

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



August 18, 1993

ALL-COUNTY INFORMATION NOTICE NO. I-30-93

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY GAIN COORDINATORS
ALL COUNTY AFDC COORDINATORS

REASON FOR THIS TRANSMITTAL

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|-------------------------------------|---|
| <input checked="" type="checkbox"/> | State Law Change |
| <input type="checkbox"/> | Federal Law or Regulation Change |
| <input type="checkbox"/> | Court Order or Settlement Agreement |
| <input type="checkbox"/> | Clarification Requested by One or More Counties |
| <input checked="" type="checkbox"/> | Initiated by CDSS |

SUBJECT: GREATER AVENUES FOR INDEPENDENCE (GAIN) LEGISLATION

The purpose of this Notice is to alert you to the passage of state legislation related to the GAIN program. Senate Bill (SB) 35 (Chapter 69, Statutes of 1993) makes revisions to GAIN law, establishes the Cal-Learn Program for pregnant and parenting teens receiving Aid to Families with Dependent Children (AFDC), and creates two new child care programs. Following is a summary of provisions enacted by this legislation.

GAIN Reform

GAIN law is revised to:

- o limit the GAIN exemption for having a child under age three to once during a period of continuous AFDC eligibility. A person who has a child under age three who has previously claimed this exemption may only be exempt for four months upon the birth or adoption of another child.
- o specify that if a GAIN participant fails to obtain employment following post-assessment job training, adult basic education, college education, or vocational English-as-a-Second-Language, s/he will not be eligible for additional GAIN services until all other program-eligible persons are being served. Additional services may be provided under extenuating circumstances including, but not limited to, cases in which educational and training services previously provided cannot lead to employment within the local labor market area.
- o specify that when determining transportation and ancillary expenses for participants in on-the-job training or grant diversion-funded activities, the \$90 work expense disregard will be applied first; GAIN pays the remainder.
- o shorten the GAIN cause determination and conciliation processes. A rescheduled cause determination appointment must occur within five days instead of 10. The 20-working-day limit on completion of the cause determination process has been lowered to 15 working days from the date of discovery of nonparticipation. The conciliation period is reduced from 30 to 20 calendar days.

- o simplify the response to an individual's failure to fulfill the terms of an agreed-upon conciliation plan. The law no longer requires that written notice be given to schedule an appointment to demonstrate good cause and that the appointment be scheduled within 10 working days. Instead, the county is to make reasonable efforts, documented in writing, to contact the individual to determine the reason for failure.
- o provide that time worked in preemployment preparation (PREP) positions is to be applied toward seniority in merit public agency positions only to the extent permitted under federal or state law, local ordinance, or applicable collective bargaining agreements.
- o prohibit PREP positions resulting in partial displacement, as well as complete displacement, of current employees.

Supplemental Child Care Program (SCCP)

The SCCP is established to provide supplemental child care payments to working AFDC recipients who have child care costs in excess of the dependent care income disregard amount.

California Alternative Assistance Program (CAAP)

The CAAP is established to allow AFDC applicants and recipients, who have earned income, to choose Medi-Cal and child care assistance in lieu of a cash grant. To the extent permitted by federal law, the child care assistance will be paid at the actual cost or the federal maximum reimbursement rate (75th percentile) based on the regional market rate. A family whose eligibility for this program terminates due to increased earnings shall, to the extent Federal Financial Participation (FFP) is possible, be eligible for transitional child care (TCC) benefits and transitional Medi-Cal (TMC) benefits.

Cal-Learn Program

The Cal-Learn Program is designed to encourage and assist pregnant teens and custodial teen parents receiving AFDC to stay in or return to school. The program will use financial incentives and penalties to encourage teens to successfully participate in a high school (or equivalent) program, and will provide supportive services and case management to each Cal-Learn participant.

Cal-Learn is part of California's Assistance Payments Demonstration Project (APDP) and will require federal waivers to be granted prior to implementation. All pregnant teens and custodial teen parents under age 19 and receiving AFDC will be required to participate in the Cal-Learn Program.

On-going bonuses and sanctions will be based on report cards, with a "C" or better report card resulting in a \$100 bonus and less than a "D" report card resulting in a \$100 sanction. The Cal-Learn participant will receive a \$500 bonus upon high school graduation or equivalent.

As part of the federal waiver process, the Department is requesting that the Cal-Learn Program be funded entirely through Title IV-A and, therefore, that it not be part of the county GAIN allocation. There will be no county share of cost for case management or supportive services; the normal sharing ratio would exist in the AFDC grant bonuses and grant administration.

Other

To foster employment opportunities for GAIN registrants, all In Home Supportive Services (IHSS) managed care contracts must require contractors to provide plans for coordinating recruitment of IHSS providers with the GAIN Program.

Implementation

The SCCP is scheduled to go into effect on November 1, 1993. The remaining provisions of SB 35 will be implemented statewide on January 1, 1994. Cal-Learn will be phased in during the period from January 1, 1994 to January 1, 1995. Implementation of Cal-Learn, CAAP, and the GAIN "one time through" and child under three exemption reform provisions are contingent upon federal waiver approval.

More detailed information on the implementation of SB 35 will be provided as regulations are developed and federal waivers are obtained. In the meantime, if you have questions concerning the subjects discussed in this Notice, please contact the following California Department of Social Services (CDSS) Employment Programs Bureau staff:

GAIN Reform and IHSS Employment - Employment Operations Analyst,
(916) 657-3403
SCCP - Jan DeSilva, (916) 654-1768
CAAP - Karen Kennedy, (916) 657-3400
Cal-Learn - Teri Ellen, (916) 654-1455



MICHAEL C. GENEST
Deputy Director
Welfare Programs Division