

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY DEPARTMENT OF SOCIAL SERVICES

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May 10, 2013	REASON FOR THIS TRANSMITTAL
ALL COUNTY INFORMATION NOTICE: I-24-13	[] State Law Change [] Federal Law or Regulation Change [] Court Order
TO: ALL COUNTY WELFARE DIRECTORS	[] Clarification Requested by One or More Counties [X] Initiated by CDSS

ALL CONSORIUM PROJECT MANAGERS

ALL COUNTY CALFRESH PROGRAM SPECIALISTS

ALL COUNTY WELFARE FRAUD CHIEF INVESTIGATORS

ALL QUALITY CONTROL COORDINATORS

SUBJECT: CALFRESH ADMINISTRATIVE ERROR OVERISSUANCES

REFERENCE: MANUAL OF POLICY AND PROCEDURES (MPP) 63-801.222 and

63-801.736(a), ALL COUNTY LETTER 00-59

This All County Information Notice is to provide clarification to state regulations regarding the collection of CalFresh administrative error (AE) overissuances subject to the <u>Lomeli</u> v. <u>Saenz</u> court case settlement agreement. MPP Sections 63-801.222 and 63-801.736(a) could be interpreted to be in conflict with one another regarding the amount that may be recouped through benefit reduction for CalFresh AE claims.

Both MPP Sections 63-801.222 and 63-801.736(a) provide regulations that establish the maximum amount that may be recouped from CalFresh benefits for AE claims. For those CalFresh AE claims in which benefit allotment reduction began on or after March 1, 2000, MPP Section 63-801.222 requires that CalFresh AE overissuances be collected through allotment reduction by five percent or \$10.00, whichever is greater, for up to a total of 36 consecutive calendar months. This regulation is in compliance with the Lomeli v. Saenz court case settlement agreement. In contrast to the settlement agreement, MPP Section 63-801.736(a) states that AE as well as inadvertent household claims are to be recouped by ten percent or \$10.00, whichever is greater.

Effective immediately, CWDs are only to recoup **AE claims as prescribed at MPP Section 63-801.222**. CWDs are to follow the allotment recoupment level stated at MPP 63-801.736(a) for the recoupment of inadvertent household claims only. If there is a change to be made to an existing AE allotment recoupment for Quarterly Reporting households pursuant to this letter, CWDs are to follow the recoupment by allotment adjustment for QR households as outlined in MPP 63-801.737.

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If you have any questions regarding the content of this letter, please contact your policy consultant or the CalFresh Policy Bureau at (916) 654-1896.

Sincerely,

Original Document Signed By:

TODD R. BLAND Deputy Director Welfare to Work Division