

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



June 16, 1993

ALL-COUNTY LETTER NO. 93-41

TO: ALL COUNTY WELFARE DIRECTORS

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order or Settlement Agreement
- Clarification Requested by One or More Counties
- Initiated by CDSS

SUBJECT: WELFARE RECIPIENTS LEAGUE (WRL) V. McMAHON CLEAN-UP REGULATIONS

REFERENCE: ADOPT MPP 40-013; 44-318; 44-355; 82-610; 82-612; 82-614
 AMEND MPP 40-119; 40-121; 44-103; 44-207.2 & .4; 44-211.521 (HANDBOOK); 44-317.11 & .621; 44-350.15; 80-301; 80-310; 82-808.11; 82-820.24; & 82-824.12

The purpose of this letter is to provide you with implementation information (Attachment I) on the WRL v. McMahon clean-up regulations. These regulations are effective July 1, 1993. A package of "Notification of Proposed Regulations" dated May 4, 1993 was sent to you earlier by the Regulations Development Bureau. The proposed regulations you received were filed with the Secretary of State on June 11, 1993, therefore, they are final. You will receive another letter from the Regulations Development Bureau with an advance copy of the endorsed filed regulations.

In addition to the major changes summarized in Attachment I, other changes being made in this package include: repealing of sections to relocate and renumber the requirements for seeking and accepting potential income; adopting definitions that are unique to the AFDC Program; making editorial changes to delete invalid reference citations; and making amendments to provide consistency and to improve clarity with current regulations.

AFDC FORMS/NOA MESSAGES IMPACT

We have not currently identified any new AFDC forms or Notices of Action (NOA) messages that will be needed for implementation of these regulations. However, if you identify a need for a new NOA or Form, please contact the appropriate analyst listed below.

CONTACTS

If you have any questions or need further information on implementation of these regulations, please contact the following staff in the AFDC Policy Implementation Bureau:

Income, Caretaker Relatives, Mandatory Inclusion, AU Composition: Julie Lopes (916) 654-1786 or ATSS 464-1786.

Overpayments/Underpayments: Pam Kian (916) 654-1801 or ATSS 464-1801.

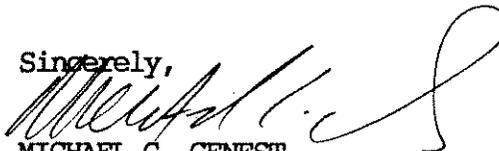
Homeless Assistance: Dennis Ragasa (916) 654-1063 or ATSS 464-1063.

Applications, Beginning Date of Aid: Henry Puga (916) 654-1068 or ATSS 464-1068.

AFDC NOA Forms/Messages: John Honeycutt (916) 654-1077 or ATSS 464-1077.

AFDC Forms: Elizabeth Allred (916) 657-3350 or ATSS 437-3350.

Sincerely,



MICHAEL C. GENEST
Deputy Director
Welfare Programs Division

Attachments

ATTACHMENT I

SUMMARY OF MAJOR PROVISIONS

- o **CA 7 As Application (MPP 40-119).** The CA 7 or SAWS 7 shall be considered an application when converting a case from State-only to federal AFDC or adding an optional person to the Assistance Unit (AU).
- o **Potentially Available Income (MPP 82-610).** The regulations are amended to require that the entire family be ineligible when a mandatorily included member of the AU fails to seek/obtain potentially available income. The regulations requiring cooperation in seeking and obtaining potentially available income are relocated in part as Sections 82-610 through 82-614.
- o **Temporary Shelter (44-211).** Potentially eligible AU's applying for temporary shelter payments must meet "technical conditions of eligibility" rather than procedural requirements.
- o **Beginning Date of Aid (BDA) for New Applications (44-317).** The BDA for: 1) persons whose eligibility remains pending after aid is granted to the AU, or 2) a child who is converting from Foster Care to AFDC is established as the date of application or date of eligibility, whichever is later.
- o **BDA for Adding to AU (MPP 44-318).** The BDA for adding: 1) mandatorily included persons, 2) optional persons, 3) sanctioned/non-cooperating persons, 4) unreported mandatorily included persons, 5) newborns, and 6) fathers of newborns is the date of discovery, application, or the date all conditions of eligibility are met, whichever is later.
- o **Immediate Need/Overpayment (MPP 44-350).** An Immediate Need payment is clarified to be an aid payment that shall be collected as an overpayment when the family receives the payment but turns out to be ineligible for aid.
- o **Mandatory Inclusion - Overpayment/Underpayment (MPP 44-355).** Regulations specify how to recompute the grant in order to assess an overpayment from the time the mandatorily included person returns to the home up to the point of discovery. This redetermination is mandated by federal regulations to ensure that all income and resources of mandatorily-linked persons to the applicant child are used in the monthly eligibility determination. When a mandatorily included person's presence in the home is unreported and subsequently discovered, the county will have to retroactively determine eligibility for the AU in accordance with mandatory inclusion rules based on eligibility factors that existed at the time the person joined the home and each month thereafter. This retroactive redetermination is only for purposes of assessing an overpayment. No underpayment exists under this condition.

EXAMPLE: A mother received aid for two children on the basis of absent parent deprivation. One of the children's father returned to the home. His return was unreported and discovered months later. He was unemployed and receiving UIB. Had the family met their reporting responsibility, the basis of deprivation for this child would have been changed from absent parent to unemployed parent and the child's father would have been required to be in the AU in accordance with mandatory inclusion rules. Therefore, his income, resources, and needs must be applied to the AU for the period that he was in the home and conditions of deprivation existed for his child. With the cooperation of the recipient, the county shall assess an overpayment for the retroactive period in which the father was required to be in the AU by allowing his needs and applying his UIB to recompute the grant.

A second or current redetermination would be from the point of discovery forward. An underpayment could exist under this condition.

- o **Definitions (MPP 80-301).** Definitions have been provided for "Aid Payment," "BDA," "Collect," "Date of Application," "Immediate Need Payment," "Recoup" and "Recover." Definitions have been amended for "Alternatively Sentenced Parent (ASP)" and "Senior Parent."
- o **Definitions - Forms (MPP 80-310).** Definitions for the CA 7, SAWS 1 and SAWS 7 have been provided in order to further clarify the usage and purpose of these forms.