CALFRESH (CF) PROGRAM
REQUEST FOR POLICY/REGULATION INTERPRETATION

INSTRUCTIONS: Complete items 1 - 10 on the form. Use a separate form for each policy interpretation request. If additional space is needed, please use the second page. Be sure to identify the additional discussion with the appropriate number and heading. Retain a copy of the CF 24 for your records.

- Questions from counties, including county Quality Control, must be submitted by the county CalFresh Coordinator and may be submitted directly to the CalFresh Policy analyst assigned responsibility for the county, with a copy directed to the appropriate CalFresh Policy unit manager.
- Questions from Administrative Law Judges may be submitted directly to the CalFresh Policy analyst assigned responsibility to the county where the hearing took place, with a copy of the form directed to the appropriate CalFresh Bureau unit manager.

1. RESPONSE NEEDED DUE TO:
   - ☐ Policy/Regulation Interpretation
   - ☐ QC
   - ☑ Fair Hearing
   - ☐ Other:

5. DATE OF REQUEST: March 21, 2016
   NEED RESPONSE BY: April 4, 2016

6. COUNTY/ORGANIZATION: San Diego County

7. SUBJECT: Mid Period Reporting

2. REQUESTOR NAME: Antonia Agerbek

3. PHONE NO.: (916) 651-0927 (Main Phone Line)

4. REGULATION CITE(S): ACL 12-25

8. REFERENCES: *(Include ACL/ACIN, court cases, etc. in references)*
   NOTE: All requests must have a regulation cite(s) and/or a reference(s).
   ACL 12-25

9. QUESTION: (INCLUDE SCENARIO IF NEEDED FOR CLARITY):

ACL 12-25 and subsequent ACLs and ACINs provide that for the CF program, all recipients (both PACF and NACF) are required to report any change in income that is likely to render them ineligible for CF benefits (130 percent of the FPL). The question is whether all earned and unearned income must be reported and, if not reported, is there an overissuance when the county discovers through IEVS data that the household began to receive unearned State Disability Income in excess of the IRT for the household of three? Does Example 2 on page 40 of ACL 12-25 apply to the CF program when the household has no earned income and begins to receive unearned income in excess of the IRT? In other words, is the household not required to report income over the IRT when the only income the household has is unearned income? If not required to be reported and not reported, is the county required to take action to discontinue the household and establish an overissuance when the household's unearned income exceeds the IRT? The facts of the case involving this rehearing request are described in more detail on page two. Attached is the state hearing decision and request for rehearing.

10. REQUESTOR'S PROPOSED ANSWER:

All earned and unearned income is required to be reported by a NACF household mid-period within 10 days of when that income exceeds the IRT for the household. Because the county received verification of a known amount of income that could reasonably be anticipated to continue for the certification period and the county determined the household's net income exceeded the net income limit for any allotment for the household of three, the household must be discontinued effective May 31, 2015 and an overissuance must be established for the allotment issued in excess of what the household should have received for May 2015 ($511).

11. STATE POLICY RESPONSE *(CFPB USE ONLY)*:

The CalFresh Policy Branch concurs with the ALJ's proposed answer.

ACL 13-17, pg 5 and MPP 63-502.11 provide that households with an IRT must report any income received earned or unearned that is over their IRT.

MPP 63-801.31 provides that the CWD shall establish a claim against any household that has received more food stamp benefits than entitled to receive. A claim shall be handled as an inadvertent household error claim if the overissuance was caused by a misunderstanding or unintended error on the part of the household.

FOR CDSS USE

DATE RECEIVED:	DATE RESPONDED TO COUNTY/ALJ:
03/21/16	04/04/16 VM

CALFRESH (CF) PROGRAM
REQUEST FOR POLICY/REGULATION INTERPRETATION (Continued)

1. RESPONSE NEEDED DUE TO: ☐ Policy/Regulation Interpretation ☐ QC ☐ Fair Hearing ☐ Other:	5. DATE OF REQUEST: March 21, 2016 NEED RESPONSE BY: April 4, 2016 6. COUNTY/ORGANIZATION: San Diego County 7. SUBJECT: Mid-Period Reporting
2. REQUESTOR NAME: Antonia Agerbek 3. PHONE NO.: (916) 651-0927 (Main Phone Line) 4. REGULATION CITE(S): ACL 12-25	8. REFERENCES: *(Include ACL/ACIN, court cases, etc. in references)* **NOTE: All requests must have a regulation cite(s) and/or a reference(s).** ACL 12-25

The claimant's household consists of the claimant (who meets the definition of elderly), his wife, and their 18 year old son. The claimant's wife receives UIB of $129 per week and their son has no income. The claimant was working and submitted an incomplete SAR 7 report for data month March 2015 on April 10, 2015 and then submitted a complete report late on April 24, 2015. The claimant reported on the SAR 7 that he stopped working as of March 10, 2015 and received his last paycheck on March 20, 2015. On an attachment page dated April 5, 2015, the claimant explains that he had to stop work due to his "on-going chronic health disposition." The claimant states, "I need to put my current ailments in order and under control, before I can properly return back to work again. This may require some further hospitalization, surgical interventions and so on. Unfortunately, some of my scheduled referrals are not for quite some time, which deems me unable to work." He also states he is "in the process of applying for temporary disability insurance. Not having had much experience in the past from being away from working, I am unused to and somewhat unclear about the various qualification limits, eligibilities and criteria."

On April 29, 2015, the county received verification through an IEVS report that the claimant had been approved for State Disability Insurance (SDI) as of April 9, 2015 and that he would be receiving $1,124 bi-weekly. On May 27, 2015, the county received verification that the claimant's paycheck dated March 20, 2015 was his final check and his income could no longer be anticipated after March 2015. The county received information that the claimant went on medical leave and was not terminated from his employment.

The county converted the claimant's unearned income from SDI to $2,435.70 and the wife's unearned income from UIB to $559.08 for a total income to the household of $2,994.78. The county determined that this exceeded the IRT for a household of three of $2,144. The household was notified of the IRT on 2/24/2015 via a SAR 2. The claimant did not report receipt of income over the IRT to the county.

The county contends the claimant was required to report all income over the IRT within 10 days of when he began receiving SDI on April 9, 2015. The county determined the household's total income of $2,994.78 was less than the limit for a household of three to have MCE status ($3,255); however, the allotment for the household's net income level was $0.00. Therefore, per ACL 14-56, the county discontinued the household effective May 31, 2015 and determined the household received an overissuance of $511 for May 2015.