

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

020-1

When a CalWORKs (formerly AFDC) applicant moves from one county to another to make his/her home after an application has been signed or restoration requested in the first county, the first county shall complete the determination of eligibility or ineligibility. If eligibility exists, this county shall authorize aid and certify the applicant for medical assistance, or if indicated, certify him/her as a Medically Needy person eligible for medical assistance. Intercounty transfer is then initiated with the county in which the recipient is making his/her home. (§40-125.5)

020-1A ADDED

7/15When a CalWORKs (formerly AFDC) child moves intercounty to the home of his/her parent or relative, and (1) the parent or relative is receiving CalWORKs from the second county and requests continued CalWORKs for that child or (2) the parent or relative applies for that child, or that child and other persons, the responsibility of the counties during the transfer period (as defined in §40-187.15) is as follows:

1. If the new AU consists of the transferred child plus one or more aid applicants, the first county is responsible for eligibility and aid payment, including adding new applicants to the AU;
2. If the new AU consists of the transferred child and persons currently aided in the second county, the second county is responsible for eligibility and aid payment, including adding transferred persons to the existing AU.

(§40-187.222, effective January 1, 1997, revised to §40-190.222, effective August 21, 2002)

020-2

A CalWORKs (formerly AFDC) intercounty transfer is initiated immediately when the first county is notified that the recipient has moved his/her permanent residence to another county. (§40-189.21, renumbered to §40-190.1 effective May 1, 1997)

020-3

The first county, the county currently paying CalWORKs (formerly AFDC) aid or certifying for medical assistance, is responsible for notifying the second county of the recipient's move to that county, in writing or by electronic data transfer. (§40-195.211, modified and renumbered to §40-195.11, effective May 1, 1997)

020-3A ADDED 6/04

When a CalWORKs recipient moves from one county to another and the recipient's CalWORKs benefits are discontinued, the county may not require the individual to reapply for Medi-Cal or complete a redetermination based solely on the move from one county to another.

When the receiving county determines that the CalWORKs recipient failed to meet CalWORKs requirements, or is otherwise ineligible for CalWORKs during the inter-county transfer period, the CalWORKs case will not be authorized in the receiving county. The sending county will

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

discontinue CalWORKs and convert the cast to aid code 38 pending authorization of Medi-Cal in the receiving county.

A referral to the receiving county for a Medi-Cal ICT for persons discontinued from CalWORKs is not required when the discontinuance was due to loss of California residency, incarceration, death, or if the person is transitioning into another public assistance program that provides Medi-Cal benefits such as SSI/SSP or IHSS.

(All-County Letter 04-14, April 14, 2004)

020-4A

The expiration of the intercounty transfer (ICT) period occurs at the end of the month following the 30-day transfer period after the first county either mails or electronically transfers the notification of the ICT to the second county, or the end of the month in which aid is discontinued for cause, by mutual agreement of the counties involved, whichever date is earliest. (§40-187.12)

020-5

There is no need for a new application where there is a transfer between CalWORKs (formerly AFDC)-Family Group/Unemployed and CalWORKs-Foster Care and vice versa. (§40-121.32)

020-6

An intraprogram status change is to be initiated when there is a change from CalWORKs (formerly AFDC)-Foster Care to CalWORKs-Family Group or CalWORKs-Unemployed. (§40-183.1) There is no necessity for a new application. (§40-121.32)

020-7

In processing Medi-Cal applications, the county is to advise applicants who appear to be eligible for a CalWORKs (formerly AFDC) cash grant of their potential eligibility and the application should be processed under the CalWORKs cash grant program if the applicant so desires. The fact that the applicant was advised of potential CalWORKs cash eligibility shall be documented in the case file. (Title 22, California Code of Regulations, §50153)

020-8 REVISED 2/05

There shall be no interruption or overlapping in payment of aid as a result of a recipient moving from one county to another to make his/her home. (§40-187.21, renumbered to §40-190.2 effective May 1, 1997)

The second county shall establish the recipient's reporting cycle which may differ from the first county's reporting cycle (§40-190.21)

The first county is responsible for determining eligibility and payment during the "transfer period". (§40-190.22)

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

020-8A ADDED

9/13CalFresh inter-county transfer procedures shall follow the same rules as CalWORKs inter-county transfers. All County Letter 11-22, March 25, 2011)

020-9

When a first county places a child in a foster home in a second county, the first county retains responsibility for payment of aid. (§40-190.32, formerly §40-187.221)

020-10

When a CalWORKs (formerly AFDC) child moves intercounty to the home of his/her parent or relative, and (1) the parent or relative is receiving CalWORKs from the second county and requests continued CalWORKs for that child or (2) the parent or relative applies for that child, or that child and other persons, the responsibility of the counties during the transfer period (as defined in §40-187.15) is as follows:

1. If the new AU consists of the transferred child plus one or more aid applicants, the first county is responsible for eligibility and aid payment, including adding new applicants to the AU;
2. If the new AU consists of the transferred child and persons currently aided in the second county, the second county is responsible for eligibility and aid payment, including adding transferred persons to the existing AU.

(§40-187.222, effective January 1, 1997, revised to §40-190.222, effective August 21, 2002)

020-11

In intercounty transfer cases, the county in which the AU resides is responsible for the HA eligibility determination and HA payment from the date of the request. For HA purposes, an AU resides in the county in which the AU is physically located and intends to reside. (§44-211.515, effective January 1, 1997)

020-12

Eligibility for and the amount of payment for HA shall be determined using the MAP amount for the county where the AU resides, as defined in §44-211.515. (§44-211.515(a), effective January 1, 1997)

021-1 REVISED 8/04

CalWORKs recipients must submit the SAR 7/SAWS 2 on a semi-annual basis. In quarterly reporting the QR 7 form must be submitted on a quarterly basis. These forms are due on the fifth day of the submit. (§40-181.22)

021-2 REVISED

8/14

If the CalWORKs recipient fails to submit a completed SAR 7 form by the eleventh of the SAR Submit Month, the county is to send or give the appropriate discontinuance notice. The county

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

is to attempt to make a personal contact with the recipient either by telephone or in a face-to-face interview, during which the recipient must be reminded that a complete SAR 7 must be received by the county no later than the first working day of the next SAR payment period. If the personal contact is unsuccessful, a reminder notice shall be mailed no later than five days prior to the last calendar day of the SAR Submit Month. The reminder notice must be sent in a separate envelope from the discontinuance notice. The county shall document in the case file how and when the contact was attempted or made. If on or before the first working day of the SAR payment period the recipient submits a completed SAR 7 form, the county is to rescind its discontinuance action. (§40-181.21)

021-2A

If the CalWORKs (formerly AFDC) recipient fails to submit a completed QR 7 form by the eleventh of each month/QR Submit Month, the county is to send or give the appropriate discontinuance notice. The county is to attempt to make a personal contact with the recipient either by telephone or in a face-to-face interview, during which the recipient must be reminded that a complete QR 7 must be received by the county no later than the first working day of the payment month/QR Payment Quarter. If the personal contact is unsuccessful, a reminder notice shall be mailed no later than five days prior to the last calendar day of the report month/QR Submit Month. The reminder notice must be sent in a separate envelope from the discontinuance notice. The county shall document in the case file how and when the contact was attempted or made. If on or before the first working day of the payment month the recipient submits a completed QR 7 form, the county is to rescind its discontinuance action. (§40-181.22)

021-3

When a recipient who has been discontinued for failure to submit a complete SAR 7 requests restoration of CalWORKs during the calendar month following discontinuance, but after the first working day of the next SAR Payment Period, the county shall determine if the recipient had good cause (Section 40-181.23(SAR)) for failure to submit a complete report. If the recipient is not found to have good cause, the CWD shall redetermine eligibility based on the information contained on the complete SAR 7 submitted by the recipient. Eligibility will be based on recipient rules. The recipient will not be subject to applicant eligibility criteria. An application (SAWS 1), Statement of Facts (SAWS 2), and intake interview are not required. If found eligible, aid will be restored, prorated, effective the date that the recipient submitted the complete SAR 7. (See Section 44-315.72 for instructions on how to calculate prorated benefit amounts.) (§40-125.94)

021-3A ADDED

8/12 If a recipient submits a new QR7 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 QR7 form is submitted. The applicant eligibility rules do not apply. (Welfare and Institutions Code 11265.4(a) and All County Letter 12-35)

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

021-4

A recipient who is a sponsored alien shall report the income and resources of the sponsor. The recipient shall submit a completed QR 72 /SAR 72 form reporting the income and resources of the sponsor. The recipient is responsible for obtaining all information necessary to complete the QR 72 /SAR 72 and for obtaining any cooperation necessary from the sponsor. The failure to provide a completed QR 72 /SAR 72 on or before the first calendar day of the quarter shall result in discontinuance for those members of the AU who are sponsored aliens. (§40-181.25)

021-5

A CalWORKs recipient may have good cause for failure to submit a complete QR 7/SAR 7/SAWS 2 form in a timely fashion. Good cause exists only when the recipient cannot reasonably be expected to fulfill his/her reporting responsibilities due to factors outside of the recipient's control, i.e., there is a mental or physical condition which prevents timely and complete reporting; when the failure is directly due to county error; or when other extenuating circumstances exist. The burden of the proof rests with the recipient. (§40-181.23)

021-5A ADDED

8/14A recipient may have good cause for not meeting the redetermination reporting requirements. Good cause exists only when the recipient cannot reasonably be expected to fulfill his/her reporting responsibilities due to factors outside of his/her control. The burden of proof rests with the recipient.

- (a) A good cause exemption shall only be granted if the request is made by the parent, other caretaker relative, or an authorized representative.
- (b) A request is defined as any clear expression to the county, whether verbal or written, that the recipient wants an opportunity to present his/her explanation for not meeting the redetermination reporting requirements. A request for a State Hearing also may be considered a request for good cause determination when the issue to be heard specifically relates to Section 40-181.21(SAR).
- (c) In lieu of a request, as required by (2) above, a county has the discretion to independently determine that one of the situations specified in (d) below exists.
- (d) Good cause exists in only the following situations:
 - 1) When the recipient is suffering from a mental or physical condition which prevents timely and complete reporting.
 - 2) When the recipient's failure to submit a timely and complete report is directly attributable to county error.
 - 3) When the county finds other extenuating circumstances.
- (e) When the recipient has good cause for not reporting timely, the county shall rescind the discontinuance.

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

(f) If the recipient is not found to have good cause for not reporting timely, the county shall determine eligibility based on applicant rules from the date that the complete SAWS 2 was submitted.

(g) If the SAWS 2 is received more than a month following discontinuance, it shall be treated as a request for restoration of aid and eligibility shall be determined based on applicant rules from the date the complete SAWS 2 was received. (See Section 40-125.9.)

(§40-181.216)

021-6

When the CalWORKs recipient has good cause for not reporting timely, the county shall rescind the discontinuance, or allow all appropriate earned income disregards, whichever is appropriate. (§40-181.234, formally amended effective July 1, 1998) Effective with the January 1, 1998 aid payments, there are no disregard penalties for late reporting. (All-County Letter No. 97-67, October 23, 1997; §§44-113.218, 40-181.234, effective July 1, 1998)

021-8

A complete SAR 7 (the monthly income report) for CalWORKs purposes is one which meets the following requirements:

1) The date the SAR 7 is signed shall be no earlier than the first day of the SAR Submit Month. This requirement is met when the date entered on the SAR 7 by the recipient, together with other dated material provided with the SAR 7 and the date on which the county mailed or gave the SAR 7 to the recipient, clearly establishes that the SAR 7 was signed no earlier than the first day of the SAR Submit Month.

2) The address along with other information provided on the SAR 7 shall be sufficient for county administrative purposes, including the ability to locate the recipient; and

3) The SAR 7 shall be signed under penalty of perjury by each natural or adoptive parent or aided spouse of a parent or other caretaker relative living in the home, unless an individual so specified is temporarily absent from the home (see Section 82-812); and

4) The response to all questions pertaining to CalWORKs eligibility and grant amount shall provide the county with information sufficient to answer the question. The information provided on the SAR 7 together with the submitted evidence must be sufficient for the county to determine eligibility and/or grant amounts. This includes the income and any change in resources of a stepparent living in the home, and any person who is required to apply for aid under Section 40-118 but is excluded from the AU. Reported income shall include earned, unearned, exempt, and nonexempt income received during the SAR Data Month and any reasonably anticipated changes to this income during the next SAR Payment Period; and

5) Evidence shall be submitted with the SAR 7 to verify the gross amount of all earned income received and the date of receipt. Evidence shall be submitted to verify initial receipt of or a change in the amount of unearned income received. Such evidence includes but is not limited to: pay stubs, letters of award or benefits (such as unemployment, disability, or Social Security), statements showing interest income, dividend income, tax return showing the amount of EIC

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

received, etc. Documents and records submitted with the SAR 7 shall be promptly returned to the recipient; and

6) Information reported on the SAR 7 must be consistent with other information which the county has verified to be accurate, including any verified mid-period reports; and

7) The SAR 7 shall include form SAR 72 (as defined in Section 40-181.25(SAR)) when the recipient is a sponsored alien.

8) The Senior Parent Semi-Annual Income Report (SAR 73) shall be submitted with the SAR 7 when a minor parent lives with his/her senior parent. The completeness of the SAR 73 shall be determined using the criteria for evaluating the completeness of the SAR 7.

(§40-181.241)

021-8A

A complete QR 7 (the monthly income report) for CalWORKs (formerly AFDC) purposes is one which meets the following requirements:

- (a) A QR 7 is complete if the date the QR 7 is signed is no earlier than the first day of the report/submit month. This requirement is met when the date entered on the QR 7 by the recipient, together with other dated material provided with the QR 7 and the date on which the County Welfare Department mailed or gave the QR 7 to the recipient, clearly establishes that the CA 7 was signed no earlier than the first of the report/submit month.
- (b) A QR 7 is complete when the address along with other information provided on the QR 7 is sufficient for county administrative purposes, including the ability to locate the recipient.
- (c) A QR 7 form is complete if it is signed by each natural or adoptive parent or aided spouse of a parent or other caretaker relative living in the home, unless an individual so specified is temporarily absent from the home.
- (d) [Reserved] [Prior to February 3, 1999, regulations provided that a complete CA 7 form must include the number of days and hours worked by a wage earner whose unemployment status constituted a basis of deprivation for at least one child in the Assistance Unit.]
- (e) In order for the QR 7 form to be considered complete, the response to all questions pertaining to CalWORKs eligibility and grant amount must, together with the submitted evidence, provide sufficient information for the county to determine eligibility and/or grant amount. Reported income shall include earned, unearned, exempt, and nonexempt income received during the data month and income reasonably anticipated to be received during the quarter.
- (f) Evidence shall be submitted with the QR 7 to verify the gross amount of all earned income received and the date of receipt. Evidence shall be submitted to verify the initial receipt of, or a change in the amount of, unearned income received.

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

- (g) A complete QR 7 form must contain information which is consistent with other information which the county has verified to be accurate.
- (h) The QR 7 shall include Form QR 72 /SAR 72 when the recipient is a sponsored alien.
- (i) The Supplemental Monthly Income Report (QR 73/SAR 73) shall be submitted with the QR 7 when the recipient is a minor parent who lives with his/her senior parent or legal guardian. The completeness of the QR 73/SAR 73 form shall be determined using the criteria for evaluating the completeness of the CA 7/QR 7.

(§40-181.241, as revised effective February 3, 1999 and applicable to QR 7/SAR forms when the county implements the quarterly or semi-annual process.)

022-1

An Intentional Program Violation (IPV) is a determination made by a state or federal court, or pursuant to an administrative disqualification hearing, including (effective July 1, 1998) any determination made on the basis of a plea of guilty or nolo contendere, that an individual has intentionally:

- (a) Made a false or misleading statement or misrepresented, concealed or withheld facts; or
- (b) Committed any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity; and
- (c) Committed these acts to establish or maintain CalWORKs (formerly AFDC) eligibility, or to increase or prevent a reduction in the amount of the CalWORKs grant.

(§20-351.1i(1), Handbook §80-301i.(2))

022-2 REVISED 5/05

Individuals who are found by a state or federal court or by an administrative disqualification hearing to have committed a fraudulent act prior to January 1, 1998, shall be ineligible to receive CalWORKs as follows:

- (1) First violation, for six months.
- (2) Second violation, for twelve months.
- (3) Third violation, permanently.

These penalties are two years for the first violation, four years for the second violation and permanent for the third violation if the fraudulent act is one of the following:

- (1) Submitting more than one application for the same period of time and for the purpose of receiving more than one grant.
- (2) Submitting documentation for nonexistent children.
- (3) Submitting false documentation for the purpose of showing ineligible children to be eligible. (Handbook Section 82-620.1 and Handbook Section 20-353.1)

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

Individuals found to have committed an IPV shall be ineligible to receive benefits for six months for the first, twelve months for the second, and permanently for the third violation. (§82-620.1)

These county imposed sanctions shall be in addition to, not in lieu of, any other court imposed penalties (§82-620.5); are subject to reversal only by a court of appropriate jurisdiction (§82-620.3); and the disqualification periods themselves are not subject to review or revision (§82-620.4).

022-3

The crime of welfare fraud, including both AFDC and CalFresh fraud, requires proof that the individual charged was not entitled to the benefits received. (*People v. Ochoa* (1991) 231 Cal.App.3d 1413, 282 Cal.Rptr. 805)

022-4

Program staff (e.g., eligibility workers) and program supervisors must ensure that applicants and recipients understand the penalties involved for misstating or not reporting relevant facts. "This responsibility should be reviewed with the applicant/recipient regularly as a reminder or to clear up any misunderstanding." (§20-005.311)

022-5

Program staff and program supervisors are responsible for determining eligibility and the correct benefit amount for all recipients. They must ensure that applicants and recipients understand their responsibility for providing correct and complete data and for promptly reporting facts required for the correct determination of eligibility and the benefit amount. (§20-005.311)

Program staff is also responsible for taking prompt action on information received and for relating information received which may affect future eligibility or need. (§20-005.312)

When it is known that recipients have a problem in reporting changes, more frequent contact may minimize the problem when there is reasonable doubt as to eligibility or benefit level. This type of follow-up of information to prevent possible fraudulent action by the recipient is a recognized "helping" process for which program staff is responsible. (§20-005.313)

022-6

The fraud penalties set forth in Handbook §§20-353.2 through .261 shall apply only to individuals committing an IPV act on or after January 1, 1998. These new penalties are also imposed when IPV acts began prior to January 1, 1998 and continued past that date. (§20-353.3, effective July 1, 1998)

022-6A ADDED 5/05

An individual is permanently ineligible for CalWORKs if he or she is found to have committed any one of the following fraudulent acts on or after January 1, 1998, by a state or federal court, including any determination made on the basis of a plea of guilty or nolo contendere, or through an administrative disqualification hearing:

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

- (a) Made fraudulent statements or representations regarding their place of residence in order to receive assistance simultaneously from two or more states or counties.
- (b) Submitted false documentation for nonexistent or ineligible children.
- (c) Received cash benefits in excess of \$10,000 through fraudulent means.
- (d) Convicted of a felony in a state or federal court, including a plea of guilty or nolo contendere, for receipt or attempted receipt of cash benefits in excess of \$5,000 through fraudulent means.
- (e) Third violation for any of the following acts:
 - 1) Making false or misleading statements or misrepresenting, concealing, or withholding facts;
 - 2) Committing any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity.
- (f) Third violation for fraudulently submitting more than one application for the same type of aid for the same period of time, for the purpose of receiving more than one grant of aid, in order to establish or maintain the families eligibility for aid, or increasing, or preventing reduction in the amount of that aid.

(Handbook Section 20-353.21)

022-6B ADDED 5/05

An individual is ineligible for CalWORKs for a period of five years if he or she is convicted of a felony in a state or federal court, including any determination made on the basis of a plea of guilty or nolo contendere, for an act committed on or after January 1, 1998, that does not meet the permanent penalty criteria and the overpayment is more than \$2,000 but less than \$5,000. (Handbook Section 20-353.22)

022-6C ADDED 5/05

An individual is ineligible for CalWORKs for a period of four years for the second violation, which occurred on or after January 1, 1998, of fraudulently submitting more than one application for the same type of aid for the same period of time, for the purpose of receiving more than one grant of aid, in order to establish or maintain the families eligibility for aid, or increasing, or preventing reduction in the amount of that aid. (Handbook Section 20-353.23)

022-6D ADDED 5/05

An individual is ineligible for CalWORKs for a period of two years:

- (a) If he or she is convicted of a felony in a state or federal court, including any determination made on the basis of a plea of guilty or nolo contendere, for an act committed on or after January 1, 1998, that does not meet the permanent penalty criteria and the overpayment is less than \$2,000.
- (b) For the first violation, on or after January 1, 1998, of fraudulently submitting more than one application for the same type of aid for the same period of time, for the purpose of receiving more than one grant of aid, in order to establish or maintain the families eligibility for aid, or increasing, or preventing reduction in the amount of that aid. (Handbook Section 20-353.24)

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

022-6E ADDED 5/05

An individual is ineligible for CalWORKs for a period of twelve months for the second violation, which occurred on or after January 1, 1998, of either of the following acts committed for the purpose of establishing or maintaining the family's eligibility for aid or increasing, or preventing a reduction in, the amount of that aid:

- (a) Making false or misleading statements or misrepresenting, concealing, or withholding facts;
- (b) Committing any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity. (Handbook Section 20-353.25)

022-6F ADDED 5/05

An individual is ineligible for CalWORKs for a period of six months for the first violation, which occurred on or after January 1, 1998, of either of the following acts committed for the purpose of establishing or maintaining the family's eligibility for aid or increasing, or preventing a reduction in, the amount of that aid:

- (a) Making false or misleading statements or misrepresenting, concealing, or withholding facts;
- (b) Committing any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity. (Handbook Section 20-353.26)

022-7

The same IPV act repeated over a period of time shall not be separated so that separate penalties can be imposed. (§20-353.7),

022-8

The County Welfare Department shall provide all applicants with a written notice of the disqualification penalties for IPV's under this section at the time of application. (§22-310, effective January 5, 1995)

022-9 ADDED 5/05

If the individual is not eligible for CalWORKs at the time the disqualification period is to begin, the period is to be postponed until the person applies for and is determined to be eligible for aid. (Section 20-353.5)

024-1

The following individuals are excluded by law from the CalWORKs AU:

1. Persons fleeing to avoid prosecution, or custody and confinement after conviction, for a crime or attempt to commit a crime that is classified as a felony. The existence of an

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

arrest warrant is presumed to be evidence of fleeing, which can be rebutted if the individual can show he/she did not know that law enforcement was seeking him/her.

2. Persons violating a condition of probation or parole imposed under federal or state law, whether or not the initial offense was a felony.

(W&IC §11486.5(a); §82-832.19, amended and renumbered to §82-832.1(i) and (j) effective May 1, 1999, and then to §82-832.1(h) and (i), effective February 28, 2002)

As of January 1, 1998, "Fleeing to avoid prosecution, or custody and confinement after conviction" means a warrant for arrest has been issued; and "Violating a condition of probation or parole" means a warrant for a crime that violates a condition of probation or parole has been issued, or an order has been issued revoking probation or parole. (All-County Letter No. 97-65, p. 5, October 29, 1997)

024-4

Any person convicted of a felony that has an element related to the possession, use, or distribution of a controlled substance shall be ineligible for aid under CalWORKs. "Controlled substances" are those defined in 21 United States Code §802, or in Division 10 of the Health and Safety Code, commencing with §11000. (W&IC §11251.3; All-County Letter (ACL) No. 97-65, p. 5, October 29, 1997)

Those persons who have committed a drug-related felony after August 22, 1996, and have been convicted (including conviction based on a "guilty" or "nolo contendere" plea) as a drug felon in a state or federal court after December 31, 1997, shall be excluded from the AU as a matter of law. (§82-832.1(j), as renumbered from (k) effective February 28, 2002) Prior to May 1, 1999, the exclusion applied only when the drug-related felony occurred after August 22, 1996. (§82-832.20, effective July 1, 1998, and repealed effective May 1, 1999)

024-4A ADDED

1/15 Effective April 1, 2015, no person will be denied aid because they have a prior felony drug conviction and individuals who are currently ineligible for the CalWORKs and/or CalFresh programs and therefore excluded from the Assistance Unit (AU)/household (HH) will no longer be excluded by law. These individuals must be added to the AU/HOUSEHOLD effective April 1, 2015, if all other conditions of eligibility are met. (Welfare and Institutions (W&I) Code section 11251.3 (as amended), All County Letter 14-100, December 19, 2014)

024-5

It is the position of the CDSS that a person who pleads guilty to a drug felony, and then is permitted to enter a drug court/diversion program prior to entry of judgment, is not considered a drug felon for either CalWORKs or CalFresh benefits. However, if the individual fails to meet all program requirements, and judgment is entered, the date the judge enters the judgment (even if the judgment is retroactive to the date of the plea) is the date the person is considered a drug felon. (All-County Information Notice No. I-71-99, September 23, 1999)

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

024-6

It is the position of the CDSS that when a felony drug judgment has been entered against a person, and the conviction is reduced to a misdemeanor or the record is expunged, that the person is no longer ineligible for CalWORKs or CalFresh benefits. However, if the person has previously been excluded from those programs, there is no retroactive eligibility. (All-County Information Notice No. I-71-99; September 23, 1999)

024-7

A minor who is convicted of a drug offense in a criminal court proceeding must have been convicted as an "adult" in order for the exclusion penalties to be applied. This applies to both CalWORKs and CalFresh benefits. (All-County Information Notice No. I-71-99, September 23, 1999)

025-1

The following individuals are excluded by law from the CalWORKs AU:

1. Persons fleeing to avoid prosecution, or custody and confinement after conviction, for a crime or attempt to commit a crime that is classified as a felony. The existence of an arrest warrant is presumed to be evidence of fleeing, which can be rebutted if the individual can show he/she did not know that law enforcement was seeking him/her.
2. Persons violating a condition of probation or parole imposed under federal or state law, whether or not the initial offense was a felony.

(W&IC §11486.5(a); §82-832.19, amended and renumbered to §82-832.1(i) and (j) effective May 1, 1999, and then to §82-832.1(h) and (i), effective February 28, 2002)

As of January 1, 1998, "Fleeing to avoid prosecution, or custody and confinement after conviction" means a warrant for arrest has been issued; and "Violating a condition of probation or parole" means a warrant for a crime that violates a condition of probation or parole has been issued, or an order has been issued revoking probation or parole. (All-County Letter No. 97-65, p. 5, October 29, 1997)

025-2

The county shall inform all persons required to provide fingerprint and photo images that the images will be used only to prevent or prosecute welfare fraud. (§40-105.342, effective January 1, 1998)

025-3

Persons who would otherwise be required to provide fingerprints and photo images shall be temporarily exempt, for a period of not more than 60 days as follows:

- (a) Persons with both hands damaged so as to preclude fingerprint imaging shall be excused from fingerprint imaging only.

- (b) Persons with medically verified physical conditions which preclude them from coming into the office shall be excused from both forms of imaging.
- (c) Persons who cannot complete the process because of technical problems with the imaging system.

(§§40-105.331(a), (b); §40-105.35, effective January 1, 1998)

Persons refusing to be fingerprinted/photo imaged for other reasons (e.g., religious beliefs) will cause the AU to have its benefits denied or discontinued. (All-County Letter No. 00-32, May 11, 2000, Question 19)

Persons missing all ten fingers shall be permanently excused from fingerprint imaging only. (§40-105.332, effective January 1, 1998)

025-4

Counties must systematically inform clients of the Statewide Fingerprint Imaging System (SFIS) requirements. During the period when forms (such as the SAWS-2A, DFA 285.A3, and CalFresh benefits 8) are being revised, counties should provide the form TEMP 2173 to both CalWORKs and CalFresh applicants or recipients. (All-County Letter No. 00-32, May 11, 2000, Questions 8 and 9)

025-5

If an applicant has not provided an item which must be verified (e.g., income) and has also not completed the fingerprint imaging process, it is the CDSS position that two separate notices of action must be sent, denying aid because of each of the failures to provide the required information. (All-County Letter No. 00-32, May 11, 2000, Question 23)

025-6

On August 10, 2001 the Sacramento County Superior Court issued a Judgment and Writ of Mandate. That Order provided, in pertinent part, as follows:

- "1. A writ of mandate shall issue commanding respondents and each of them and their agents, servants, employees, and representatives, and all persons acting in concert or participating with them:
 - "a. To refrain from denying or terminating benefits for the entire case of an applicant or recipient of CalWORKs and/or CalFresh benefits for a failure to comply with the Statewide Fingerprint Imaging System (SFIS) requirements as opposed to a refusal to comply with these requirements.
 - "b. To refrain from requiring compliance with the SFIS requirements by parents and caretaker relatives who are not themselves recipients of but were applicants on or before July 21, 1996, for AFDC (Aid to Families with Dependent Children, now CalWORKs) and/or CalFresh benefits for children with continuing eligibility who are currently receiving benefits.

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

- "c. To refrain from requiring that parents and caretaker relatives who are not applying for or receiving either CalWORKs benefits and/or CalFresh benefits for themselves be finger imaged and photo imaged as a condition of eligibility for benefits for other members of the family when another parent or caretaker relative in the family is applying for or receiving CalWORKs benefits and/or CalFresh benefits for themselves and has been finger imaged and photo imaged."

The Order also required the CDSS to issue written instructions to counties with 60 calendar days of the date of service of notice of entry of judgment of the writ, and to submit regulations to the Office of Administrative Law to conform with the judgment and the writ of mandate. [The CDSS appealed the judgment on August 17, 2001 and the petitioners cross appealed on September 5, 2001. It is the position of the CDSS that the portions of the Order adverse to it have been stayed on appeal, and remain stayed as of December 1, 2002.]

(All-County Information Notice No. I-69-01, August 17, 2001; *Sheyko v. Saenz*, Case No. 00C501130, Sacramento County Superior Court, August 10, 2001)

026-1 ADDED 2/04

AB 444 requires the CDSS to replace the current monthly reporting/retrospective budgeting system (MRRB) with a Quarterly Reporting/Prospective Budgeting system (QR/PB) for CalWORKs. This bill also requires CDSS to adopt the QR/PB system in the CalFresh program to the extent permitted by federal law and regulations. AB 444 also directs the Department to implement the statute initially through All County Letter followed by emergency regulations. (All-County Letter No. 03-18, April 29, 2003, pages 1-2)

026-1A REVISED

9/13

All regulatory action implementing QR/PB shall become effective for recipient cases upon Quarterly Reporting becoming operative in the county in which they reside pursuant to the Director's QR/PB declaration. This provision is inoperative upon adoption of SAR reporting. (§40-036.1)

026-1AA ADDED

9/13 All regulatory action implementing the provisions of Semi-Annual Reporting (SAR) as authorized by Assembly Bill (AB) 6 (Chapter 501, Statutes of 2011), shall become effective for recipient cases upon semi-annual reporting becoming operative in the county in which they reside pursuant to the County's SAR Declaration. The SAR Declaration is a letter submitted. (§40-038.1)

026-1AB ADDED

5/16 Annual Reporting Child Only (AR/CO) as authorized by Senate Bill (SB) 1041 (Chapter 47, Sections 7-10, Statutes of 2012), shall become effective for recipient cases October 1, 2012. Annual reporting child only regulations include a unique regulation design which includes a tandem format for the operation of semi-annual reporting and annual reporting child only. This is because the systems are parallel reporting systems and recipients may go back and forth between SAR and AR/CO. Regulations that are operative under Semi-Annual Reporting are labeled (SAR). Regulations that are operative under Annual Reporting Child Only are labeled

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

(AR/CO). Regulations not labeled are applicable to both reporting systems and therefore remain unchanged. (§40-039.1)

026-1AC ADDED

5/16An Annual Reporting/Child Only (AR/CO) case is a CalWORKs Assistance Unit (AU) that does not include an eligible adult, with the exception of an adult who has been sanctioned due to non-compliance with welfare-to-work (WTW) requirements per Section 42-721. AR/CO cases are subject to annual reporting requirements. (§40-103.9)

026-1B REVISED

9/13

Applicants 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.

(§40-107(j))

026-1BB ADDED 9/13

Applicants shall be assigned by the county a specific QR cycle. To the extent possible, the county shall align the CalWORKs annual redetermination of eligibility with the CalFresh recertification period and also align the redetermination/recertification with the month the QR 7 is due (i.e., the QR Submit Month)

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

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

(§40-107(j))

026-1C REVISED

9/13CalWORKs recipients shall, in addition to the annual completion of the SAWS 2, complete and return a SAR 7 to the county by the 5th calendar day of the SAR Submit Month in which a redetermination is not due, but not before the first calendar day of that month. SAR 7s not received by the 11th of the SAR Submit Month shall be considered late.

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

026-1CC REVISED

9/13The Quarterly Eligibility/Status Report (QR7) form is the document 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). In quarterly budgeting, the data month is the second month of the quarterly budgeting cycle. CalWORKs recipients shall complete and return the QR 7 to the county by the 5th calendar day of each QR submit month but not before the first calendar day of that month. QR 7s not received by the 11th of the QR submit month shall be considered late. (§40-103, §40-181.22)

026-1D ADDED

9/13The CWD should explain to the AU/household that if their actual income is less than the anticipated income, the recipient should make a mid-period, voluntary report of decreased income and provide verification so that the CWD may increase their benefit amount. (All County Letter 12-25, May 17, 2012)

026-2 ADDED 2/04

The following terms apply in the prospective reporting system:

CWD Initiated Mid-Quarter Actions-Changes in eligibility status based on case information that the county is required to act on mid-quarter.

Fluctuating income-When the amount of income is different for each month of the quarter. This includes when income changes from month to month or when the assistance unit/household has income in one or more months in a quarter and no income in other months.

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.

Mandatory Recipient Mid-Quarter Reporting-Reports the recipient is required to make within 10 days to the county.

Prospective Budgeting-Budgeting methodology that uses reasonably anticipated income to determine the benefit level.

QR 7-The quarterly eligibility/status report that replaces the CW 7 and the SAWS 7.

QR/PB Implementation Month-The month all county cases are converted to prospective budgeting.

QR 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.

QR Payment Quarter-The future quarter in which benefits are paid/issued. It begins the first day following the QR Submit Month.

QR Submit Month-The month in which the recipient must submit the QR 7 to the county. It is the third month in each quarter.

Reasonably Anticipated Income-Income that has been or will be approved or authorized as of a date within the upcoming quarter, or the assistance unit/household is otherwise reasonably certain that the income will be received within the quarter; and the amount of income is known.

Stable Income-Income that is expected to remain the same throughout the quarter.

Voluntary Recipient Mid-Quarter Reports-Reports that the recipient may make during the quarter other than on the QR 7. 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.

(All-County Letter No. 03-18, April 29, 2003, p.8)

026-2A ADDED 8/04

QR Data Month-The month for which the recipient reports all information necessary for the county to determine eligibility. The QR Data Month is the second month of each QR Payment Quarter.

QR Payment Quarter-The quarter for which cash aid is paid/issued. A quarter is comprised of three consecutive calendar months. The quarter begins the first day immediately following the QR Submit Month.

QR Submit Month-The month in which the recipient must submit the QR 7 to the county. The QR Submit Month immediately follows the QR Data Month and is the third month of each QR Payment Quarter.

(§40-103.5)

026-2B REVISED

9/13

The 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.

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

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.

(§40-103.5)

026-4A REVISED

9/13

If a recipient submits a new QR7/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 QR7 form is submitted. The applicant eligibility rules do not apply. (Welfare and Institutions Code 11265.4(a) and All County Letter 12-35, §40-181.222)

026-4C REVISED

9/13

If the CalWORKs (formerly AFDC) recipient fails to submit a completed QR 7/SAR 7/SAWS 2 form by the eleventh of the submit month, the county is to send or give the appropriate discontinuance notice. The county is to attempt to make a personal contact with the recipient either by telephone or in a face-to-face interview, during which the recipient must be reminded that a complete QR 7 must be received by the county no later than the first working day of the quarter. If the personal contact is unsuccessful, a reminder notice shall be mailed no later than five days prior to the last calendar day of the submit month. The reminder notice must be sent in a separate envelope from the discontinuance notice. The county shall document in the case file how and when the contact was attempted or made. If on or before the first working day of the quarter the recipient submits a completed QR 7 form, the county is to rescind its discontinuance action. (§40-181.22)

026-4D REVISED

9/13

A CalWORKs (formerly AFDC) recipient may have good cause for failure to submit a complete QR 7/SAR 7/SAWS 2 form in a timely fashion. Good cause exists only when the recipient cannot reasonably be expected to fulfill his/her reporting responsibilities due to factors outside of the recipient's control, i.e., there is a mental or physical condition which prevents timely and

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

complete reporting; when the failure is directly due to county error; or when other extenuating circumstances exist. The burden of the proof rests with the recipient. (§40-181.23)

026-4F REVISED

9/13

If information reported on the QR 7/SAR 7/SAWS 2 is inconsistent with information provided in any mid-period reports the county shall resolve the discrepancy by first contacting the recipient. If the county is unable to contact the recipient or obtain resolution from such contact, the form shall be considered incomplete. (§44-316.231)

026-5 REVISED

9/13

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 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 report late in the month or by the first of the next month.

The county may take county-initiated mid-period action on changes in eligibility or grant status based on redetermination information in accordance with §40-181.1.

(§§40-181.222(a); 44-350.5; 44-316.331(n); All-County Letter No. 03-18, April 29, 2003, p.12)

026-5A ADDED

5/16AB 959 changed the way County Welfare Departments (CWDs) process recently discontinued CalWORKs and CalFresh cases who submit a completed Semi-Annual Report (SAR 7) in the month following discontinuance for failure to submit a completed SAR 7 in the submit month.

The CWDs must restore benefits to the Assistance Unit (AU) without requiring a new application or intake interview, provided all other eligibility criteria are met. Eligibility and benefits shall be determined based on the complete submitted SAR 7 and prorated from the date the AU provides the complete SAR 7.
(ACL 16-25 (April 26, 2016))

026-6 REVISED

9/13

A recipient may establish good cause for failing to return a complete QR 7/SAR 7/SAWS 2 for both CalWORKs and CalFresh benefits. Good cause criteria are those found at MPP §40-181.23. If good cause is found for failing to submit a complete and timely form, the county shall rescind the discontinuance.

(All-County Letter No. 03-18, April 29, 2003, p.14, All County Letter 12-25)

026-6A REVISED

9/13

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

When a recipient requests restoration of aid during the first month after being discontinued for a late QR 7/SAR 7/SAWS 2, the county is required to review whether the recipient had good cause for late submission of the form. If good cause is found, the discontinuance shall be rescinded. If good cause is not established, benefits shall be restored from the date that a complete form was submitted. A new application is not required.

(§40-125.941)

026-7 REVISED

9/13 Eligibility regarding deprivation, household/AU composition, property, and transfer of assets for less than fair market value shall be determined for the payment period based on the information reported on the QR 7/SAR 7/SAWS 2. (§40-181.1(a)(1)(QR))

026-8 ADDED

9/13 Property eligibility is determined only once per SAR period. Under SAR, nonrecurring lump sum payments, which are not recurring regular income and usually nonrecurring in regard to amount and/or source, shall be treated as property in the month of receipt and any subsequent months. (§§40-181.1(a)(1); 42-209.2)

026-8A REVISED 2/05

Property eligibility is determined only once per payment period. Property rules under quarterly reporting remain unchanged under prospective budgeting except that nonrecurring lump sum income is now considered property in the month received in CalWORKs. (§§40-181.1(a)(1); 42-209.2; All-County Letter No. 03-18, April 29, 2003, p.16)

026-8C REVISED

9/13 CalWORKs rules regarding transfer of assets for less than fair market value found at MPP §42-221 remain unchanged. Under prospective budgeting, the period of ineligibility is established at the beginning of the upcoming payment period and continues for the determined number of months. (§42-221.612(b); All-County Letter No. 03-18, April 29, 2003, p.19)

026-10 REVISED

9/13

Recipients shall report in person, verbally or in writing, specific changes during the payment period within ten days of when the AU knows of the change. The AU must report the following changes during the quarter within ten days:

- Drug felony convictions/fleeing felon status/probation or parole violations
- Address changes
- Income in excess of the IRT

The county shall discontinue cash aid to the recipient at the end of the month in which timely and adequate notice can be provided for drug felon, fleeing felon and probation/parole violation cases.

(§§44-316.321 and .322)

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

026-10A ADDED

9/13 Under semi-annual reporting, if any member of the AU or person included in the family MAP when the AU's current grant was determined has earned income, or begins receiving earned income, the AU must report to the county when the family's combined gross monthly income, earned and unearned, exceeds the AU's IRT during the payment period. The report must be made within 10 days the change is known to the recipient.

There are three "tiers" of IRT which will require a mandatory mid-payment period report:

- 1) Income which exceeds 55% of the Federal Poverty Level for a family of three, plus the amount of income last used to calculate the AU's monthly grant amount.
- 2) The amount of income likely to render the AU ineligible for CalWORKs benefits.
- 3) 130 percent of the Federal Poverty Level or the level at which a household becomes financially ineligible for federal SNAP benefits (called CalFresh in California).

A mandatory mid-payment period report is required if a recipient has income which exceeds any of these levels.

(§44-316.324)

026-10AA REVISED 2/05

The IRT is defined as follows:

If any member of a CalWORKs assistance unit or member of the Family MAP has earned income, the assistance unit is required to report that income if total combined earned and unearned income of all persons included in the Family MAP exceeds the greater of 130% of the federal poverty level (FPL), or if the income exceeds the Family MAP.

- Assistance units that have earnings only or a combination of earned and unearned income must report income within 10 days if total income exceeds the IRT.
- Assistance units that have no income or unearned income only will be required to report if they have new earnings, that combined with other family income exceeds the IRT.
- Assistance units with unearned income only (including disability based unearned income) are not required to report income that exceeds the IRT mid-quarter.

(§44-316.324; All-County Letter No. 03-18, April 29, 2003, pp.32-33)

026-10B REVISED 8/04

The county must provide an informing notice to recipients that spells out the IRT limit for each CalWORKs case on an individualized basis. The county must inform each assistance unit at least once per payment period of:

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

- The requirement to report gross monthly income that exceeds the IRT; and
- The consequences for failing to report; and
- The dollar amount of gross monthly income for the Family MAP that exceeds the IRT.

Informing shall also occur when the Family MAP changes, at redetermination/recertification, and upon recipient request. (ACL 03-18, April 29, 2003, p.33)

In addition to providing an informing notice at least once per payment period at redetermination/recertification and upon recipient request, the county shall inform the assistance unit of their IRT anytime there are changes in the CalWORKs assistance unit or family size, or when there is a change of persons who are required to report income. Additionally, the assistance unit must be informed of the new IRT amount anytime the IRT chart is updated. (§40-173.8)

026-10C ADDED 2/04

Failure to report income that exceeds the IRT can result in an overpayment and disqualification from CalWORKs. (All-County Letter No. 03-18, April 29, 2003, pp.33, All County Letter 12-25)

026-10D ADDED 11/05

When the AU reports income in excess of the IRT in the first through fifth month of the current SAR Payment Period, the county shall determine if the reported income is reasonably anticipated to continue and whether the AU's net nonexempt monthly income determined for the remainder of the current SAR Payment Period will result in a lower grant amount or will exceed the income eligibility limits for CalWORKs. If the income is reasonably anticipated to continue to result in a lower grant amount for the remainder of the SAR Payment Period, the county shall recalculate the AU's grant amount for the remainder of the SAR Payment Period. If the income is reasonably anticipated to continue to exceed the AU's income eligibility limits for the remainder of the SAR Payment Period, the county shall determine the AU financially ineligible and shall discontinue the AU at the end of the month in which the AU first received the income that exceeded the AU's eligibility limits, with timely and adequate notice (§ 44-207.23(SAR)).

If it is determined that income will not continue to exceed the IRT the county shall rescind the decrease or discontinuance. (§§44-316.324(c)(1))

026-10DD ADDED 2/04

If a recipient reports receipt of income that exceeds the IRT, the county must determine if the income will continue at that level. If income will continue at that level, and if the assistance unit is financially ineligible based on the new income, the county shall discontinue CalWORKs at the end of the month in which timely and adequate notice can be provided.

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

If the assistance unit reports that the anticipated income will no longer exceed the IRT prior to the effective date of discontinuance, and the county determines the estimate of anticipated income is reasonable, the county must rescind the discontinuance.

If income reported in excess of the IRT will last only one month, the county shall not take action to discontinue benefits. Benefits for the current quarter may not be adjusted as there are no suspense months in quarterly reporting. (All-County Letter No. 03-18, April 29, 2003, pp.39)

026-10E ADDED 2/04

There is no mandatory mid-quarter reporting requirement in CalFresh benefits 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)

026-10F ADDED 2/04

For reports of income that exceed the IRT, verification will not be required prior to taking action to discontinue CalWORKs and CalFresh benefits. For voluntary reports of increased income, the recipient must verify the decrease prior to the benefits being increased. (All-County Information Notice No. I-54-03, August 27, 2003, question and answer 4B)

026-10G ADDED 2/04

Income that must be reported for IRT purposes is the same as income that is required to be reported for determining cash eligibility and grant amount. This includes income of sanctioned, penalized, excluded and timed out individuals.

A CalWORKs recipient will be expected to report when total combined income, earned and unearned, of the assistance unit exceeds the IRT. Assistance units with unearned income only are not required to report when that income by itself exceeds the IRT mid-quarter. (All-County Letter No. 03-57, November 10, 2003)

026-11 ADDED 2/04

In both CalWORKs and CalFresh benefits, 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.

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

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 benefits, 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)

026-11A 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 CalFresh benefits 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. When a case is transferred from a QR/PB county to a retrospective budgeting county (MRRB), the MRRB county must use prospective budgeting to determine the first two months of aid/benefits, similar to how a new application is handled.

(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)

026-12 ADDED 2/04

Recipients may voluntarily report changes in income and circumstances that may increase benefits any time during the payment period. The county will only take action mid-payment period on voluntary reports if the change results in increase to benefits.
(§44-316.31)

026-12A ADDED 2/04

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.

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

026-12B ADDED 2/04

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.
(§44-316.32)

026-12D ADDED 2/04

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

The Reduced Income Supplemental Payment (RISP) is not available in the prospective budgeting system. The provisions of *Jones v. Yeutter* are no longer applicable under prospective budgeting rules. Both RISPs and *Jones* were based on retrospective budgeting. (All-County Letter No. 03-18, April 29, 2003, pp.46-47)

026-12E ADDED 2/04

Anytime a voluntary mid-period report does not result in a change to the grant amount, the CWD shall send a "no-change NOA" informing the AU/household that the voluntarily reported information did not increase their benefits. This is true whether the voluntary report is regarding a change of income, household composition, property, deprivation.

(All-County Letter No. 12-25)

026-12F ADDED 2/04

Under the prospective budgeting system, a new member is added to the assistance unit as of the first of the month following the reported change or at the beginning of a payment period, depending on circumstances. However, for Medi-Cal eligibility purposes based on linkage to cash aid, the new assistance unit member may establish eligibility the month he/she joined the assistance unit.

If the person moving into the home was timely reported on the QR 7/SAR 7/SAWS 2 or was timely and voluntarily reported mid-quarter, cash linked Medi-Cal is effective the month the individual moved into the home. If the recipient did not timely report the new member, cash linked Medi-Cal is effective the month the county received the report of the new assistance unit member.

There is an exception to this beginning date of aid rule. If the assistance unit does not report the birth of a newborn timely, cash linked Medi-Cal for the newborn would begin in the month following the child's birth after eligibility has been established and all verification has been provided. (All-County Letter Nos. 03-18, 12-25)

026-12G ADDED 2/04

For both CalWORKs and CalFresh benefits, 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, 12-25)

026-12H ADDED 2/04

The county must treat the addition/removal of an optional person and his/her income the same way as it would treat a person who is mandatorily included in the assistance unit. The county would add an optional person to the assistance unit the first of the month following the report of the change (if it would result in an increase in benefits) or effective the first of the next payment period if adding the optional person would result in a decrease in benefits. (All-County Information Notice No. I-54-03, August 27, 2003, question and answer 6)

026-13 ADDED 2/04

In the prospective budgeting system, if the assistance unit/household voluntarily requests the county to discontinue benefits for an individual or the whole family, the county shall take action

SHD Paraphrased Regulations - CalWORKs

020 Intercounty-Transfers-etc

to decrease or discontinue benefits as appropriate. If the request is an oral request, the county must provide adequate and timely notice of the reduction or discontinuance. If the request is in writing, 10-day notice is not required but the county must still issue adequate notice. (All-County Letter Nos. 03-18, 12-25)

026-14 ADDED

9/13The CWD should explain to the AU/household that if their actual income is less than the anticipated income, the recipient should make a mid-period, voluntary report of decreased income and provide verification so that the CWD may increase their benefit amount. (All County Letter 12-25, May 17, 2012)

026-15 ADDED 2/04

In the CalWORKs program, prospective budgeting does not provide for reconciling the first two months of aid that are prospectively budgeted. Under prospective budgeting reasonably anticipated income is not reconciled with actual income. (All-County Letter No. 03-18, April 29, 2003, p.66)

026-18 REVISED 2/05

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.

§40-107(j); (All-County Letter No. 03-18, April 29, 2003, p.77)