

FIELD OPERATIONS BUREAU

CalFresh Review Unit (CFRU)

TRANSMITTAL NUMBER: 12-05

December 19, 2012

TO: All Food Assistance Action Committee (FAAC)
Members and Field Operations Bureau (FOB) staff

SUBJECT/PURPOSE: Categorical Eligibility Policy

RELATED REFERENCE: 7 CFR 273.2(j)(2)(v), MPP 63-301.7, FNS Handbook 310, Section 130, FNS Question and Answer Memo dated 01/31/11, ACL 12-62

SUPERSEDES: Transmittal 00-07

EFFECTIVE DATE: Beginning with October 2012 Sample

BACKGROUND:

FNS has brought to the attention of CFRU that there may be confusion about categorical eligibility (CE) in CalFresh Quality Control (QC) reviews as it relates to BBCE/MCE households. As defined in ACL 12-62, FNS identifies three types of CE:

- Broad-based categorical eligibility (BBCE)/ Modified categorical eligibility (MCE): the policy that makes most households eligible for CF benefits because the household receives a TANF or MOE funded service, such as a brochure or pamphlet.
- Narrow categorical eligibility: Narrow CE refers to the policy that makes a smaller number of households eligible though the receipt of a TANF/MOE funded service such as child care or counseling. Both BBCE and Narrow CE are for households not receiving a cash benefits, such as CalWORKs.
- Traditional categorical eligibility (CE): CE refers to the mandatory policy that makes households eligible for CF benefits because the household receives TANF (CalWORKs), or General Assistance.

As explained in FNS Question and Answer Memo dated January 31, 2011 (Attachment A), verifications for resources, gross and net income, social security numbers, sponsored alien information, and residency for BBCE households are the responsibility of the TANF program. They are TANF verifications even if they are listed in the State SNAP (CalFresh) Manuals and **should not be verified** by SNAP QC at the time of the review.

A CalFresh household is conferred BBCE/MCE when a household has passed the gross income test and is given the PUB 275 which is included in the application packet (or on a linked web-site).

INSTRUCTIONS:

The procedures for reviewing QC cases in which households are CE eligible have not changed, see MPP 63-301.7. For QC reviews of Active and Negative CalFresh cases where CE is conferred for the CalFresh household the verifications for resources, gross and net income, social security numbers, sponsored alien information, and residency should not be verified or taken into consideration for eligibility purposes by the QC reviewer. The case record must document that the household was conferred MCE/BBCE status by the eligibility worker. The documentation, which should be included in the QC reviewer's case file, can be in the form of case narration or a screen shot showing MCE/BBCE status.

Under traditional CE, if a household member is disqualified for an intentional program violation (IPV), the entire household loses its CE status. Therefore, verification for resources, gross and net income, social security numbers, sponsored alien information, and residency would be required to be provided for the entire household, including the disqualified household member with the IPV. When an entire household is MCE/BBCE conferred, and a member of the CalFresh household is later disqualified, QC must exclude from their review the resources and other verification that is deemed under regular CE, including the disqualified member with the IPV.

For Active reviews, if MCE/BBCE is conferred then Item 010-F012, "Categorical Eligibility Status", should be entered (1) Yes. For both Active and Negative case reviews, reference to the CE or MCE/BBCE status should be made in the QC case narrative.

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ATTACHMENT A

QUESTIONS AND ANSWERS on Broad-Based Categorical Eligibility from FNS
Question and Answer Memo dated January 31, 2011.

Disqualifications in Categorically Eligible Households

Question 1: Are the resources of a household that is categorically eligible because of BBCE excluded if a member of the household receives an intentional program violation (IPV)?

Answer: Please note, once a household member is disqualified for an IPV, the entire household is no longer categorically eligible for SNAP. As was written in question 10 of the corrected Questions and Answers issued on May 19, 2010, the non-disqualified members cannot maintain categorical eligibility, but can participate in SNAP if they meet the regular SNAP eligibility requirements.

However, in a State with BBCE in which the State has determined that the whole household benefits, the State must exclude the resources of the entire household, including the member with the IPV. 7 CFR 273.8(e)(17) requires States to exclude the resources of individuals receiving cash TANF and SSI. Under this regulation, States must also exclude the resources of an individual or household that receives non-cash or in-kind services from a program used to confer categorical eligibility. Therefore, if the State determines that the entire household benefits from the TANF program used to confer BBCE eligibility all household members are said to receive TANF benefits. Therefore, the State does not count the resources of any of the individuals in the household.

Although the resources are excluded, the household has lost its categorical eligibility status and must meet all other regular SNAP requirements.

Please note, the person with the IPV is an ineligible household member whose income will still be counted towards the household's income.

Net Income Limits

Question 2: Can a State implement BBCE using a program that only has a net income limit?

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Answer: If the program used to confer categorical eligibility furthers purposes 1 or 2 of TANF, the State may opt to have only a net income limit. Programs that further purposes 1 or 2 must serve families with children.

If the program used to confer categorical eligibility furthers purposes 3 or 4 of TANF, the program must have a gross income limit of no more than 200 percent of the Federal Poverty Guidelines (FPG), with the option for a net income limit. In order to confer categorical eligibility, these programs must not have a net income limit only.

What Can Be Used to Confer Categorical Eligibility

Question 3: Does a State agency need a pamphlet to confer BBCE? Can it use the application or notice of eligibility?

Answer: A State agency may use a pamphlet, application, or notice of eligibility to confer categorical eligibility or inform the household that it is authorized to receive benefits from the program that confers categorical eligibility.

Question 4: What wording is sufficient to confer categorical eligibility with the application or notice of eligibility?

Answer: There are no specific wording requirements. The wording should make it clear that the household is authorized to receive benefits from the program that confers categorical eligibility. For example, State agencies could use "authorized to receive", "qualify", "eligible", or any other word or phrase that conveys the same sentiment.

Question 5: What part the TANF program that confers categorical eligibility must be funded through TANF or MOE funds?

Answer: State agencies may refer the household to a TANF or MOE funded service or may use TANF or MOE funds to pay for the document that provides the notification (e.g. pamphlet). If the State agency uses TANF or MOE funds to print the referral to services, the State agency is not required to refer the household to a TANF or MOE funded service. In this situation, the TANF or MOE funded benefit is the notification that the household is eligible to receive services. If the State agency uses a document that is printed without the use of TANF or MOE funds, the State agency must refer the recipient to TANF or MOE funded services. In this case, the TANF or MOE funded benefit is the actual service, not the referral.

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When a Household Is Categorically Eligible under BBCE

Question 6: When is a household categorically eligible for SNAP under BBCE?

Answer: A household is categorically eligible for SNAP under BBCE when the State agency determines that the household is eligible and is certified for the TANF program that confers categorical eligibility. In other words, the household is categorically eligible for SNAP on the certification effective date for the TANF program. The household may receive the benefit (e.g. pamphlet) at the time of eligibility determination at a later date (e.g. in the mail).

Question 7: If a State agency confers BBCE through the notice of eligibility, is the household categorically eligible during the period between certification and receipt of the notice of eligibility?

Answer: Yes. The household becomes categorically eligible once the State determines that the household is eligible for and is certified for the TANF program that confers categorical eligibility. This means that the household is categorically eligible during the period between the certification effective date for SNAP and receipt of the notice of eligibility.

Documentation of Categorical Eligibility

Question 8: Do State agencies need to document when the household actually receives the TANF or MOE funded benefit (e.g. pamphlet, referral, etc.)?

Answer: No. The State must document in the case file that the household was determined categorically eligible. The household is categorically eligible for SNAP when the State agency determines the household eligible and certifies it for the TANF program that confers categorical eligibility, not when the household receives the TANF or MOE funded benefit. In addition, the State is not required to document that it provided the TANF or MOE funded benefit.

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What Can Be Deemed

Question 9: The regulations at 7 CFR 273.2(j)(2)(v) state:

"The eligibility factors which are deemed for food stamp eligibility without the verification required in paragraph (f) of this section because of PA/SSI status are the resource, gross and net income limits; social security number information, sponsored alien information, and residency. However, the State agency must collect and verify factors relating to benefit determination that are not collected and verified by the other program if these factors are required to be verified under paragraph (f) of this section."

Is the State agency required to deem resources, gross and net income, social security numbers, sponsored alien information, and residency for broad-based categorically eligible households?

Answer: The State SNAP agency must deem resources, gross and net income, social security numbers, sponsored alien information, and residency for categorically eligible households without requiring additional verification requirements. Categorical eligibility is meant to be a policy simplification that eliminates the need to verify information that another program has already verified.

FNS expects that any TANF program that confers categorical eligibility would have verification requirements in order to ensure that the household meets that program's eligibility requirements, and that many of the TANF eligibility requirements are similar to those for SNAP. Therefore, FNS expects that the TANF program would have verification requirements that encompass the eligibility factors that are deemed for SNAP purposes.

The verifications for resources, gross and net income, social security numbers, sponsored alien information, and residency for BBCE households are the responsibility of the TANF program. They are TANF verifications even if they are listed in State SNAP manuals and should not be verified by SNAP QC.

Question 10: Can a State agency use categorical eligibility to deem more eligibility factors than resources, gross and net income, social security numbers, sponsored alien information, and residency?

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Answer: No. A State agency may only use categorical eligibility to deem resources, income, social security number, sponsored alien information, and residency. As 7 CFR 273.2 (j)(2)(v) states, the State agency must collect and verify anything else that must be verified according to 273.2(f) and is not collected or verified by the program that confers categorical eligibility.

D-SNAP and Categorical Eligibility

Question 11: Does BBCE apply to Disaster SNAP (D-SNAP)?

Answer: BBCE does not apply to D-SNAP. D-SNAP is a simplification of the regular SNAP rules and is designed to provide immediate temporary relief to families affected by a recent disaster. Eligibility for D-SNAP is based on an eligibility test that combines both income and liquid resources for that month. Removing the resource limit and increasing the income limit through BBCE does not coincide with the purpose or function of D-SNAP.

Continuing to require a resource limit for D-SNAP would not hurt any households that are eligible due to BBCE because households that currently receive SNAP are not eligible for D-SNAP. State agencies can assist these households by requesting supplemental benefits to provide the maximum benefit allotment to current SNAP clients that month.

Calculating Standards at 200 Percent of Federal Poverty Guidelines

Question 12: Does FNS provide State agencies that have implemented BBCE with guidelines for calculating gross income limits for the TANF program, such as 200 percent of FPG?

Answer: No. FNS does not provide State agencies with guidelines for calculating gross income limits used by TANF program, such as the 200 percent of FPG. Since the programs that confer BBCE are TANF funded programs, it would be inappropriate for FNS to provide guidelines or to dictate the methodology the TANF program should use for calculating the gross income limit. Therefore, the TANF program may use whatever methodology, including rounding requirements, to calculate its gross income limits.

Transfer of Resources

Question 13: Do State agencies need to ask households that are categorically eligible under a BBCE program without a resource limit to provide information that they did not transfer resources prior to applying for SNAP?

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Answer: No. State agencies do not need to ask households that are categorically eligible under a BBCE program without a resource limit to provide information that they did not knowingly transfer resources prior to applying for SNAP. In this situation, the transfer of resources has no bearing on the household's eligibility for SNAP because the program that confers BBCE does not have a resource limit.

Forever Eligible

Question 14: Are households that are categorically eligible under BBCE forever categorically eligible?

Answer: No. Households that are categorically eligible under BBCE are not forever categorically eligible. When a household recertifies for SNAP, the State agency must verify that the household is authorized to receive benefits from the TANF program that confers BBCE. If the household is no longer authorized to receive these benefits, then it is no longer categorically eligible for SNAP.