

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



April 14, 1987

ALL COUNTY LETTER NO. 87-52

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: QUESTIONS AND ANSWERS ON CATEGORICAL ELIGIBILITY

REFERENCE: FOOD STAMP CATEGORICAL ELIGIBILITY ORD #1186-54  
ALL COUNTY LETTER NO 87-12

The purpose of this letter is to answer a number of questions raised by counties concerning the implementation of the Food Stamp categorical eligibility regulations which became effective February 1, 1987. This letter confirms the answers provided verbally to the counties and disseminates policy interpretation on a statewide basis to ensure uniformity in the implementation of the new regulations.

The categorical eligibility regulations are effective for all new applications filed on or after February 1, 1987 and are retroactive to December 23, 1985 for households that may be entitled to a restoration of benefits. For continuing cases, the new regulations should be implemented at recertification, at the client's request or when the CWD otherwise becomes aware of the household's categorical eligibility.

We hope the attached list of questions and answers will be helpful.

If you have any questions regarding the attached information or have additional questions, please contact the AFDC and Food Stamp Policy Implementation Bureau at (916) 322-5330 or ATSS 492-5330.

  
ROBERT A. HOREL  
Deputy Director

Attachment

cc: CWDA

1. Q: Is the informing notice used as a request for categorical eligibility or is an application required?  
  
A: The informing notice is just to alert the household to possible entitlement to categorical eligibility benefits. The DFA 285-A1 is suggested for use to record a client's request for restored benefits.
2. Q: Is a formal written request needed to determine categorical eligibility or will a verbal request suffice?  
  
A: A verbal request by a client is sufficient for the county to determine if the household is eligible for a restoration of benefits due to categorical eligibility. The CWD may use the DFA 285-A1 to record the request.
3. Q: Are the CWDs to deny all cases found ineligible for categorical eligibility or deny just those cases that request consideration for categorical eligibility (case determined ineligible through case review or client request)?  
  
A: The CWDs are required to send a denial notice to households that request a review of their case and are found ineligible to a restoration of benefits. If a request for a review for categorical eligibility by a household is not made, the CWD does not need to send a denial notice.  
  
Note: Earlier policy only suggested the CWDs send a denial notice. Further research indicates this is a request for benefits and a denial notice must be sent.
4. Q: Are individuals who refuse to provide their SSN excluded from categorical eligibility?  
  
A: An individual who refuses to provide an SSN is ineligible for AFDC as well as food stamps; however, the remaining household members may be considered for categorical eligibility.
5. Q: If a household is terminated from AFDC, do Food Stamp regulations for SSN go into effect at that time (i.e., allowed to participate for 30 days and an additional 30 days if good cause is determined)?  
  
A: Yes. Food Stamp regulation (Manual Section [M.S.] 63-404) applies to this situation.
6. Q: For new applications, would a person ever be SSN disqualified if they cooperate with AFDC SSN regulations?  
  
A: For new applications, if an individual meets the AFDC SSN requirements they would not be SSN disqualified for food stamps, provided the household is categorically eligible.

7. Q: Does the change in household composition begin February 1, 1987 or at the next redetermination? If it begins February 1, 1987 would there be a restoration of benefits or possible overissuance?

A: The change in the household composition is effective February 1, 1987 for new applications. For continuing cases, the change is to occur no later than the next recertification.

8. Q: Would SSI recipients fall under elderly or disabled which would break the link between the parent-child relationship as well as siblings?

A: No. For the purpose of the Food Stamp Program, a person's status as an SSI recipient would not break the parent-child or sibling link when determining the food stamp household.

9. Q: Are Refugee Demonstration Project (RDP) participants categorically eligible?

A: No. RDP cases will be considered nonassistance for Food Stamp purposes. Only the federal Title IV-A AFDC program provides the basis for categorical eligibility.

10. Q: Are there resource limits for categorical eligibility since resource limits differ between AFDC and Food Stamps?

A: No. If a household is AFDC resource eligible, no further verification is required for food stamps.

11. Q: Are categorically eligible households with 1 or 2 members notified or denied for zero benefits?

A: Yes, with regard to notification. They are notified that benefits are zero if the allotment is less than \$10 in the initial month. Categorically eligible households are not denied for zero benefits.

12. Q: Do all categorically eligible 1 and 2 person households receive a food stamp allotment?

A: All 1 and 2 person households that are categorically eligible will receive at least a \$10 Food Stamp allotment. In an initial month, however, if benefits are less than \$10, then zero benefits would preclude issuance.

13. Q: When do continuing cases have to be converted to categorical eligibility?

A: The CWD must consider categorical eligibility criteria at recertification, the client's request or when the CWD otherwise becomes aware the household may be eligible for categorical eligibility. Before the CWD terminates a food stamp case or reduces benefits, categorical eligibility must be considered.

14. Q: When an AFDC household is considered a zero basic grant case (i.e., not entitled to an AFDC payment but eligible for a Medi-Cal card), is the household categorically eligible?
- A: Yes.
15. Q: If a member of a family is in an ineligible institution can the remaining household members be categorically eligible?
- A: Yes.
16. Q: How do we treat the income and deductions of ineligible students, ineligible aliens, SSI recipients and SSN disqualified persons under categorical eligibility?
- A: The treatment of income and deductions for SSI recipients, ineligible students, ineligible aliens and SSN disqualified persons has not changed with the new regulations.
17. Q: What is the meaning of 63-503.453(d)?
- A: When determining if a household is categorically eligible, nonhousehold members, excluded SSI recipients, and ineligible students are not considered.
18. Q: What is the meaning of 63-503.442(4)?
- A: When determining the household size for categorical eligibility, persons who are SSN disqualified or ineligible aliens are not considered.
19. Q: Does a household still need to provide verification for shelter and medical expenses?
- A: Yes. The CWD should continue to send the DFA 377.4 when verification is missing. If the household's current benefit level is at zero, circumstances may change that would entitle the household to an allotment and the deductions should be allowed if verified.
20. Q: M.S. 63-301.632 states: "If any potentially categorically eligible household is denied and later determined eligible to receive public assistance (PA) benefits, the CWD shall provide food stamp benefits using the original application and any other pertinent information occurring subsequent to that application." What is later? Is a new application required?
- A: "Later" refers to when the PA determination is made. This would normally be within the next 15 days since AFDC allows 45 days for an eligibility determination. A new application is not required because the CWD is mandated to update the original application.

21. Q: When a household is categorically eligible but entitled to zero benefits, how long does the household remain eligible?

A: The household remains eligible as long as it continues to meet the requirements for categorical eligibility.

22. Q: When restoring benefits back to December, 1985 and the household size has fluctuated (i.e., persons in and out of the home), do we have to look at each month and get a CA 8, etc., for each person coming in?

A: The CWD must look at each month individually to determine what the household's benefit level should have been. The CWD may require the household to complete the CA 8 or contact the household to obtain the necessary information regarding the persons coming into or leaving the home and update the appropriate CA 7s if the information is not already in the food stamp or AFDC case file.

23. Q: For restoration of benefits, what if the household can't remember who was living in the home, what the rent was, etc.?

A: It is the responsibility of the household to provide the necessary information/verification for restoration of benefits. If the documentation is no longer available an affidavit may be accepted as the required verification.

24. Q: When a food stamp denial is sent, the CWD is to add a statement to the denial notice regarding AFDC eligibility. Is there a time frame as to when the client must notify the CWD?

A: No. Regulations require the CWD to take action on any potentially categorically eligible case at the household's request or when the CWD becomes aware of the household's PA eligibility. The CWD becomes aware when the PA benefits are approved. Therefore, the CWD should have taken action on the case before the client notifies the CWD; however, the wording on the DFA 377.1 will specify a time limit of 15 days (see note).

NOTE: The following change has been made to the eligibility worker instructions and the denial data elements which were originally transmitted on page 3 of Attachment 4 of ACL 87-12, dated January 21, 1987.

If a potentially categorically eligible household has been denied food stamps before AFDC eligibility has been determined, add the data element outlined below:

[ ] If you get AFDC, you may also get food stamps. If the county does not contact you within 15 days after your AFDC is approved, contact the county welfare department regarding food stamps.

25. Q: Does a Notice of Action approving categorically eligible food stamps for a household previously denied nonassistance food stamps need any special language?

A: No special language is required for a NOA approving categorically eligible food stamps for a household previously denied nonassistance food stamps.

However, the following revision to the Form Instructions (for the Eligibility Worker) contained in M.S. 63-1230 (DFA 377.1(12/83)) has been developed for optional use:

Approval

- If a household deemed categorically eligible was issued a Notice of Action denying nonassistance food stamps while their PA case was pending, the county has the option of revising the approval statement to read as follows:

[ ] APPROVAL. Your application for food stamps has been approved effective the date your AFDC was effective.

26. Q: Two food stamp households live in the same home but eat their meals separately. One household is PA eligible but the other is not. Are they categorically eligible?

A: First, a determination of household composition must be made. Once that has been done, the CWD should determine the categorical eligibility of the food stamp household(s).

27. Q: If a household is not eligible for food stamps (for the reasons stated in M.S. 63-301.73) does the statement to notify the county of AFDC eligibility still have to go on the denial notice?

A: No. The household is not potentially categorically eligible.

28. Q: Can a household be a PA household without being categorically eligible?

A: Yes. An example of this would be when a father is disqualified for an Intentional Program Violation (IPV) and the mother and children receive AFDC.

29. Q: How long do CWDs continue to provide retroactive benefits for categorical eligibility and treatment of educational loans and grants?

A: There are no time limits set for providing retroactive benefits; however, for continuing cases, restoration of benefits for students shall be no later than recertification or termination.

30. Q: CWDs have been instructed to use the 7/86 issuance tables when restoring benefits for 12/23/85 through 9/30/86. AFDC has a COLA every July. Will the 7/86 tables reflect the correct benefit levels for 12/85 through 6/86?
- A: Yes.
31. Q: An AFDC case is reviewed for retroactive categorically eligible benefits. The household is eligible for such benefits from 12/23/85 through 1/31/87. Is it necessary for the CWD to obtain a new DFA 285-A2 reflecting the household's circumstances effective 12/86? This is when a new DFA 285-A2 would have been obtained for recertification.
- A: A new DFA 285-A2 is not required. The most recent DFA 285-A2 should be updated and any change(s) documented.
32. Q: Is there a deadline by which households must have requested retroactive benefits?
- A: No.
33. Q: Do the CWDs need to process requests for retroactive categorically eligible food stamps within a specific time period from the date of request?
- A: No. However, the CWDs should process such requests within a reasonable period of time.
34. Q: Do non-categorically eligible households including PA households that are not categorically eligible have to meet resource requirements for Food Stamps?
- A: Yes.
35. Q: Can the client informing notice be sent with the CA 7?
- A: Yes, as long as the household receives the notice no later than May 1987.
36. Q: M.S. 63-301.632(c) states, "Benefits for the initial month shall be prorated from the date the PA benefits are paid, . . .". What is meant by "the date the PA benefits are paid"?
- A: The effective date (beginning date of aid) of the PA benefits.
37. Q: When a newborn is added to the AFDC case on the date of birth, which could be the middle of the month, when would the newborn be added to the food stamp case?
- A: The first of the month following the month of the reported change. Categorical eligibility does not change current food stamp regulations for adding persons to the household.

38. Q: Household composition regulations for new applications are effective February 1, 1987. The household composition of continuing cases must be determined no later than recertification. Does this mean that the household composition of continuing cases can be determined prior to recertification?

A: Yes.

39. Q: How will QC review continuing cases for categorical eligibility and household composition after February 1, 1987?

A. Quality Control staff have been given the following instructions for QC reviews.

- Any applications received on or after February 1, 1987 will be reviewed to the new categorical eligibility and household composition regulations.
- When reviewing a continuing case, the reviewer would first determine if the case meets basic categorical eligibility criteria (i.e., all FS household members receive AFDC). If the case does meet the categorical eligible criteria, the reviewer would not review to food stamp income and resource limits, SSN, sponsored alien and residency requirements since these are accepted under categorical eligibility.
- If the county has taken a negative action against a continuing household, the county must first determine if the household meets categorical eligibility criteria. If the case does meet the categorical eligibility criteria, and would have remained eligible under categorical eligibility, a negative action error would be cited.
- If the county has changed the household composition of a continuing case in accordance with the new household composition regulation, prior to recertification, the case will be reviewed to the new household composition regulations. Otherwise the new rules will not apply until recertification.

40. Q: Under "Restoration of Benefits" on page 4 of Attachment II in All County Letter No. 87-12, it is stated that a request by a household for restoration of benefits is not to be considered an application for ongoing benefits unless the household requests to apply. If a household requests a restoration of benefits and the CWD finds the household entitled to a restoration through the current month and eligible for ongoing benefits, should a new application be required?

A: No. Whenever there is continuous categorical eligibility since the most recent joint application, a new application is not required.