

DEPARTMENT OF BENEFIT PAYMENTS

744 P Street
Sacramento, CA 95814



November 1, 1974

ALL-COUNTY LETTER NO. 74-216

TO: ALL COUNTY WELFARE DIRECTORS
COUNTY AUDITORS
WELFARE FISCAL SUPERVISORS

SUBJECT: ADMINISTRATIVE CLAIM INFORMATION #3

REFERENCE:

Due to recent change in federal and state laws, some revisions have been made on the Administrative Claim. These and other changes and the necessary explanations are identified in detail below.

1. Child Care

A. Child Care Other Than WIN or SAU

Effective July 1, 1974, the responsibility of providing reimbursement to counties for child care payments (including service-connected expenses) other than WIN was transferred to the State Department of Education. Consequently, the Department of Benefit Payments is no longer involved with these child care costs, and the Administrative Claim has been revised to eliminate this claiming modification. The Department of Education is now the contact source for child care services. In order to maintain a complete record of welfare costs, please record and identify these expenses on the Quarterly Administrative Claim as Extraneous Costs, Group VI, DFA 325.2.

Child care services rendered prior to July 1, 1974 but paid for after this date are to be claimed against the Department of Benefit Payments through a supplemental prior year claim. Claiming instructions for this procedure are in All-County Letter 74-183 dated September 25, 1974.

B. WIN Child Care

In accordance with All-County Letter 74-143 dated July 30, 1974, the Department of Benefit Payments will continue as the fiscal accounting agent for FY 74/75 WIN child care expenditures. Counties are authorized to make payments to other agencies for the provision of WIN child care. The authorization to pay other agencies becomes effective July 1, 1974.

Reimbursement up to the maximum hourly rate for these costs will continue to be obtained through the Administrative Claim. These expenditures are to be identified as direct charges, Group IIIA, DFA 325.3.

The maximum reimbursement level for WIN child care for children two years or older is an average of \$1.05 per child/hour or actual program cost, whichever is less. For children under two years of age, the maximum reimbursement level is an average of \$1.25 per child/hour or actual program cost, whichever is less. If the average cost per hour exceeds the maximum reimbursement level, the balance is county expense. Records verifying the average hourly rate per child must be maintained in the county.

2. Food Stamps

The food stamp modification has been revised to reflect changes in federal and state funding provisions. Public Law 93-347 provides 50 percent reimbursement for all administrative costs including overhead and issuance for the Food Stamp Program. In addition, AB 134 provides that the counties will be held to a maximum liability for food stamp costs based on their 1973 expenditure level.

On the claim, the Program Distribution page, DFA 327.2, allocates a portion of all administrative support costs plus the direct charge issuance costs to the nonassistance Food Stamp Program. These costs are then transferred to the food stamp modification, DFA 327.4, where they receive 50 percent federal reimbursement. This modification also provides that once the county share of these costs exceeds their calendar year 1973 expenditure level, the state will provide the nonfederal share of reimbursement.

Negotiations are now underway with Food and Nutrition Service (FNS) regarding the effective date of PL 93-347 (S.3458). Therefore, DBP will recompute and adjust the claims to show the correct reimbursement. These adjustments, both to the claim and to the SF 1034, will be completed by state personnel.

3. SSI/SSP Time Study Instructions

On the DFA 43 County Employee Eligibility Time Study, the SSI/SSP line has been expended to record specific SSI/SSP functions. Ongoing SSI/SSP functions are to be recorded on Line K1, DFA 43. Instructions are on the back of the time study forms; there are no changes in these instructions.

Time study lines have been added for the MIL and APL projects. Detailed time study instructions for the MIL study were issued in All-County Letter 74-186 dated September 26, 1974. Time study instructions for the APL study will be issued in the near future.

Time spent issuing temporary Medi-Cal cards for SSI/SSP recipients is to be recorded on Line K4. Please print the letters "MC" on this line. Complete time study instructions for this procedure are given in All-County Letter 74-160 dated August 15, 1974.

4. Beneficiary Statements of Medi-Cal Benefits

As outlined in an August 23, 1974, letter from the Department of Health, counties have been required to mail monthly statements to Medi-Cal recipients. Apparently, there is some confusion concerning claiming procedures for the county costs incurred by this project. All costs for this process are to be claimed under normal administrative cost guidelines. Expenditures will be reimbursed under the cost allocation system. They are not to be direct charged to the Medi-Cal program.

5. Time Study Procedures

During the time study month each person required to time study must observe the following two criteria:

- a. Time studies are to be kept on a continuous basis during each day.
- b. Each person must fill out their own time study form.

6. Time Study Procedures for Boarding Home Licensing

Personnel designated to time study under the Boarding Home Licensing category on the Eligibility Work Time Study, DFA 43, should only record time spent on the actual issuance of licenses or the enforcement of safety and health standards. Only time spent on these two procedures should be charged under the BHL program. Costs in excess of the \$65 maximum allowance per license will not receive reimbursement. Some of the time being charged to the BHL program may legitimately belong to AFDC or Adult Services and be reimbursable at the 75% rate under that portion of the claim.

7. Time Study Procedures for Adult Homemaker/Chore Services

On the Social Worker Time Study, DFA 46, time should be charged to the Adult Homemaker/Chore Services Program only by workers performing the following functions:

- a. Workers providing the actual Adult Homemaker/Chore Service and their immediate supervisor;
- b. Adult Homemakers of the welfare staff, their immediate supervisors, and county welfare department supervisors who are responsible for supervising either contracted individual or agency homemakers. Supervisory functions are limited to the actual inspection of the duties performed by Adult Homemaker/Chore Service personnel.

On the Social Worker Time Study, DFA 46, time should be charged to the Adult Program - Current Recipients for the following activities:

- a. Time spent assessing the need for Homemaker Services;
- b. Time spent monitoring the Adult Homemaker/Chore Service program. Examples of monitoring functions include, but are not limited to, contracting for Adult Homemaker/Chore Service, or determining the duties contracted Adult Homemaker/Chore Service personnel shall perform for a recipient.

8. Administrative Costs for Fraud Investigators

Fraud investigators are direct charged on the Administrative Claim, Group III, B-1 (direct charge, eligibility and nonservice - personal services) DFA 325.2. Please identify these charges on the claim. Fraud investigators should maintain a type of time study similar to the Eligibility Worker Time Study, DFA 43. The purpose of this time study is to identify the amount of time worked on each program. For example, if the fraud investigator salaries total \$20,000 and 70% of the time is spent on the AFDC program, then \$14,000 (70% x \$20,000) will be a direct charge to the AFDC program. If 10% of the time is on Emergency Loans, then \$2,000 (10% x \$20,000) must be direct charged to the Emergency Loan Program. If fraud investigators also perform child support investigations, this time is to be direct charged to child support for the AFDC program on the DFA 325.2, Group III B-1. Only child support activities performed by full-time social workers are to be recorded on the DFA 46, Social Worker Time Study.

9. Social Service Expenditures for Former and Potential AFDC and Adult Recipients

This is a reminder that the Department of Health, Education, and Welfare will not allow more than 10% of the total social service costs to be charged under the Former and Potential Recipients category in the AFDC program. Many counties have been exceeding this allocation rate; consequently, the overall state rate is approaching the 10% level. Should this continue and the overall rate exceeds 10%, it will be necessary to cut reimbursement back to the allowable maximum level of 10%.

10. Reporting Procedures for A-87 Costs

In order for Claims Audit and Control, Department of Benefit Payments, to adequately review A-87 costs, please furnish the following information:

- a. Counties using an indirect cost rate must submit a reconciliation of their costs with the Administrative Claim.
- b. Counties claiming A-87 roll forward costs must identify EDP and space expenditures separately.

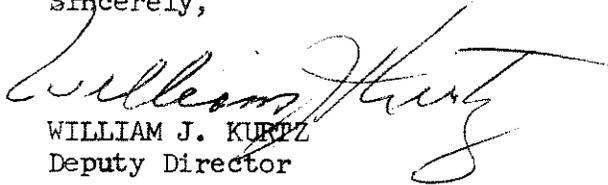
11. Nonassistance Food Stamp Reporting Forms

Additional copies of SF 1034 are to be ordered by the individual counties.
Supplies may be obtained from:

Food and Nutrition Service
USDA Western Region
550 Kearny Street, Room 400
San Francisco, CA 94108

If you have any further questions, please contact Bobi Gould or Dick Lowry
at 916/445-7046.

Sincerely,



WILLIAM J. KURCZ
Deputy Director

cc: CWDA