Carole Geller of the AFDC and Food Stamp Policy Implementation Bureau at (916) 322-5330.

Sincerely,



ROBERT A. HOREL
Deputy Director

Attachments

cc: CWDA

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814
(916) 324-6584



April 19, 1984

ALL-COUNTY LETTER NO. 84-47

TO: COUNTY WELFARE DIRECTORS

SUBJECT: I. INSTRUCTIONS FOR IMPLEMENTING THE SALDIVAR V. McMAHON DECISION IN
THE FOOD STAMP PROGRAM, EFFECTIVE MAY 1, 1984

II. LANGUAGE FOR THE IMPORTANT NOTICE - MONTHLY ELIGIBILITY REPORT (CA 7)

The purpose of this letter is to provide instructions for implementing the Saldivar v. McMahon decision in the Food Stamp Program beginning May 1, 1984, and until a long-term solution to the situation has been implemented. All previous instructions for implementing this decision, provided in All-County Letters 84-08, 84-18 and 84-19, are rescinded effective May 1, 1984.

The instructions in this letter have been developed in consideration of input received from the CWDA Food Stamp Policy Subcommittee. Based on the CWDA's experiences with the instructions contained in All-County Letter 84-19, these instructions were developed to meet the following objectives:

- . Ensure compliance with the court order while minimizing any instructions which are exceptions to current regulations.
- . Minimize the unnecessary or unproductive processing of a CA 7.
- . Minimize CWD administrative burden and costs.
- . Minimize modifications to existing forms or the use of additional messages with existing forms.
- . Maximize compatibility with AFDC procedures.

Major Features

The major features of the instructions are outlined below. Detailed instructions are provided in Attachment 1.

- . Reminder notices (NA 960X, NA 960Y, DFA 377.4) will be provided as specified in regulations.
- . Other than providing the necessary reminder notice, a CA 7 should not be processed until it is complete, including all required verification/additional information.
- . A complete CA 7, including all required verification/additional information, received in sufficient time to provide timely notice will be processed and timely notice of any adverse action will be provided.
- . Benefits will not be issued until a complete CA 7, as defined by completeness regulations, is received.
- . Any increase in benefits, reflected by a complete CA 7 (including all required verification/additional information), will be issued with a concurrent notice, as specified in current regulations.
- . Benefits will not be reduced, terminated or suspended unless the appropriate timely notice of adverse action has been provided.
- . Since a complete CA 7 will not be processed until all required verification/additional information is received, or the extended filing date passes, benefits will be issued on the household's regular issuance date at the same level as the previous month or at the level indicated on a previously issued timely notice of adverse action, as appropriate.
- . Supplements will be issued to any household which initially received fewer benefits than its complete CA 7 reflects.
- . A complete CA 7 submitted too late in the report month to provide timely notice will be processed, and any adverse action will be effective the first of the month following the provision of a timely notice of adverse action.
- . Benefits will not be delayed when a complete CA 7 is submitted late in the report month, except to the extent that additional time is necessary for processing.

Form Instructions

Revised form instructions for the DFA 377.4, NA 960X and NA 960Y are also attached. These instructions were revised to delete all references to those procedures which are rescinded May 1, 1984 and to reflect the new procedures contained in this letter.

Additional Messages for Forms

These instructions require the use of an additional message to be used on the DFA 377.4, Food Stamp Notice of Change, when benefits are suspended. The additional message is provided in Attachment 1, as a footnote to the circumstances in which it is required. This message must be used by all CWDs as indicated, and without modification.

Revised form-specific modification criteria is attached for the DFA 377.4 and the NA 960Y. The form-specific modification criteria for the NA 960X provided in All-County Letter 84-19 remains in effect.

Important Notice - The Monthly Eligibility Report (CA 7)

Also included in this package is the approved language for the English version of the Important Notice - The Monthly Eligibility Report (CA 7). Spanish and Vietnamese translations of the language will be provided before April 25, 1984.

This Important Notice replaces the Temp 1589 (11/83) and must be provided at application and recertification to all households subject to monthly reporting and retrospective budgeting. During May, the Important Notice will be typeset and master copies, bearing a permanent form number, will be provided to counties. Supplies of the notice will be printed by the Department of Social Services (DSS) in English and Spanish. Additional information concerning the availability of the supplies will be provided when the master copies are transmitted.

Should you have any questions about the instructions in this letter, please contact your Food Stamp Policy Consultant at (916) 324-6584.


KYLE S. MCKINSEY
Deputy Director

cc: CWDA

ALTERNATE PROCEDURES FOR PROVIDING TIMELY NOTICE AND ISSUING
FOOD STAMP BENEFITS
Saldivar v. McMahon

1. Household Action: Fails to file a CA 7, by the 11th of the report month.
OR
Files a CA 7, by the 11th of the report month, which is either incomplete* or is both incomplete* and missing information/verification of a deduction and/or contains questionable information.

Initial CWD Action: Provide the household with either an NA 960X (no CA 7), or an NA 960Y (incomplete CA 7), as soon as possible, but no later than 10 days before the end of the report month.

Household Response

Follow-up CWD Action

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. Files a complete CA 7** and all other requested verification/information, reflecting a reduction in benefits from the previous issuance or a termination of benefits, in sufficient time to provide timely notice. | A(1) Provide the household with a timely DFA 377.4 reflecting the reduction or termination of benefits, effective the first of the following month. If benefits are issued, issue benefits on the household's regular issuance date, at the reduced level indicated by the complete CA 7. |
| B. Files a complete CA 7 and all other requested verification/information, reflecting a suspension of benefits, in sufficient time to provide timely notice. | B(1) Provide the household with a timely DFA 377.4 reflecting the suspension of benefits, effective the first of the following month, and advising the household that a second consecutive period of ineligibility will result in termination.*** |
| C. Files a complete CA 7, but fails to provide all other requested verification/information, by the extended date. | C(1) Issue benefits on the household's regular issuance date or as soon as administratively feasible, at the same level as the previous month. |

*Incomplete for either program in which the household is participating.

**As used in this context and in the rest of the situation, "complete" for the Food Stamp Program.

***Enter in Comments section: "If the CA 7 you submit for the month of suspension shows that you are still not eligible for food stamps, your benefits will be terminated effective (enter appropriate date)."

- (
- C(2) After the extended filing date, compute the household's benefits based on the complete CA 7, taking appropriate action on the items for which additional verification/information was not provided.
 - C(3) If the complete CA 7 reflects an increase in benefits from the previous issuance, provide the household with a concurrent DFA 377.4, reflecting the increase in benefits, and issue a supplement as soon as administratively feasible.
 - C(4) If the complete CA 7 reflects a reduction in benefits from the previous issuance or a termination or suspension of benefits, provide the household with a DFA 377.4 by no later than 10 days before the end of the current issuance month, advising the household of the reduction or termination of benefits, effective the first of the following month, unless a CA 7 invalidating the action has been processed.
- D. Files a complete CA 7 and all other requested verification/information, reflecting no change in benefits from the previous issuance, by the extended filing date, but very late in the report month.
 - D(1) Issue benefits on the household's regular issuance date or as soon as administratively feasible, at the same level as the previous month.
 - E. Files a complete CA 7 and all other requested verification/information, reflecting an increase in benefits from the previous issuance, by the extended filing date, but very late in the report month.
 - E(1) Provide the household with a concurrent DFA 377.4 reflecting the increase in benefits, and issue benefits on the household's regular issuance date or as soon as administratively feasible, at the increased level indicated by the complete CA 7.
 - F. Files a complete CA 7 and all other requested verification/information, reflecting a reduction in benefits from the previous issuance or a termination or suspension of benefits, by the extended filing date, but too late to provide timely notice.
 - F(1) Issue benefits on the household's regular issuance date or as soon as administratively feasible, at the same level as the previous month.
 - F(2) Provide the household with a DFA 377.4 by no later than 10 days before the end of the current issuance month, advising the household of the reduction or termination of benefits, effective the first of the following month.
 - G. Fails to file a complete CA 7 by the extended filing date (either no CA 7 is filed or an incomplete CA 7 is filed).
 - G(1) Terminate with no further notice/action.

2. Household Action: Files a complete CA 7,^{1/} by the 11th of the report month, which is missing verification/information of a deduction and/or contains questionable information.

Initial CWD Action: Provide the household with a DFA 377.4, Proposed Change in Benefits, as soon as possible, but no later than 10 days before the end of the report month.

<u>Household Response</u>	<u>Follow-up CWD Action</u>
A. Provides the additional verification/information, reflecting a reduction in benefits from the previous issuance or a termination of benefits, in sufficient time to provide timely notice.	A(1) Provide the household with a timely DFA 377.4 reflecting the reduction or termination of benefits, effective the first of the following month. If benefits are issued, issue on the household's regular issuance date at the reduced level indicated by the complete CA 7.
B. Provides the additional verification/information, reflecting a suspension of benefits, in sufficient time to provide timely notice.	B(1) Provide the household with a timely DFA 377.4 reflecting the suspension of benefits, effective the first of the following month, and advising the household that a second consecutive period of ineligibility will result in termination.***
C. Fails to provide the additional verification/information by the deadline for issuing benefits on the household's regular issuance date.	C(1) Issue benefits on the household's regular issuance date, at the same level as the previous month.
D. Provides the additional verification/information, reflecting no change in benefits from the previous issuance, by the extended filing date, but very late in the report month.	D(1) Issue benefits on the household's regular issuance date, at the same level as the previous month.
E. Provides the additional verification/information, reflecting an increase in benefits from the previous issuance, by the extended filing date.	E(1) Provide the household with a concurrent DFA 377.4 reflecting the increase in benefits, and issue benefits on the household's regular issuance date, at the increased level indicated by the complete CA 7. If benefits were issued at the same level as the previous month before the additional verification/information was received, issue a supplement as soon as administratively feasible.

^{1/} Complete for all programs in which the household is participating.

***Enter in Comments section: "If the CA 7 you submit for the month of suspension shows that you are still not eligible for food stamps, your benefits will be terminated effective (enter appropriate date)."

F. Provides the additional verification/information, reflecting a reduction in benefits from the previous issuance or a termination or suspension of benefits, by the extended filing date, but too late to provide timely notice.

G. Fails to provide the additional verification/information by the extended filing date. (Benefits have already been issued at the same level as the previous month.)

F(1) Issue benefits on the household's regular issuance date, at the same level as the previous month.

F(2) Provide the household with a DFA 377.4 by no later than 10 days before the end of the current issuance month, advising the household of the reduction or termination of benefits, effective the first of the following month.

G(1) After the extended filing date, compute the household's benefits based on the complete CA 7, taking appropriate action on the items for which additional verification/information was not provided.

G(2) If the complete CA 7 reflects an increase in benefits from the previous issuance, provide the household with a concurrent DFA 377.4 reflecting the increase in benefits, and issue a supplement as soon as administratively feasible.

G(3) If the complete CA 7 reflects a reduction in benefits from the previous issuance or a termination or suspension of benefits, provide the household with a DFA 377.4 by no later than 10 days before the end of the current issuance month, advising the household of the reduction or termination of benefits, effective the first of the following month, unless a CA 7 invalidating the action has been processed.

3. Household Action: Fails to file a CA 7, by the 11th of the report month, in a month when benefits should have been, but were not, reduced, suspended or terminated because of insufficient time to provide timely notice.

OR

Files a CA 7, by the 11th of the report month, which is either incomplete* or is both incomplete* and missing information/verification of a deduction and/or contains questionable information, in a month when benefits should have been, but were not, reduced, suspended, or terminated because of insufficient time to provide timely notice.

Initial CWD Action: Provide the household with either an NA 960X (no CA 7), or an NA 960Y (incomplete CA 7), as soon as possible, but no later than 10 days before the end of the report month.

Household Response

Follow-up CWD Action

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| A. Files a complete CA 7** and all other requested verification/information, reflecting a reduction in benefits from the previous issuance or a termination of benefits, in sufficient time to provide timely notice. | A(1) Provide the household with a timely DFA 377.4 reflecting the reduction or termination of benefits, effective the first of the following month. (This notice supersedes the DFA 377.4 issued for the previous month's "late" CA 7.) If benefits are issued, issue benefits on the household's regular issuance date, at the reduced level indicated by the complete CA 7. |
| B. Files a complete CA 7 and all other requested verification/information, reflecting a suspension of benefits, in sufficient time to provide timely notice. | B(1) Provide the household with a timely DFA 377.4 reflecting the suspension of benefits, effective the first of the following month, and advising the household that a second consecutive period of ineligibility will result in termination.*** (This notice supersedes the DFA 377.4 issued for the previous month's "late" CA 7.) |

* Incomplete for either program in which the household is participating.

**As used in this context and in the rest of the situation, "complete" for the Food Stamp Program.

***Enter in Comments section: "If the CA 7 you submit for the month of suspension shows that you are still not eligible for food stamps, your benefits will be terminated effective (enter appropriate date)."

C. Files a complete CA 7, but fails to provide all other requested verification/information, by the extended filing date.

C(1) Issue benefits on the household's regular issuance date or as soon as administratively feasible, at the level indicated by the previous month's CA 7.

C(2) After the extended filing date, compute the household's benefits based on the current month's complete CA 7, taking appropriate action on the items for which additional verification/information was not provided.

C(3) If the current month's CA 7 reflects an increase in benefits from the previous month's CA 7, provide the household with a concurrent DFA 377.4, reflecting the increase in benefits, and issue a supplement as soon as administratively feasible.

C(4) If the current month's CA 7 reflects a reduction in benefits from the previous month's CA 7 or a termination or suspension of benefits, provide the household with a DFA 377.4 by no later than 10 days before the end of the current issuance month, advising the household of the reduction or termination of benefits, effective the first of the following month, unless a CA 7 invalidating the action has been processed.

D. Files a complete CA 7 and all other requested verification/information, reflecting no change in benefits from the previous issuance, by the extended filing date, but very late in the report month.

D(1) Issue benefits on the household's regular issuance date or as soon as administratively feasible, at the same level as the previous month.

E. Files a complete CA 7 and all other requested verification/information, reflecting an increase in benefits from the previous issuance, by the extended filing date, but very late in the report month.

E(1) Provide the household with a concurrent DFA 377.4 reflecting the increase in benefits, and issue benefits on the household's regular issuance date or as soon as administratively feasible, at the increased level indicated by the complete CA 7.

F. Files a complete CA 7 and all other requested verification/information, reflecting a reduction in benefits from the previous issuance, by the extended filing date, but too late to provide timely notice.

F(1) If the previous month's CA 7 reflected a reduction in benefits, issue the greater amount of the reduced benefits reflected by the previous month's CA 7 or the reduced benefits reflected by the current month's CA 7. Issue benefits on the household's regular issuance date or as soon as administratively feasible.

F(2) If the previous month's CA 7 reflected a termination or suspension of benefits, issue benefits based on the current month's CA 7, on the household's regular issuance date or as soon as administratively feasible.

F(3) If benefits are issued based on the current month's CA 7 (either in F(1) or F(2)), provide the household with a concurrent DFA 377.4 reflecting the amount of benefits indicated by the current month's CA 7.

F(4) If benefits are issued based on the previous month's CA 7 because the current month's CA 7 indicates a further reduction in benefits, provide the household with a DFA 377.4 by no later than 10 days before the end of the current issuance month, advising the household of the further reduction in benefits effective the first of the following month.

G. Files a complete CA 7 and all other requested verification/information, reflecting a termination or suspension of benefits, by the extended filing date, but too late to provide timely notice.

G(1) If the previous month's CA 7 reflected a termination or suspension of benefits, terminate the household's benefits. No further notice is required.

G(2) If the previous month's CA 7 reflected a reduction in benefits, issue benefits at the

reduced level reflected by the previous month's CA 7. Issue benefits on the household's regular issuance date or as soon as administratively feasible. Provide the household with a DFA 377.4 by no later than 10 days before the end of the current issuance month, advising the household of the termination of benefits, effective the first of the following month.

ii. Fails to file a complete CA 7 by the extended filing date (either no CA 7 is filed or an incomplete CA 7 is filed).

H(1) Terminate with no further notice/action.

4. Household Action: Files a complete CA 7,^{1/} by the 11th of the report month, which is missing verification/information of a deduction and/or contains questionable information, in a month when benefits should have been, but were not, reduced, suspended, or terminated because of insufficient time to provide timely notice.

Initial CWD Action: Provide the household with a DFA 377.4, Proposed Change in Benefits, as soon as possible, but no later than 10 days before the end of the report month.

<u>Household Response</u>	<u>Follow-up CWD Action</u>
A. Provides the additional verification/information, reflecting a reduction in benefits from the previous issuance or a termination of benefits, in sufficient time to provide timely notice.	A(1) Provide the household with a timely DFA 377.4 reflecting the reduction or termination of benefits, effective the first of the following month. If benefits are issued, issue benefits on the household's regular issuance date at the reduced level indicated by the complete CA 7.
B. Provides the additional verification/information, reflecting a suspension of benefits, in sufficient time to provide timely notice.	B(1) Provide the household with a timely DFA 377.4 reflecting the suspension of benefits, effective the first of the following month, and advising the household that a second consecutive period of ineligibility will result in termination.***
C. Fails to provide the additional verification/information by the deadline for issuing benefits on the household's regular issuance date.	C(1) Issue benefits on the household's regular issuance date, at the level reflected by the previous month's CA 7.
D. Provides the additional verification/information, reflecting no change in benefits from the previous issuance, by the extended filing date, but very late in the report month.	D(1) Issue benefits on the household's regular issuance date, at the same level as the previous month. If benefits were already issued at a reduced level reflected by the previous month's CA 7 before the additional verification/information was received, issue a supplement as soon as administratively feasible.

^{1/} Complete for all programs in which the household is participating.

***Enter in Comments section: "If the CA 7 you submit for the month of suspension shows that you are still not eligible for food stamps, your benefits will be terminated effective (enter appropriate date)."

E. Provides the additional verification/information, reflecting an increase in benefits from the previous issuance, by the extended filing date.

F. Provides the additional verification/information, reflecting a reduction in benefits from the previous issuance, by the extended filing date, but too late to provide timely notice.

E(1) Provide the household with a concurrent DFA 377.4 reflecting the increase in benefits, and issue benefits on the household's regular issuance date, at the increased level indicated by the complete CA 7. If benefits were issued at a reduced level reflected by the previous month's CA 7 before the additional verification/information was received, issue a supplement as soon as administratively feasible.

F(1) If the previous month's CA 7 reflected a reduction in benefits, issue the greater of the reduced benefits reflected by the previous month's CA 7 or the reduced benefits reflected by the current month's CA 7. Issue benefits on the household's regular issuance date. If benefits were already issued at the lesser of the two amounts before the additional verification/information was received, issue a supplement as soon as administratively feasible.

F(2) If the previous month's CA 7 reflected a termination or suspension of benefits, issue benefits based on the current month's CA 7, on the household's regular issuance date or as soon as administratively feasible.

F(3) If benefits are issued based on the current month's CA 7, provide the household with a concurrent DFA 377.4 reflecting the amount of benefits reflected by the current month's CA 7.

F(4) If benefits are issued based on the previous month's CA 7 because the current month's CA 7 reflects a further reduction in benefits, provide the household with a DFA 377.4, by no later than 10 days before the end of the current issuance month, advising the household of the further reduction in benefits, effective the first of the following month.

G. Files a complete CA 7, reflecting a termination or suspension of benefits, by the extended filing date, but too late to provide timely notice.

G(1) If the previous month's CA 7 reflected a termination or suspension of benefits, terminate the household's benefits. No further notice is required.

G(2) If the previous month's CA 7 reflected a reduction in benefits, issue benefits at the reduced level reflected by the previous month's CA 7. Issue benefits on the household's regular issuance date or as soon as administratively feasible. Provide the household with a DFA 377.4, by no later than 10 days before the end of the current issuance month, advising the household of the termination of benefits, effective the first of the following month.

H. Fails to provide the additional verification/information by the extended filing date. (Benefits have already been issued based on the previous month's CA 7.)

H(1) After the extended filing date, compute the household's benefits based on the current month's CA 7, taking appropriate action on the items for which additional verification/information was not provided.

H(2) If the current month's CA 7 reflects an increase in benefits from the amount issued, provide the household with a concurrent DFA 377.4 reflecting the increase in benefits, and issue a supplement as soon as administratively feasible.

H(3) If the current month's CA 7 reflects a reduction in benefits from the amount issued or a termination or suspension of benefits, provide the household with a DFA 377.4 by no later than 10 days before the end of the current issuance month, advising the household of the reduction or termination of benefits, effective the first of the following month, unless a CA 7 invalidating the action has been received.

5. Household Action Fails to file a CA 7, by the 11th of the report month, in a month when benefits have been suspended.

OR

Files a CA 7, by the 11th of the report month, which is either incomplete* or is both incomplete* and missing verification/information of a deduction and/or contains questionable information, in a month when benefits have been suspended.

Initial CWD Action: Provide the household with either an NA 960X (no CA 7), or an NA 960Y (incomplete CA 7), as soon as possible, but no later than 10 days before the end of the report month.

<u>Household Response</u>	<u>Follow-up CWD Action</u>
A. Files a complete CA 7,** and all other requested verification/information, reflecting prospective eligibility, by the extended filing date.	A(1) Provide the household with concurrent DFA 377.4 reflecting the increase in benefits, and issue benefits on the household's regular issuance date or as soon as administratively feasible, at the increased level indicated by the complete CA 7.
B. Files a complete CA 7, reflecting continued ineligibility (either a termination or second period of suspension), by the extended filing date.	B(1) Terminate benefits and provide the household with a concurrent DFA 377.4.
C. Files a complete CA 7, but fails to provide all other requested verification/information, by the extended filing date.	C(1) After the extended filing date, compute the household's benefits, based on the complete CA 7, taking appropriate action on the items for which additional verification/information was not provided. C(2) If the complete CA 7 reflects prospective eligibility, provide the household with a concurrent DFA 377.4, and issue benefits as soon as administratively feasible. C(3) If the complete CA 7 reflects continued ineligibility (either a termination or second period of suspension), terminate benefits and provide the household with a concurrent DFA 377.4.
D. Fails to file a complete CA 7 by the extended filing date (either no CA 7 is filed or an incomplete CA 7 is filed).	D(1) Terminate with no further notice/action.

*Incomplete for either program in which the household is participating.

**As used in this context and in the rest of the situation, "complete" for the Food Stamp Program.

6. Household Action: Files a complete CA 7,^{1/} by the 11th of the report month, which is missing verification/information of a deduction and/or contains questionable information, in a month when benefits have been suspended.

Initial CWD Action: Provide the household with a DFA 377.4, Proposed Change in Benefits, as soon as possible, but no later than 10 days before the end of the report month.

<u>Household Response</u>	<u>Follow-up CWD Action</u>
A. Provides the additional verification/information, reflecting prospective eligibility, by the extended filing date.	A(1) Provide the household with a concurrent DFA 377.4 reflecting the increase in benefits, and issue benefits at the household's regular issuance date or as soon as administratively feasible, at the increased level indicated by the complete CA 7.
B. Provides the additional verification/information, reflecting continued ineligibility (either a termination or second period of suspension), by the extended filing date.	B(1) Terminate benefits and provide the household with a concurrent DFA 377.4.
C. Fails to provide the additional verification/information by the extended filing date.	C(1) After the extended filing date, compute the household's benefits based on the complete CA 7, taking appropriate action on the additional verification/information which was not provided. C(2) If the complete CA 7 reflects prospective eligibility, provide the household with a concurrent DFA 377.4, and issue benefits as soon as administratively feasible. C(3) If the complete CA 7 reflects continued ineligibility (either a termination or second period of suspension), terminate benefits and provide the household with a concurrent DFA 377.4.

^{1/} Complete for all programs in which the household is participating.

Form Instructions
(for the Eligibility Worker)

FOOD STAMP NOTICE OF CHANGE

Purpose:

The DFA 377.4 is used by the Eligibility Worker to notify a household of any of the following actions:

- Changes in food stamp benefits during the certification period;
- One-month suspension of benefits;
- Termination of program participation;
- Possible reduction or termination of benefits because a complete CA 7 is missing verification/information of a deduction and/or contains questionable information.

The back of the DFA 377.4 explains the household's right to request a state hearing and provides instructions on how to appeal the action. The back also provides information needed by the household to receive continued benefits pending a hearing if benefits are reduced, terminated or suspended.

NOTE: If the CA 7 is incomplete for any program in which the household is participating, the NA 960Y, CA 7 Incomplete--Discontinuance/Reminder, must be used instead of the DFA 377.4 as the timely reminder notice.

Preparation:

Complete an original and two copies of the DFA 377.4, entering the following identifying information.

- Head of household's name and mailing address
- Case Name
- Case Number
- District (if applicable)
- Worker
- Phone Number
- Date of Notice

Complete the action portion of the notice by checking the heading box for the Change, Suspension, Termination, or Proposed Change section, and entering all other required information.

When benefits are changed, suspended or terminated as a result of a reported change, and/or the disallowance of a deduction, the reason for the action must include the reported change and/or the disallowed deduction. For example:
"...your food stamp benefits are changed...because your gross monthly income increased from \$250 to \$350 and your dependent care expenses were not allowed."
or, "...your household size decreased from 4 to 2."

Change in Benefits

Check the Change box when food stamp benefits are increased or will be decreased. Enter the effective date of the change, the current allotment, the amount of the new allotment, and the reason(s) for the change.

If the household is repaying a claim through allotment reduction (intentional program violation or inadvertent household error) the amount entered should reflect the actual allotment the household will receive. The explanation for the change should include the reasons for the change in benefits as well as the effect on the amount of allotment reduction.

Suspension

Check the Suspension box when information reported by a monthly reporting household on the CA 7 results in ineligibility for a one-month period. Enter the effective date of the suspension, the reason(s) and the month for which no benefits will be issued.

For all suspensions, enter the following statement in the Comments section:

"If the CA 7 you submit for the month of suspension shows that you are still not eligible for food stamps, your benefits will be terminated effective (enter appropriate date) ."

Termination

Check the Termination box when food stamp benefits will be terminated. Enter the effective date of the termination and the reason(s).

Check the second box if the household's benefits are terminated because resources have been transferred or because a one-person household failed to provide a Social Security Number within the appropriate time. Enter the date which is the end of the disqualification period. (For an SSN disqualification, the individual is disqualified until an SSN is provided.)

NOTE: Do not use the DFA 377.4 for disqualifications resulting from an intentional program violation or refusal to work register. The DFA 377.7A and the DFA 377.10, respectively, are provided for these types of disqualifications.

Proposed Change in Benefits

Check the Proposed Change box when a monthly reporting household submitted a complete CA 7 which is missing verification/information of a deduction and/or contains questionable information. Enter the proposed effective date of the change and the verification and/or information which the household must provide.

Benefits may not be reduced, suspended or terminated based on this reminder notice. A timely notice of adverse action must be provided to the household before the adverse action is taken. (See the special instructions in the All-County Letter transmitting this material.)

Comments

Use this section as indicated above for suspensions and to provide the household with any additional information.

This section may also be used to advise a household that its request for a replacement ATP/coopons has been denied and the reason for the denial.

Manual Section(s)

Enter the applicable specific manual section(s) for the action(s).

Distribution:

The original and one copy are provided to the household. The second copy is filed in the case record.

Form Instructions
(for the Eligibility Worker)

NOTICE OF ACTION (CA 7 NOT RECEIVED--DISCONTINUANCE)

Purpose:

The NA 960X is used by the Eligibility Worker to notify a recipient of the discontinuance of Food Stamps and/or Cash Aid because of a late CA 7.

The back of the NA 960X explains the household's right to request a state hearing and provides instructions on how to appeal the action. The back also provides information needed by the household to receive continued benefits pending a hearing if benefits are decreased or discontinued.

Preparation:

The NA 960X must be mailed or given to the recipient no later than ten days before the end of the current month.

Complete an original and two copies of the NA 960X entering the following identifying information:

- Recipient's name and mailing address
- Case Name
- Case Number
- Worker
- Phone Number
- Date of Notice

Check the appropriate box(es) for Food Stamps and/or Cash Aid and enter the effective date of the discontinuance.

Benefits On Time/Benefits 10 Days Late - DO NOT USE THESE BOXES. Either leave the check-boxes blank or cross out both statements.

Distribution:

The original and one copy are provided to the recipient. The second copy is filed in the case record.

Form Instructions
(for the Eligibility Worker)

NOTICE OF ACTION (CA 7 INCOMPLETE--DISCONTINUANCE/REMINDER)

Purpose:

The NA 960Y is used by the Eligibility Worker to notify a recipient of the discontinuance of Food Stamps and/or Cash Aid because of an incomplete CA 7. The NA 960Y is also used to request missing verification or additional information from a food stamp household when the CA 7 is also incomplete.

The back of the NA 960Y explains the household's right to request a hearing and provides instructions on how to appeal the action. The back also provides information needed by the household to receive continued benefits pending a hearing if benefits are decreased or discontinued.

NOTE: When a CA 7 submitted by a food stamp household is complete, but is missing other verification/information, the DFA 377.4, Food Stamp Notice of Change, must be used instead of the NA 960Y.

Preparation:

The NA 960Y must be mailed or given to the recipient no later than ten days before the end of the current month.

Complete an original and two copies of the NA 960Y entering the following identifying information:

- Recipient's name and mailing address
- Case Name
- Case Number
- Worker
- Phone Number
- Date of Notice

Complete the discontinuance portion of the notice as follows:

Check the appropriate box(es) for Food Stamps and/or Cash Aid and enter the effective date of the discontinuance.

Check the appropriate box for the action the recipient must take to reverse the discontinuance. If applicable, specify in the space provided the information and/or verification which must be provided.

Benefits On Time/Benefits 10 Days Late - DO NOT USE THESE BOXES. Either leave the check boxes blank or cross out both statements.

Additional Information Requested (Food Stamps Only). Check this box when an incomplete CA 7 is missing verification/information of a deduction and/or contains questionable information for the Food Stamp Program. Specify in the space provided the additional verification and/or information which is required.

Food Stamp benefits may not be reduced, suspended, or terminated based on this reminder notice if the household submits a complete CA 7 but fails to provide all other requested verification/information. A timely notice of adverse action must be provided to the household before the adverse action is taken. (See the special instructions in the All-County Letter transmitting this material.)

Penalty (Cash Aid Only). Check this box if the Cash Aid recipient is normally entitled to the earned income disregards.

Distribution:

The original and one copy are provided to the recipient. The second copy is filed in the case record.

Form-Specific Modification Criteria

DFA 377.4 (12/83)
(Criteria Revised 4/6/84)

FOOD STAMP NOTICE OF CHANGE

Required Form - No Substitutes Permitted

- Placement* - No modification permitted (Manual only).
- No modification permitted except those related to EDP requirements (EDP only).
- Language* - No modification permitted except that on the back, the address for submitting a hearing request may be modified in counties with state hearing intake at the local level (Manual only).
- No modification permitted except (1) the wording in the Change, Suspension or Termination section may be modified to accommodate the inclusion of a budget computation, and, (2) on the back, the address for submitting a hearing request may be modified in counties with state hearing intake at the local level (EDP only).
- Data Elements - No modification permitted except that each section (Change, Suspension, Termination and Proposed Change) may be printed as its own form. (Manual only.)
- No modification permitted except that all data elements need not appear on one form; i.e., computer prints out only applicable message(s), but all messages are contained in the computer program (EDP only).

*The additional explanation provided with the All-County letter transmitting this material must be used without modification in accordance with the instructions contained in the letter.

Form-Specific Modification Criteria

NA 960Y (1/84)
(Criteria Revised 4/6/84)

NOTICE OF ACTION (CA 7 INCOMPLETE - DISCONTINUANCE/REMINDER)

Required Form - No Substitutes Permitted

- Placement - No modification permitted (Manual only).
- No modification permitted except those related to EDP requirements (EDP only).
- Language - No modification permitted except that on the back, the address for submitting a hearing request may be modified in counties with state hearing intake at the local level (EDP and Manual only).
- Data Elements - No modification permitted except that the two data elements concerning the timing of benefits (late or on time) may be deleted. (Manual only.)
- No modification permitted except that (1) the two data elements concerning the timing of benefits (late or on time) may be deleted; and (2) all other data elements need not appear on one form; i.e., computer prints out only applicable message(s), but all messages are contained in the computer program (EDP only).

* * * IMPORTANT NOTICE - THE MONTHLY ELIGIBILITY REPORT (CA 7) * * *

This notice is to explain your reporting requirements and the budgeting method used in the Food Stamp Program. This notice will also give you instructions on how to complete the Monthly Eligibility Report form called the CA 7 and what information you must report and verify when you return the CA 7 form.

Under the budgeting method in the Food Stamp Program, the information you give on your CA 7 will be used to compute the amount of food stamps you will receive two months later. For example, the information on your January report, which you fill out and send to the welfare department in February, will be used to compute your March benefits. This budgeting method is the same as the budgeting method being used in Aid to Families with Dependent Children (AFDC) and other cash aid programs. It is called a retrospective budgeting system.

If you receive Cash Aid and Food Stamps, the CA 7 report form you complete every month will be used to determine if you are still eligible for Cash Aid and Food Stamps, and the amount of benefits you should receive. Cash Aid includes AFDC, Refugee Cash Assistance (RCA), and Entrant Cash Assistance (ECA) Programs.

The CA 7 will be mailed to you. You must complete it for the month shown in the upper right-hand corner of the report. This report is due by the 5th of the next month, and must be received by the welfare department no later than the 11th. For example, if the report month shown in the upper right-hand corner of your CA 7 is March, it is due on April 5. Your report can either be mailed or brought into the welfare department. If you do not complete and return this form to the welfare department, your benefits will be stopped.

The instructions at the start of each section tell you if you need to answer the questions in that section or not. The instructions also tell you which people to answer the questions for.

- o If you receive both cash aid and food stamps, you must answer all the questions on the report.
- o If you only receive cash aid, you must answer Questions 1-9 and Questions 14-17.
- o If you only receive food stamps, you must answer Questions 1-13 and Question 17.

Below are some additional instructions to help you in completing the CA 7. The question numbers below match the question numbers on the CA 7.

Question #1 - EARNINGS AND OTHER INCOME - If you, or someone in your home, worked and got paid during the month shown in the upper right-hand corner of the CA 7, be sure to list the number of days and hours worked in that month. Also, list all the pay you received in that month, even if some of that pay was for hours worked in the month before. For example, if someone was paid \$200 on March 7, and this included \$100 actually earned during the last week of February, enter the entire \$200 on the report for March because the pay was received in March. Attach pay stubs or other proof of the amount of earnings. What you report will be checked against earnings employers report to the state.

If you, or anyone in your home, received other income not from a job, such as Unemployment Insurance Benefits (UIB) or Social Security, report the amount you received. Be sure to attach a copy of your award letter or other proof of the amount if it just started or if it changed or stopped. The amount you report will be checked against all available state records.

Question #10 - HOUSING COSTS are what you must pay for where you live such as rent or a house payment.

If you checked YES to #10, fill in the amount of your rent or house payment. If this cost changed from last month or if you moved, attach proof of the cost, such as rent receipts.

Question #11 - UTILITY COSTS are your costs for gas, electricity, telephone, and the other costs named in #11. If you had utility bills in the month, check YES. If you had no utility bills in the month, check NO and go on to QUESTION #12. If you had free housing and/or utilities, report that in QUESTION #1.

The Standard Utility Allowance (SUA) is a flat amount that you can choose to have the county use as your utility costs instead of the amount of utility costs you actually have. If you claim the SUA, and you had utility costs, you would answer "YES" to Question #11 and go on to Question #12.

If you are claiming actual utility costs, or you have moved, you must fill out the utility information and attach bills for each cost you enter. If you claim actual utility costs, you must also attach proof that the food stamp household member(s) paid that amount. For example, if you paid another person for your utilities, be sure to get and attach a receipt. If someone else paid you and you paid the bills, you must attach receipts for the bills you paid and a statement signed by the person who helped you pay these bills. The statement must show the amount the person paid and the date you were paid.

Question #12 - "SHARED HOUSING OR UTILITIES" means that someone who is not a part of your food stamp household helped you pay these expenses. Your food stamp household is everyone you live with that is receiving food stamps with you. If you do not know who is in your food stamp household, ask your worker. If only persons in your food stamp household paid your housing and utility costs, check NO. If anyone not part of your food stamp household helped pay your housing or utility costs in the month, check YES to #12 and give the name of each person, what cost they helped pay, and how much was paid. Attach proof of these payments.

Question #13 - MEDICAL EXPENSES - Disabled means a household member who is:
1) receiving Social Security benefits (green check); or 2) a disabled veteran; or
3) the disabled surviving spouse or the disabled surviving child of a veteran.
If you check "YES", attach receipts or bills showing the amount of medical expenses.

SIGN AND DATE - Your report must be signed and dated after the last day of the month shown in the upper right-hand corner of the report. For example, if the report is for March 1984, the earliest you should sign and date it is April 1, 1984. Sometimes more than one person needs to sign the report.

YOUR RECEIPT OF FOOD STAMPS AND/OR CASH AID MAY BE STOPPED IF:

- o YOU DO NOT ANSWER EVERY QUESTION FOR THE TYPE OF BENEFITS YOU RECEIVE; or
- o YOUR REPORT IS NOT SIGNED BY THE CORRECT PERSON OR PERSONS; or
- o YOUR REPORT IS MISSING PAY STUBS OR RECEIPTS FOR EARNINGS; or
- o YOUR REPORT IS MISSING PROOF OF OTHER INCOME THAT HAS CHANGED.

YOU MAY GET FEWER BENEFITS IF OTHER VERIFICATION IS MISSING.

CONTACT YOUR ELIGIBILITY WORKER IF YOU NEED HELP FILLING OUT YOUR CA 7, OR IF YOU HAVE ANY OTHER QUESTIONS.

DEPARTMENT OF SOCIAL SERVICES

144 P Street, Sacramento, CA 95814

(16) 322-2214



July 11, 1984

ALL-COUNTY LETTER NO. 84-74

TO: ALL-COUNTY WELFARE DIRECTORS

SUBJECT: PROCEDURE MODIFICATIONS FOR SALDIVAR IMPLEMENTATION

REFERENCE: ALL-COUNTY LETTER 84-47, DATED APRIL 19, 1984

The purpose of this letter is to transmit modifications to the Department's Saldivar instructions contained in ACL 84-47. The intent of those instructions was to reduce administrative complexity while remaining within the scope of the Saldivar decision. Since those instructions were released, several of the counties informed this Department that they have the ability and desire to do more toward processing of the CA 7. The Department has also been advised by Food and Nutrition Services (FNS) that they may be citing Quality Control (QC) errors in these areas. As a result, the policies and procedures issued in ACL 84-47 have been modified. The modifications listed below are the only changes to the previous instructions which are otherwise still in effect, and only apply to actions taken on the DFA 377.4 notice form.

The major change from the prior instructions is that any CA 7 which is complete, as defined by Section 63-504.32, must be processed. This includes the processing of a reported and verified income change. In all cases where the CA 7 is complete for Food Stamps, the county shall take the appropriate action on all reported and verified income changes or other eligibility factors. (If the CA 7 is complete for Food Stamps, but incomplete for AFDC purposes, the county shall process any food stamp changes using the DFA 377.4, and send the NA 960 Y for the AFDC action. In these instances, the county should make every effort to mail the two notices together.)

If the CA 7 is complete, but missing information/verification of a deduction(s), the county shall use either Option 1 or Option 2 as appropriate to each individual county's capabilities.

OPTION 1: The county must act upon a complete CA 7 which reports changes in income or other eligibility factors, but will not disallow any unverified deduction(s).

If income or other eligibility factors are involved, send a timely DFA 377.4 informing the household that the allotment has changed, based on reported and verified information. The allotment amount should be computed using previously verified deduction amount(s). Also check the "Proposed Change in Benefits" box as a reminder to the household that verification/information of a claimed deduction is missing.

- o If verification/information is received too late to effect any resultant decreases, the county shall issue the amount shown on timely notice without disallowing the unverified deduction.

If no change in income has occurred, send a timely DFA 377.4, checking only the "Proposed Change in Benefits" box as a reminder to the household that verification/information of deduction(s) is missing.

- o If verification/information is received too late to effect any resultant decreases, issue previous month's allotment.

OPTION 2: The county must act upon a complete CA 7 which reports changes in income or other eligibility factors, and will disallow any unverified deduction(s).

If income or other eligibility factors are involved, send a timely DFA 377.4 (may be a combination NOAA and reminder notice) informing the household that the allotment has changed because of increased income and also reflect the effect of the disallowance of the unverified deduction(s).

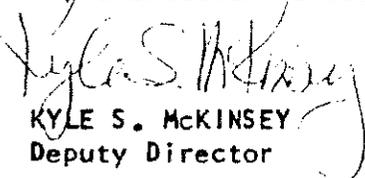
- o If verification/information is received before the extended filing date, issue a supplement to reflect correct deduction amount(s) if the county cannot include in the household's normal issuance.

If no change in income has occurred, send a timely DFA 377.4 informing the household of the effect of the disallowance of the unverified deduction(s) on the allotment amount.

- o If verification/information is received before the extended filing date, issue a supplement to reflect correct deduction amount(s) if the county cannot include in the household's normal issuance.

Each county using Option 2 must ensure that the Notice of Change is timely, and the explanation is adequate. This means that the notice must inform the household in easily understood language, of the reason for the proposed change; how to remedy the negative action, if appropriate, and the effect the remedy will have on the allotment level; what the extended filing date is; and that the county will assist recipient, if necessary. The county will also be responsible for modifying the DFA 377.4 if it is to be used as a combination NOAA and Reminder Notice. Suggested notice language is contained in ACLs 84-19 and 84-47.

It is our intent that these modifications will offer the counties flexibility in terms of administration, and avoid conflict in the regulations not directly related to the Saldivar decision. If there are any questions, please call the Food Stamp Policy Implementation Bureau at (916) 445-6907.


KYLE S. MCKINSEY
Deputy Director

cc: CWDA