



CCWRO Welfare News-2019-04

May 27, 2019

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CalWORKs Anti-Work County Practices

In December, Ms. McVinney, a CalWORKs mom with a newborn, got a part-time job working at a family friend's neighborhood store during the Christmas break. Ms. McVinney's mom watched the baby for the several weeks that Ms. McVinney worked.

Her SAR-7 was due in the month of January and her report month was December. She completed the SAR-7 on January 12, included the pay stubs and also included information that she was no longer working.

The following week she received a notice of action stating that the SAR-7 was incomplete because she failed to include verification that she no longer working. Reporting under penalty of perjury that she was no longer working was insufficient. Ms. McVinney had to ask the family friend/store owner for a statement that she no longer worked at his store.

Her benefits were not terminated because she provided verification from a third party that she no longer worked at the store. Six months later she had her annual redetermination. During the redetermination, the worker insisted that Ms. McVinney again provide verification that she was no longer working. She went back to the store owner and got another statement. The store owner was perplexed as to why she needed a second identical notice. After providing the county with a duplicate statement. Ms. McVinney was successfully recertified.

Six months later she got her SAR-7 in January. On January 5 she completed the SAR-7 and reported no income. The county SAR-7 task worker compared the previous year's SAR-7 and the new SAR-7 and

realized that the previous SAR-7 had reported income. There was no verification on the new SAR-7 as to why the income stopped, thus, it was incomplete and could not be accepted. On January 18th, Ms. M. received a notice of action (NOA) stating that her SAR-7 was incomplete because she failed to report income. The NOA did not specify what income.

She then tried to call her worker, but now she had to contact a call center. After a couple of days of calling and being on hold for more than an hour, she reached a live person who told her that her SAR-7 was incomplete because she had no verification that the income she reported on her previous SAR-7 had stopped.

Ms. M. told this worker that she had given the verification to the county twice, the worker said "Your case is closed and we can only reopen it if we get verification" and terminated the conversation.

Ms. M. told her mom that her part time job a year ago had caused such a nightmare, her mother was appalled. Her mother went to the store owner and got the verification again. The store owner was annoyed and decided that she would never hire another welfare recipient.

Ms. M. also learned a lesson – The system is designed to discourage work and punish welfare recipients who have the audacity to work.

FNS approves a minimum threshold of \$400 or more

FNS Approved \$400 Threshold for Waiving CalFresh County-Error Overissuances. In 2012, the Legislature enacted SB 1391 (Senator Liu), a bill sponsored by legal services advocates, that set a \$35 minimum limit for collecting county-caused CalFresh overissuances. In 2017, SB 278 (Senator Wiener) enacted a bill, sponsored by legal services advocates, that authorized CDSS to study the "administrative cost" of establishing and recouping county-

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caused CalFresh overissuances.

CDSS conducted the survey and determined that it costs about \$400 per claim. Subsequently, pursuant to 7 CFR § 273.18 (e)(2), CDSS submitted a request to USDA Food and Nutrition Services (FNS) to establish a minimum threshold of \$400 per claim for non-participating households.

On March 4, 2019, USDA notified CDSS in a letter of approval that FNS had approved the request. The USDA, FNS letter said:

“California requested to establish a \$400 claim threshold for non-participating households, in accordance with 7 CFR 273.18 (e)(2). FNS has reviewed the cost analysis to establish claims that was provided by your office. The WRO (FNS Western Regional Office) agrees that the higher threshold will aid in reducing the administrative costs associated with claims collections, and that use of this threshold is a cost-effective plan for managing California’s claims.

We are pleased to approve a \$400 threshold for non-participating households. These thresholds do not apply to claims arising from quality control reviews. Please let us know the effective date of implementation of these changes.”

CDSS Proposes to Exclude Earned Income of Temporary Census 2020 Employees from the Benefits Calculation for CalFresh. On March 27, 2019 CDSS submitted a demonstration program request entitled “Census 2020 Demonstration Project Declaration Exclusion of Earned Income of Temporary Census Employees.”

The primary dates for Census 2020 operations are from January through June 23, 2020. Under the demonstration project, the earned income of temporary Census 2020 employees can be excluded from consideration when determining Supplemental Nutrition Assistance Program (SNAP) benefits, as long as the earned income is related to Census 2020 operations. This only applies to temporary Census 2020 employees that directly receive income from the Census Bureau. The demonstration project may be extended through September 30, 2020, upon request, in the event that Census 2020 hiring operations are extended. In order to participate in the demonstration project, California will complete a final report by November 30, 2020. To complete the report, California will identify cases where Census 2020 income was excluded and provide to the USDA FNS the following information for all months that demonstration project is approved:

- The number of unduplicated SNAP households that had temporary earnings excluded;
- the average number of months the income was excluded;
- the average monthly benefit these households received; and
- the average amount of excluded Census 2020 income per household with excluded earnings.

It is interesting that the \$400 threshold does not apply to CalWORKs, just CalFresh. We wonder why?

CalFresh Certification Documents Mailed to FNS Civil Rights Office

On October 6, 2017, the USDA FNS Western Regional Office issued guidance stating: “Recently it has come to our attention that Supplemental Nutrition Assistance Program (SNAP) applicants and households are sending certification materials to the United States Department of Agriculture (USDA) instead of the appropriate SNAP state and local SNAP agencies for processing.”

At that time, States, including California, were asked to revise their recertification materials to prevent CalFresh churning. The fact is that the only email address on the CF 37 is federal FNS Civil Rights Office email address. Thus, many CalFresh beneficiaries who wish to avoid churning will email copies of the CF 37 and attachment to the only email address they see on the CF 37 – federal FNS Civil Rights. California does not have an email address for beneficiaries to email their recertification forms and documents.

Two years later, on March 14, 2019, FNS was forced to issue another policy guidance document, again stating: “On October 6, 2017, FNS issued a memo regarding Supplemental Nutrition Assistance Program (SNAP) applicants and households who are sending certification materials to the United States Department of Agriculture (USDA) instead of the appropriate SNAP State agency for processing.

At the time, SNAP State agencies were reminded to review the clarity of their applications and certification material submission instructions to identify areas where they can be made more user-friendly. However, USDA continues to receive large volumes of misdirected SNAP applications.”

Will California reduce churning by providing a correct email address for CalFresh beneficiaries to email their forms and verification documents?

California Nutrition Education Costs About \$100 Million a Year

Nutrition Education is a program designed to educate poor persons and families on how to use their limited CalFresh benefits and urge them to buy fresh fruits and vegetables. The average person on CalFresh receives \$138 a month. That is \$4.60 a day or \$1.53 per meal for food. How can you buy fresh fruits and vegetables for \$1.53 a meal? Many persons and families who are Cal-Fresh beneficiaries endure hunger during the last week of the month.

On March 21, 2019, CDSS received a letter stating that Food and Nutrition Service’s (FNS) approved “...the redistribution of California’s Supplemental Nutrition Assistance Program Education (SNAP-Federal Fiscal Year (FFY) 2018 carry-over funds.”

FNS approved a transfer of FFY 2018 carry-over funds totaling \$1,655,000 from California Department of Public Health to be awarded to the California Department Social Services. CDSS will use the funds to increase program activities, staffing rates and oversight activities. FNS awarded the funds with the expectation that increased oversight and technical assistance will be delivered by CDSS to the state implementing agencies. See **TABLE # 1** for who got what in FY 2018 and FY 2019. The State agency should obligate FFY 2018 carry-over funds by September 30, 2019 and liquidate by December 30, 2019. FFY 2019 funding will be available for expenditure over the two-year period of FFY 2019 and FFY 2020. Using the First In, First Out (FIFO) principle, it is incumbent on the State to expend FFY 2018 funds prior to expending FFY 2019 funds, unless there are notable exceptions. FNS reserves the right to request additional documentation and/or withhold funds for any questionable portion of activities, should FNS at a later date, identify activities and costs that cannot be justified or require further clarification.” CDSS has not reported to the Legislature how the \$1,655,000 will be spent.

TABLE # 1

Entity	FY 2018	FY 2019
California Department Social Services	\$7,148,625	\$9,859,290
California Department of Public Health	\$75,999,191	\$72,500,000
California Department of Aging	\$1,232,661	\$2,512,661
Catholic Charities of California	\$2,612,500	\$3,012,500
TOTAL	\$97,992,977	\$99,284,451

Questions & Answers from the CDSS Santa Clara CAPI Training of January 28-31, 2019

The foregoing are questions and answers from Santa Clara CAPI Training January 28-31, 2019 conducted by CDSS Adult Protection Division:

“Q: May a claimant sign the SSP 14 in his/her own language?”

A: Per SSA: Yes, but two witnesses must attest to the signature. The witnesses do not need to understand the language in which the authorization is signed; they simply attest to the fact that they witnessed the claimant write his or her purported signature on the authorization form.

Q: Is a power of attorney allowed to sign the SSP 14 on behalf of the claimant?

A: Per SSA: No. The claimant him/herself must sign the SSP 14 authorization. See ACL #16-41.

CCWRO COMMENT: *What is the basis of this statement. What SSA rule?*

Q: Does the MEDS system show the re-exam date on the MEDS screens?

A: No. Re-exam date is listed only on the DDSD paperwork.

Q: How do counties verify a NMOHC living arrangement (similar to SSP 22)?

A: For now, an affidavit from the head of household stating that he or she is providing the claimant with NMOHC services is sufficient. CDSS is working on a CAPI form similar to the SSP 22 used for SSI/SSP.

Q: Are retirement/pension (401K) plans of a sponsor counted as resources to the CAPI recipient?

A: If the claimant signed the New Affidavit of Support, sponsor deeming (not parental/spousal deeming) applies, and the current value of the 401(k) is deemed. This is reflected in POMS SI 00502.240(C), and POMS SI 00502.220/SI 01320.910(c)(3). Therefore, the value of a sponsor's 401(k) would be deemed to the claimant, regardless of who is the sponsor.

A sponsor's 401(k) is deemable resource with certain limitations. All income (i.e., anything received in cash or in kind that can be used to meet basic needs of food or shelter) of a sponsor and the sponsor's spouse are included when determining the amount of a sponsor's income subject to deeming (POMS SI 01320.940(A)). Only the resource exclusions that apply to an eligible individual apply to a sponsor (POMS SI 01330.550(A)); a 401(k)/retirement account is not an excludable resource for an eligible individual (POMS SI 01110.210).

However, one exception to deeming a 401(k) could be when the sponsor is either an ineligible spouse or ineligible parent of the CAPI applicant. Per SSA policy, retirement benefits of an ineligible spouse or ineligible parent are not deemed to the recipient (POMS SI 01330.120(A)(1)(b)/SI 01330.220(A)(1)(b)). The county would deem the 401(k) account as described in POMS SI 01120.210 to sponsors who are not ineligible spouses/parents. In terms of counting income for the purpose of deeming, the value of a

retirement fund is the amount of money that an individual can currently withdraw from the fund. If there is a penalty for early withdrawal, the fund's value is the amount available to an individual after penalty deduction. However, the retirement account is not a resource if it is not available; i.e., the sponsor is unable to access the funds.

Exception: Old Affidavit of Support vs. New Affidavit of Support: If the claimant signed the Old Affidavit of Support, and the sponsor is an ineligible spouse or parent, then spousal and parent-to-child deeming still apply, and the 401(k) is not deemed.

Q: Confirmation of ineligibility for disabled (under 65) CAPI applicant whose entry in prior to 08/22/1996.

A: Qualified aliens who were lawfully residing in the United States on August 21, 1996 must be age 65 or older to be eligible for CAPI. (MPP §49-020.21) Claimants lawfully residing in the U.S. on 08/21/1996 who are disabled and less than 65 years of age are ineligible for CAPI.

Q: Can staff use MEDS to determine whether an applicant has received CAPI benefits through another county?

A: Staff can check MEDS to see whether the applicant had an active CAPI case within the last 12 months, through which county, the aid code and the termination date (if applicable). Staff will not be able to view previous CAPI payment history or reason for termination. If no termination date is listed, claimant's CAPI case may still be active."



Governor Newsom Appoints Secretary to the California Health & Human Services Agency

“SACRAMENTO – Governor Gavin Newsom appointed practicing pediatrician and director of health and social impact for Los Angeles County Mark Ghaly as his secretary for the California Health and Human Services Agency (CHHS). As both a physician and an expert in public health, Ghaly brings a deep knowledge and understanding of how individual and community health outcomes intersect with policy and law on issues like whole-person care, mental health and stage of life care. He will help lead the administration's efforts to advance the Governor's health care agenda, including proposals to lower prescription drug costs, provide coverage to young undocumented adults through Medi-Cal, and help put California on a path toward single-payer health care.

“At a time when the Trump Administration is systematically dismantling health care protections for American families, California is moving forward on ideas to cover more people and make health care more affordable,” said Governor Newsom. “Mark's experience, passion and vision will be instrumental in driving California to a healthier future.”

Mark Ghaly, 44, of South Pasadena, has served as director of health and social impact for Los Angeles County since 2018. He was deputy director of the Los Angeles County Department of Health Services overseeing community health and integrated programs from 2011 to 2018 and medical director for the Southeast Health Center, a San Francisco Department of Public Health clinic, from 2006 to 2011. Ghaly earned a Doctor of Medicine degree from Harvard Medical School and a Master of Public Health degree in health policy from the Harvard School of Public Health. This position requires Senate confirmation and the compensation is \$209,943. Ghaly is a Democrat.” *Source: The Governor Press Office.*