

221-4 ADDED

1/13The QR 7/SAR 7/SAWS 2 forms are the documents used to evaluate ongoing eligibility for CalWORKs and CalFresh recipients. The recipient is required to answer questions pertaining to various aspects of eligibility. With respect to income, the recipient is asked to report the amount received during the data month which is the month immediately prior to the month in which the form is to be completed (the submit month). CalWORKs recipients shall complete and return the QR 7/SAR 7/SAWS 2 to the county by the 5th calendar day of each submit month but not before the first calendar day of that month. Forms not received by the 11th of the submit month shall be considered late. (§40-103, §40-181.22, All County Letter 12-25, May 12, 2012)

221-5 REVISED 2/05

The "extended filing date" is the close of business on the first working day of the new quarter and is the final date the household must complete the QR 7/SAR 7/SAWS 2 including all required verification, without penalty of termination of eligibility or disallowance of deductions. (§63-102(e)(5))

221-6

Federal regulations provide that the state agency shall provide special assistance in completing and filing monthly reports (in states which adopt monthly reporting and retrospective budgeting) to CalFresh households whose adult members are all either mentally or physically handicapped or are non-English speaking or otherwise lacking in reading and writing skills such that they cannot complete and file the monthly reports. (7 Code of Federal Regulations §273.21(c)(7))

221-7

Federal regulations provide that when an eligible CalFresh household (HH) which has been terminated for failure to file a complete monthly report, files the report after its extended filing date, but before the end of the issuance month, the state agency may choose to reinstate the HH and allow it to participate.

If the HH has requested a fair hearing on the basis that a complete monthly report was filed, the state agency shall reinstate the HH if a completed monthly report is filed before the end of the issuance month.

(7 Code of Federal Regulations §273.21(k)(2)(ii))

221-8

Federal regulations require that the state agency's monthly report form shall meet the bilingual requirements described in 7 Code of Federal Regulations (CFR) §272.4(b). (7 CFR §273.21(h)(2)(ii))

221-9 REVISED 8/04

The following households are excluded from quarterly and semi-annual reporting:

.211 "Migrant farmworker" households (§63-102(m))

.212 "Seasonal farmworker" households (§63-102(s))

.213 Households with no earned income, and in which all adult members are "elderly or disabled" (§63-102(e))

.214 Households in which all members are "homeless" (§63-102(h)(1))

.215 Households residing on Indian reservations.

(§63-505.21, All County Letter 12-25, May 12, 2012)

222-6

In order to comply with the *Saldivar v. McMahon* court order, counties must ensure that any QR 7/SAR 7/SAWS 2 which is complete, as defined by §63-504.32, be processed. This includes the processing of a reported and verified income change. In all cases where the QR 7/SAR 7/SAWS 2 is complete for CalFresh, the county shall take the appropriate action on all reported and verified income changes or other eligibility factors.

If the QR 7/SAR 7/SAWS 2 is complete, but missing information/verification of a deduction(s), the county shall use either Option 1 or 2.

Option 1: The county must act upon a complete QR 7/SAR 7/SAWS 2 which reports changes in income or other eligibility factors, but will not disallow any unverified deduction(s).

If income or other eligibility factors are involved, send a timely Notice of Action (NOA) informing the household that the allotment has changed, based on reported and verified information. The allotment amount should be computed using previously verified deduction amount(s). Also check the "Proposed Change in Benefits" box as a reminder to the household that verification/information of a claimed deduction is missing.

- If verification/information is received too late to effect any resultant decreases, the county shall issue the amount shown on the timely notice without disallowing the unverified deduction.

If no change in income has occurred, send a timely NOA, checking only the "Proposed Change in Benefits" box as a reminder to the household that verification/information of deduction(s) is missing.

- If verification/information is received too late to effect any resultant decreases, issue previous month's allotment.

Option 2: The county must act upon a complete QR 7/SAR 7/SAWS 2 which reports changes in income or other eligibility factors, and will disallow any unverified deduction(s).

If income or other eligibility factors are involved, send a timely NOA (may be a combination NOA and reminder notice) informing the household that the allotment has changed because of increased income and also reflects the disallowance of the unverified deduction(s).

- If verification/information is received before the extended filing date, issue a supplement to reflect correct deduction amount(s) if the county cannot include the supplement in the household's normal issuance.

If no change in income has occurred, send a timely NOA informing the household of the effect of the disallowance of the unverified deduction(s) on the allotment amount.

- If verification/information is received before the extended filing date, issue a supplement to reflect the correct deduction amount(s) if the county cannot include the supplement in the household's normal issuance.

Each county using Option 2 must ensure that the NOA is timely, and the explanation is adequate. This means that the notice must inform the household in easily understood language, of the reason for the proposed change; how to remedy the negative action, if appropriate, and the effect the remedy will have on the allotment level; what the extended filing date is; and that the county will do to assist the recipient, if necessary.

(All-County Letter No. 84-74, July 11, 1984)

222-7 ADDED
5/16

A SAR 7 is not considered complete if the required mandatory verification is not received. If a SAR 7 is received without the required verification, the county shall send a discontinuance notice to the recipient, as explained in the "Timely and Late SAR 7 Reports" section on page 14, describing what verification is missing. If the verification is received by the end of the first working day of the following month, the discontinuance shall be rescinded and benefits restored. (All County Letter 12-25, May 12, 2012, p. 13)

223-3 REVISED 8/04

The Notice of Action sent when the household fails to file a QR 7/SAR 7/SAWS 2 by the 11th of the submit month or files an incomplete QR 7/SAR 7/SAWS 2 shall include:

- (a) That the QR 7/SAR 7/SAWS 2 is overdue or incomplete.
- (b) What the household must do to complete the QR 7/SAR 7/SAWS 2.
- (c) What verification is missing and the effect on the household's benefit level.
- (d) That the SSN of a new member must be reported.
- (e) The extended filing date.
- (f) That the county will assist the household in completing the report.

(§63-508.61)

226-1 REVISED 8/04

The following households are excluded from quarterly/semiannual reporting:

- .211 "Migrant farmworker" households (§63-102(m))
- .212 "Seasonal farmworker" households (§63-102(s))
- .213 Households with no earned income, and in which all adult members are "elderly or disabled" (§63-102(e))
- .214 Households in which all members are "homeless" (§63-102(h)(1))

.215 Households residing on Indian reservations.

(§63-505.21 and All County Letter 12-25)

226-1A ADDED 8/04

Change reporting household means a household consisting of seasonal and/or migrant farm workers, all elderly or disabled individuals or households with all homeless individuals. These household are required to report income, resource and household circumstance changes within 10 days of the occurrence. Benefits are increased or decreased based on these reported changes. (§63-102(c)(11))

226-1B ADDED

12/15

Counties are required to transition change reporting households into semi-annual reporting during calendar year 2016.

(All County Letter 15-90, October 30, 2015)

227-2A REVISED 5/05

The following terms apply in the quarterly budgeting system:

CWD Initiated quarter actions - Changes in eligibility status based on case information that the county is required to act on mid-quarter. (63-102(c)(13))

Income Reporting Threshold (IRT)-A mandatory mid-quarter reporting requirement for CalWORKs cases only. The IRT is 130% of the Federal Poverty Level (FPL) or the level at which the assistance unit becomes financially ineligible. It applies when anyone in the assistance unit or person who is included in the family MAP has earned income or begins receiving earned income. In such case, the assistance unit must report within 10 days when combined earned and unearned income exceeds the IRT.

(§63-102(i)(6))

Mandatory Recipient Mid-Quarter Reporting-Reports the recipient is required to make within 10 days of the date the change becomes known to the household. (§63-509(b)(1))

Prospective Budgeting Implementation Month-The month all county cases are converted to prospective budgeting. (§63-102(q)(1))

Prospective Budgeting Data Month-The month for which the recipient reports all information necessary for the county to determine eligibility. It is the second month in the quarter or fifth month of the semi-annual period. (§63-102(q)(2))

Prospective Budgeting Quarter-The future period in which benefits are paid/issued. It begins the first day following the submit month. (§63-102(q)(4))

Prospective Budgeting Submit Month-The month in which the recipient must submit the QR 7 to the county. It is the third month in each quarter or the sixth month of each semi-annual period. (§63-102(q)(5))

Reasonably Anticipated Income-Income that has been or will be approved or authorized as of a date within the upcoming quarter, or household is otherwise reasonably certain that the income will be received within the quarter; and the amount of income is known. (§63-102(r)(1) also includes reasonably anticipated expenses)

Voluntary Recipient Mid-Quarter Reports-Mid-quarter changes in income and circumstances that the recipient may make in writing, verbally or in person during the quarter. Counties may only take action to increase benefits based on voluntary mid-quarter reports. Counties may not decrease benefits based on voluntary mid-quarter reports. (§63-509(d))

227-2B ADDED

9/13The following terms apply in the SAR reporting system:

Semi-Annual Reporting Cycle – The semi-annual reporting (SAR) cycle is comprised of six consecutive months which constitute a SAR Payment Period. The following terminology is used to describe the months and the period of an individual SAR cycle:

SAR Payment Period – the six month period for which cash aid is paid/issued. A SAR Payment Period is comprised of six consecutive calendar months. The SAR Payment Period begins the first day following the SAR Submit Month. The SAR Payment Period can be the six months following the submittal of the SAR 7 or the completion of the SAWS 2.

Next SAR Payment Period – the SAR Payment Period immediately following the SAR Submit Month.

SAR Data Month – the month for which the recipient reports all information necessary to determine eligibility on either the SAR 7 or the SAWS 2. The SAR Data Month is the fifth month of each SAR Payment Period. Only information from the Data Month and any known changes must be reported on the SAR 7; however, all available information must be included on the SAWS 2.

SAR Submit Month – the month in which the SAR 7 or the annual redetermination of eligibility is required to be completed and submitted to the county. The SAR Submit Month immediately follows the SAR Data Month and is the sixth month of each SAR Payment Period.

SAR Reporting Period – The SAR Data Month and the five preceding months. The SAR Reporting Period generally refers to the period of time since the last mandatory report (SAR 7 or SAWS 2) was completed.

(All County Letter 12-25, May 12, 2012)

227-2D ADDED 8/04

Mid-payment period change means any change reported during the payment period that is outside the QR 7/SAR 7/SAWS 2 report process. There are two types of mid-quarter reports: (1) mandatory reports the household must make within 10 days and (2) voluntary reports the household may make at any time during the quarter. The county shall only take action to increase benefits as a result of a voluntary report and shall take no action to decrease benefits. (§63-102(m)(7) All County Letter 12-25, May 12, 2012)

SHD Paraphrased Regulations - CalFresh

220 CA7s

227-3A ADDED 8/04

Under prospective budgeting except for certain designated households who are excluded from regular reporting, all households participating in the CalFresh Program shall report household circumstances on the QR 7/SAR 7/SAWS 2 as a condition of eligibility. Households will also be required to report changes as specified in §§63-508 and 63-509, other than on the QR 7/SAR 7/SAWS 2. (§63-505.2 effective July 1, 2004)

227-3B ADDED 8/04

Eligibility and benefit amounts will be determined on a quarterly basis from information reported by the recipient on the QR 7/SAR 7/SAWS 2, using prospective budgeting. The QR 7/SAR 7/SAWS 2 will be required to be submitted once per payment period, in the last month of the payment period. (§63-508.11,.12, All County Letter 12-25, May 12, 2012)

227-3C ADDED 8/04

Counties shall ensure that households receive the QR 7/SAR 7/SAWS 2 at the end of the data month and no later than the first day of the submit month. Information reported on the QR 7/SAR 7/SAWS 2 shall be used to determine eligibility and to prospectively budget income to determine the benefit level for the upcoming quarter. (§63-508.31 All County Letter 12-25, May 12, 2012)

227-3D REVISED 11/05

Recipients will be required to report on the QR 7/SAR 7/SAWS 2 all income received for the data month, any changes in household composition or property since the last data month and any changes in income the recipient anticipates will occur in the upcoming payment period (§63-508.321, All County Letter 12-25, May 12, 2012)

227-3E ADDED 8/04

An essential element of a complete QR 7/SAR 7/SAWS 2 is that it be dated no earlier than the first of the submit month. This requirement is met when the date entered on the QR 7/SAR 7/SAWS 2, together with other dated material provided with the form, and the date on which the county mailed or gave the form to the household clearly establishes the month and year to which the QR 7/SAR 7/SAWS 2 applies.

This requirement shall not apply when the first day of the submit month falls on a non-postal delivery day; the QR 7/SAR 7/SAWS 2 is mailed for delivery on the last postal delivery day of the data month; and the recipient signs and dates the QR 7/SAR 7/SAWS 2 on or before the last day of the data month.

(§63-508.411, All County Letter 12-25, May 12, 2012)

227-3F ADDED 8/04

To be considered complete, the QR 7/SAR 7/SAWS 2 must be signed by the head of the household, authorized representative, or responsible household member. (63-508.43, All County Letter 12-25, May 12, 2012)

227-3G ADDED 8/04

All questions and items pertaining to CalFresh eligibility and benefit levels must be fully answered on the QR 7/SAR 7/SAWS 2 form and provide the county with the information to correctly determine eligibility and benefit level (except information regarding child/spousal support disregard payments) To be considered fully answered, the information on the QR 7/SAR 7/SAWS 2 together with attached documentation, must provide sufficient information to

SHD Paraphrased Regulations - CalFresh

220 CA7s

allow for the determination of eligibility and/or benefit level. (§63-508.44, All County Letter 12-25, May 12, 2012)

227-3H ADDED 8/04

The QR 7/SAR 7/SAWS 2 form must include verification of gross nonexcluded earned income for the Data Month and verification of nonexcluded unearned income when first reported and when there is a change. This requirement does not apply to child/spousal support disregard payments or PA, GA, FC, RCA, or ECA payments paid by the county. (§63-508.45, All County Letter 12-25, May 12, 2012)

227-3I REVISED 11/05

Questions on the QR 7/SAR 7/SAWS 2 shall not be considered fully answered if situations such as, but not limited to the following exist:

The QR 7/SAR 7/SAWS 2 does not include information on changes that the household has previously reported to have occurred; for example, an actual change that the household reported to the county by telephone mid-payment period was not included on the QR 7/SAR 7/SAWS 2.

The QR 7/SAR 7/SAWS 2 does not include information that was reported on the previous QR 7 and the household does not indicate a change has occurred (e.g., the household previously reported earnings from two sources and only reported income from one source on the current QR 7/SAR 7/SAWS 2).

If elements pertaining to one program's requirements are missing from the QR 7/SAR 7/SAWS 2, the QR 7/SAR 7/SAWS 2 shall be considered incomplete for that program only.

The county shall not consider the QR 7/SAR 7/SAWS 2 incomplete if information regarding child support/spousal support disregard payments has not been included.

(§63-508.44, All County Letter 12-25, May 12, 2012)

227-4B ADDED 8/04

The county shall send a notice of action no later than 10 days before the end of the submit month and give the household until the extended filing date to file a complete QR 7/SAR 7/SAWS 2. If a household responds to the notice of action by submitting an incomplete QR 7/SAR 7/SAWS 2, the county does not need to issue a second notice of action.

Under prospective budgeting rules, an overissuance will be established when the county is unable to decrease benefits due to the 10-day noticing provisions.

(§§63-508.62, .623 (Handbook) All County Letter 12-25, May 12, 2012)

227-4C ADDED 8/04

The Notice of Action sent when the household fails to file a QR 7 by the 11th of the report/submit month or files an incomplete QR 7 shall include:

- (a) That the QR 7 is overdue or incomplete.
- (b) What the household must do to complete the QR 7.

- (c) What verification is missing and the effect on the household's benefit level.
- (d) That the SSN of a new member must be reported.
- (e) The extended filing date.
- (f) That the county will assist the household in completing the report.

(§63-508.61 All County Letter 12-25, May 12, 2012)

227-4D ADDED 8/04

The household shall be terminated from CalFresh benefits if:

There is no eligibility in the upcoming QR Payment Quarter;

A complete QR 7 is not submitted by the first working day of the new quarter;

There is a failure to comply with a non-financial eligibility requirement such as the work registration requirement; or

Termination of benefits is requested in writing.

(63-508.53, All County Letter 12-25, May 12, 2012)

227-4E ADDED

8/12If a recipient submits a new QR 7/SAR 7/SAWS 2 form in the month following the month of termination due to non-receipt of such form, no new application shall be required. The county shall restore aid on a pro-rated basis from the date that the QR 7/SAR 7/SAWS 2 form is submitted. The applicant eligibility rules do not apply. (Welfare and Institutions Code 11265.4(a), All County Letter 12-35 All County Letter 12-25)

227-5 ADDED 2/04

If the recipient provides the QR 7/SAR 7/SAWS 2 after the 11th of the submit month but by the 1st of the next month, the county shall rescind the cash aid and CalFresh discontinuance and reinstate benefits at the prior level. Under prospective budgeting rules, there will be an overpayment/overissuance in the first month of the next quarter when the county is unable to decrease benefits because it could not issue 10-day notice when the recipient submitted a QR 7/SAR 7/SAWS 2 late in the month or by the first of the next month.

The county may decrease benefits for both CalWORKs and CalFresh in the second month of the payment period. (All-County Letter No. 03-18, April 29, 2003, p.12)

227-6 ADDED 8/04

If a household reapplies for CalFresh benefits after being discontinued for failure to submit a complete QR 7/SAR 7/SAWS 2, the county shall determine if the household had good cause for failure to return the QR 7/SAR 7/SAWS 2. Good cause must be determined using the criteria listed in §40-181.23 in CalWORKs. If good cause is determined, the county shall rescind the discontinuance. (§63-508.64, All County Letter 12-25, May 12, 2012)

227-7 REVISED 5/05

Eligibility and benefit amounts will be determined on a quarterly or semi-annual basis from information reported by the recipient on the QR 7/SAR 7/SAWS 2 . Prospective budgeting rules will be used. (§63-508.11)

227-7A ADDED 2/04

The prospective budgeting system uses anticipated income/prospective budgeting to determine a recipient's benefits. Prospective budgeting requires the county to use income that the recipient *reasonably anticipates* it will receive during the quarter. (All-County Letter No. 03-18, April 29, 2003, All County Letter 12-25, May 12, 2012)

227-7B ADDED 2/04

Income is "reasonably anticipated" when the county determines that the recipient will receive a specified amount of income during any month of the quarter. Income is considered reasonably anticipated if the county determines that the income has or will be approved or authorized within the upcoming quarter, or the assistance unit/household is reasonably certain that the income will be received within the quarter; and the amount of the income is known. (All-County Letter No. 03-18, April 29, 2003, All County Letter 12-25, May 12, 2012)

227-7C ADDED 2/04

Counties are required to determine what is reasonably anticipated income when:

An assistance unit/household first applies for benefits;

A recipient assistance unit/household reports new income on the QR 7/SAR 7/SAWS 2

A recipient assistance unit/household reports on the QR 7/SAR 7/SAWS 2 that income is expected to change;

A recipient assistance unit/household has fluctuating income; and

A recipient makes a mid-payment period report of an income change.

(All-County Letter No. 03-18, April 29, 2003, All County Letter 12-25, May 12, 2012)

227-7D REVISED 9/11

The average weekly and bi-weekly amounts arrived at above shall be converted to a monthly amount by using a 4.33 conversion factor for weekly payments and a 2.167 conversion factor for payments received bi-weekly. The conversion figures can only be used if weekly and bi-weekly payments are paid throughout the entire payment period for each week or for every-other week in the payment period. (63-509(a)(5) All County Letter 12-25, May 12, 2012)

227-7EE ADDED 2/04

Except when specified, counties must average income that the assistance unit/household expects to receive over the quarter based on what the assistance unit/household reports on the QR 7 and use average monthly income to determine monthly benefits. Once the level and frequency of pay has been determined, the county must take the following income averaging steps to determine monthly average income:

SHD Paraphrased Regulations - CalFresh

220 CA7s

Add reasonably anticipated gross earned income for each month of the quarter and divide by three.

Add reasonably anticipated disability based unearned income for each month and divide by three (CalWORKs only).

Add reasonably anticipated gross unearned income for each month of the quarter and divide by three.

Apply all applicable disregards for each income to averaged income amounts.

Total all income of each type to determine average net non-exempt income.

For both CalWORKs and CalFresh benefits, averaged income is rounded down to the next lower dollar.

(All-County Letter No. 03-18, April 29, 2003, pp.24-25; All-County Information Notice I-54-03, question and answer 9)

227-7F ADDED 2/04

For purposes of calculating CalFresh benefits, the county shall not average the CalWORKs payment. The actual CalWORKs grant must be used. (All-County Letter No. 03-18, April 29, 2003, p.25, All County Letter 12-25, May 12, 2012)

227-8 ADDED 2/04

Property eligibility is determined only once per payment period. Property rules under prospective budgeting remain unchanged except that nonrecurring lump sum income is now considered property in the month received in CalWORKs just as in the CalFresh Program. (All-County Letter No. 03-18, April 29, 2003, p.16, All County Letter 12-25, May 12, 2012)

227-8A ADDED 2/04

The county will use information reported on the QR 7/SAR 7/SAWS 2 to determine continuing property eligibility for the entire upcoming payment period. No other property eligibility assessment may be made for that payment period.

If the assistance unit/household acquires property in excess of the property limit in the submit month or in the first month of the next payment period the assistance unit/household remains eligible for the entire payment period. (All-County Letter No. 03-18, April 29, 2003, p.16-17 All County Letter 12-25, May 12, 2012)

227-8B REVISED 8/04

Resource eligibility is determined once per quarter. Information reported on the QR 7 is used to determine continuing resource eligibility for the entire upcoming quarter. No other resource eligibility assessment may be made for that quarter. (§63-508.66)

227-10 REVISED 8/04

Under prospective budgeting recipients are mandated to report specified changes to the county within 10 days of the date the change became known to the assistance unit/household.

SHD Paraphrased Regulations - CalFresh

220 CA7s

These reported changes are in addition to the requirement to report income on the QR 7/SAR 7/SAWS 2 report. Recipients may report these changes in the payment period verbally or in writing.

The following are mandatory items for the recipient to report:

In CalFresh cases, recipients must report address changes and when income exceeds the CalFresh IRT

In Non-Assistance CalFresh cases, recipients who are required to meet the ABAWD work requirement must report any reduction in number of hours worked less than 20 hours per week or 80 per month.

In CalWORKs cases, recipients must report drug felony convictions, fleeing felon status, violation of conditions of probation or parole, address changes and when income exceeds the IRT.

(All-County Letter No. 03-18, April 29, 2003, pp.31-32; §63-508.13)

227-10E ADDED

9/13 Under SAR, all CalFresh recipients subject to the IRT requirements are required to report mid-period when their income exceeds 130 percent of the FPL for their household size. While the two tiers of the CalWORKs IRT are not mandatory reports in CalFresh, when a report of income over the CalWORKs IRT is made that results in a change in the CalWORKs case, the allotment will also be recalculated in the companion CalFresh case.

(All County Letter 12-25, May 12, 2012)

227-10EA ADDED

1/15 CalFresh recipients must report income over their IRT within 10 days of when the change is known to the household. The date the change is 'known to the household' is either the date the household becomes aware of new employment or an increase in pay, the start date of employment or when the household first receives the income exceeding the IRT. All County Letter 14-77, October 15, 2014 (Question #3)

227-10EE ADDED 2/04

There is no mandatory mid-quarter recipient requirement in the CalFresh Program to report income in excess of the IRT. However, if CalWORKs benefits are discontinued because income exceeds the IRT, the county must recalculate the CalFresh allotment.

The county must determine if the CalFresh allotment would increase or decrease. If the discontinuance of CalWORKs due to income in excess of the IRT results in an increase to the CalFresh allotment, the county must issue a CalFresh supplement in the current and remaining month of the quarter. If the income in excess of the IRT that resulted in the CalWORKs discontinuance results in a decrease in the CalFresh allotment, the county must take no action in the current quarter.

In addition, if the CalWORKs case is discontinued, but CalFresh benefits continue, the county must determine eligibility and benefit levels using newly reported income for the household as a non-assistance household for the future quarter. (All-County Letter No. 03-18, April 29, 2003, pp.41)

227-10F REVISED

1/15

For reports of income that exceed the IRT, verification will not be required prior to taking action to discontinue CalWORKs and FS benefits. (For voluntary reports of decreased income, the client must verify the decrease prior to the benefits being increased or sending a NOA.) (All-County Information Notice I-54-03, August 27, 2003, question and answer 4B)

227-11 ADDED 2/04

In both CalWORKs and the CalFresh Program, if the assistance unit/household reports a drug felony conviction, fleeing felon status or violation of a condition of probation or parole, but the county is not able to provide 10-day notice to delete the individual involved, the county may not take the adverse action, but must issue benefits at the prior level.

In CalWORKs, the benefits issued at the higher prior level is an overpayment regardless of whether the assistance unit reported the change timely or not.

In CalFresh, no overissuance would be established if the household reported the change within 10 days. An overissuance would be established if the household failed to report the change within 10 days.

(All-County Letter No. 03-18, April 29, 2003, pp.35)

227-11A ADDED

4/11 Effective April 1, 2011, counties must begin using the existing CalWORKs ICT process for those CalFresh cases with a CalWORKs component and the existing Medi-Cal ICT process for those CalFresh cases with a Medi-Cal component. When at least one member of the CalFresh household also receives CalWORKs, the CalWORKs ICT process shall be followed. When at least one member of the CalFresh household receives Medi-Cal, but no household member receives CalWORKs, the Medi-Cal ICT process shall be followed.

All County Letter 11-22, March 25, 2011, implementing the provisions of Welfare & Institutions Code § 11053.2)

227-11B ADDED 2/04

When a recipient reports moving to another county, counties must follow inter-county transfer (ICT) rules found at MPP §§40-187 through 40-197. For CalFresh purposes, the recipient's must reapply for the CalFresh Program in the second county. However, the first county will discontinue CalFresh benefits to coincide with the transfer period of the CalWORKs case. Thus if a recipient informs county A on February 5 that she moved to county B, county A will discontinue CalFresh benefits effective March 31 to coincide with the transfer of the CalWORKs case.

When a recipient moves from County A to County B, when County B assumes responsibility for the newly transferred case, County B will establish the new benefit amount based on their budgeting method and using their reporting cycle.

(All-County Letter No. 03-18, April 29, 2003, pp.36; All-County Information Notice No. I-54-03, August 27, 2003, question and answer 14)

227-12A REVISED 5/05

SHD Paraphrased Regulations - CalFresh

220 CA7s

In some cases, voluntarily reported changes may result in an increase in benefits in one program and a decrease in benefits in the other program. The county must take action to increase benefits but must suppress the decrease in the other program's benefits. (§63-509(d)(2))

227-12B REVISED 5/05

Increases in benefits due to decreased income are effective the first of the month in which the change is reported. Increases due to the addition of a new household member are effective the first of the month following the report of the change. (§63-509(d)(4))

227-12C ADDED 11/05

If a new household member is reported on the QR 7/SAR 7/SAWS 2 and the household is determined ineligible based on Data Month information, the county shall discontinue benefits after providing timely (10 day) notice

If the household was initially determined eligible based on Data Month information, and prior to authorization of benefits the county learns in the Submit Month that the new member is ineligible, that information is considered a mid-payment period voluntary report. However, the new member is considered an excluded household member and income and resources are treated under §63-503.442 (resources are counted in their entirety and a pro rata share of income counted as income to other household members)

The individual is treated as an excluded household member until the next QR 7/SAR 7/SAWS 2. (§63-508.654(c)(1))

227-12E REVISED 5/05

A "no change" notice of action shall be sent to the recipient when benefits cannot be increased. The notice of action must remind the recipient to re-report the change on the QR 7/SAR 7/SAWS 2. (§63-509(d)(7), All County Letter 12-25, May 12, 2012)

227-12G ADDED 2/04

For both CalWORKs and the CalFresh Program, if the person moving into the home has income that once considered would result in the assistance unit/household being financially ineligible for aid, the county shall not take any action to change the assistance unit/household's benefits in the current payment period. The new person would not be entitled to receive Medi-Cal. (All-County Letter No. 03-18, April 29, 2003, All County Letter 12-25, May 12, 2012)

227-12I ADDED 8/04

When a recipient submits a QR 7/SAR 7/SAWS 2 subsequent to making mid-payment period report of a change, the county must review changes reported on the QR 7/SAR 7/SAWS 2 to ensure that the mid-payment period reported change is also reflected on the QR 7/SAR 7/SAWS 2. If information on the QR 7/SAR 7/SAWS 2 is not consistent with the change reported mid-payment period, the county shall attempt to contact the recipient to resolve the discrepancy. The QR 7/SAR 7/SAWS 2 shall be considered incomplete if the county is unable to contact the recipient to resolve the discrepancy. (§63-508.653. All County Letter 12-25, May 12, 2012)

227-13 REVISED 5/05

In the prospective budgeting system, if the household voluntarily requests the county to discontinue benefits for an individual or the entire household, the county shall take action to decrease or discontinue benefits as appropriate. If the request is a verbal request, the county must provide adequate and timely notice of the reduction or discontinuance. If the request is in writing, the county must still send adequate notice at the end of the month. (§63-509(g)(1))

227-16A ADDED 2/04

If a recipient fails to report income any time he/she is required to report, or the county fails to act correctly when a recipient reports income, the county shall determine benefits the recipient would have received based on an accurate report of income and correct county action on that report. The overpayment/overissuance begins on the first date the change would have been made based on an accurate recipient report.

Example: The assistance unit/household has income that exceeded the IRT since January 5, 2002. The assistance unit/household never reported this income and the county discovers this failure to report income. Since the assistance unit/household was required to report this income within 10 days (i.e., by January 15), the assistance unit/household was financially ineligible effective January 31 and the overpayment/overissuance is established effective February 2002.

Example: The assistance unit/household submits a QR 7/SAR 7/SAWS 2 on March 5 and reports that dad started a job on February 10 and that the income is expected to continue. The income does not exceed the IRT. The county fails to consider the income in issuing the CalWORKs grant and CalFresh allotment beginning in April. If the increased income should have resulted in lower benefits, the county must establish an overpayment/overissuance beginning in April.

(All-County Letter No. 03-18, April 29, 2003, p.70)

227-16B ADDED 2/04

Changes that are not required to be reported, but that may voluntarily be reported should not be considered when determining whether there is an overpayment/overissuance. Voluntary changes need only be reported on the QR 7/SAR 7/SAWS 2 that follows the change.

(All-County Letter No. 03-18, April 29, 2003, p.71)

227-16C ADDED 2/04

In the Prospective Budgeting system, the only time an assistance unit /household is required to report property is on the QR 7/SAR 7/SAWS 2.. Property related overpayments/overissuances will be determined based on information that should have been reported on the QR 7/SAR 7/SAWS 2. An assistance unit/household is only required to report property when property exceeds the limit in the data month.

If a recipient owned property that exceeded the resource limit in the data month and failed to report it on the QR 7/SAR 7/SAWS 2, or if the county failed to act correctly on a report of property that exceeds the limit, the county shall determine the benefits the assistance unit/household should have received. (All-County Letter No. 03-18, April 29, 2003, p.72)

227-16E ADDED 2/04

No overpayment/overissuance or underpayment/underissuance shall be assessed when actual income received during the payment period differs from the amount of income reasonably anticipated, as long as the recipient met his/her reporting responsibilities. No reconciling based

on actual income is done if reporting requirements are met accurately and completely and the county averaged and issued benefits based on reasonably anticipated income.

Reconciling beginning months of CalWORKs to determine the correct grant amount does not apply in Prospective Budgeting rules.

(All-County Letter No. 03-18, April 29, 2003, p.74)

227-16F REVISED 5/05

Recoupment of an overpayment/overissuance will only be initiated at the beginning of a payment period. If the county completes recoupment of one overpayment /overissuance in mid-payment period and wishes to initiate recoupment of another overpayment/overissuance in the following month, the county may begin such recoupment as long as the amount being adjusted does not result in a decrease in benefits mid-payment period. (§63-801.737)

227-17 ADDED 2/04

If the county determines that the assistance unit/household received an underpayment/underissuance due to county error, the county must take action to restore those benefits. Restoration is based on prospective budgeting rules. The county may not use actual verified income to reconcile against prospectively budgeted income that was used in the benefit calculation as income that was “reasonably anticipated” at the time benefits were calculated.

(All-County Letter No. 03-18, April 29, 2003, p.73)

227-18 ADDED

9/13Applicants shall be assigned by the county a specific SAR cycle using the beginning date of aid. If the applicant has an existing CalFresh recertification period, the county shall align the SAR cycle with the existing recertification period. The county must align the CalWORKs annual redetermination of eligibility with the CalFresh certification period. The redetermination/recertification acts as the second semi-annual report so it must also be aligned with the SAR Submit Month. The county shall provide the SAR 7 or SAWS 2 to the recipient by the end of the SAR Data Month in the SAR Payment Period in which it is due. The county must provide the recipient with a written notice that will include:

The county must provide the recipient with written notice that includes:

- The AU's individual SAR cycle,
- The month in which the initial SAR 7 and subsequent SAR7s are due, and
- The SAR Data Month they will be responsible for reporting information.

(All County Letter 12-25, May 12, 2012)

227-18B ADDED 2/04

Counties have options how to establish reporting cycles. Applicants and recipients shall be assigned to specific reporting cycles in one of the following ways:

The application date;

The terminal digit of the case number; or

Some other method determined by the county.

(All-County Letter No. 03-18, April 29, 2003, p.77)