STATE OF CALIFORNIA – HEALTH AND WELFARE AGENCY

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814
(916) 322-5330

March 22, 1985

ALL-COUNTY LETTER NO. 85-35

TO: **ALL COUNTY WELFARE DIRECTORS**

SUBJECT: **AID PAID PENDING (APP) OVERPAYMENTS**

REFERENCE:

The purpose of this letter is to clarify the use of state regulations to determine whether an overpayment is recoverable in an Aid Paid Pending (APP) situation. Several counties have asked whether all or part of the aid received during a period of APP is an overpayment subject to recovery under Manual of Policies and Procedures (MPP) Section 44-350.4, if the recipient reestablishes eligibility during the APP period but loses the hearing decision.

MPP Section 22-022.7 provides that ". . . nothing in this Chapter shall prohibit the county from instituting any changes in the recipient's grant while a state hearing is pending." The Department of Social Services (DSS) interprets this regulation section to include situations where the recipient takes the necessary action to fully establish eligibility before an unfavorable hearing decision is rendered against him or her. In this circumstance, only the aid paid from the date of proposed discontinuance to the date that full eligibility is reestablished is considered APP that is subject to recovery under MPP Section 44-350.4. Aid paid subsequent to the reestablishment of eligibility is regular aid, provided the recipient meets current eligibility requirements each month.

If you have any questions on this issue, please contact Henry Puga of the AFDC Policy Implementation Bureau at (916) 322-5330 or ATSS 492-5330.

ROBERT A. HOREL
Deputy Director

cc: CWDA