

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



June 22, 1981

ALL-COUNTY INFORMATION NOTICE

I-76-81 TO: ALL COUNTY WELFARE

DIRECTORS

SUBJECT: SOCIAL SECURITY COST OF LIVING INCREASE

REFERENCE:

The Social Security Administration has announced a cost of living increase of 11.2 percent for all Retirement, Survivors and Disability Insurance (RSDI) beneficiaries effective July 1, 1981. For those AFDC and Food Stamp recipients who receive RSDI, this increase will be considered as net nonexempt income and will require recalculation of the grant. The share of cost must be recalculated for those In-Home Supportive Services (IHSS) recipients eligible under 30-455.12, .13, or .14, who receive RSDI benefits.

An increase in Railroad Retirement Board (RRB) benefits will be effective July 1981, and will also be considered net nonexempt income. However, unlike RSDI benefits, RRB benefits are not increased by a single percentage amount. According to the RRB, the actual amount of the increase can only be determined on a case-by-case basis by the Railroad Retirement Board.

AFDC, IHSS

In AFDC, the RSDI and RRB cost of living increase should be reflected on the Form CA-7 Monthly Eligibility Report, submitted in August 1981. These increases should be used in determining financial eligibility for the month of receipt. These increases should also be used to compute grant amounts using concurrent budgeting for the first two months of aid and using retrospective budgeting the third and subsequent months. The accuracy of reported increased RSDI benefit amounts may be verified by multiplying the old benefit by 1.112.

Notification via the appropriate Notice of Action form is required for recipients of AFDC and IHSS whose grants are adjusted due to RSDI or RRB benefit increases.

FOOD STAMPS

For purposes of determining Food Stamp Program eligibility and benefit level, counties shall anticipate that a household's income from the RSDI benefit will be increased by 11.2 percent beginning in July 1981 (see M.S. 63-503.221). For applicant households with RSDI beneficiaries, the anticipated RSDI benefit change should be applied effective July 1, 1981, and for currently certified households, the adjustment of benefit levels to reflect the anticipated RSDI benefit change should be made effective no later than August 1, 1981. The amount of the new RSDI benefit should be determined by multiplying the current benefit by 1.112.

In the Food Stamp Program, the county is responsible for making timely changes to Food Stamp budgets and for sending the appropriate notice of action in those cases where the coupon allotment is adjusted. Per M.S. 63-504.242, individual Notices of Adverse Action are not required when counties initiate mass changes in food stamp benefits to reflect mass changes in Social Security benefits. Thus, to meet the requirement for notifying these households of their food stamp benefit changes, counties may send general (mail stuffer) notices explaining the right to request a State Hearing (see sample attachment for suggested language).

Separate information will be provided concerning the benefit level cost of living increases applicable to the AFDC, SSI/SSP, and IHSS programs.

Questions about the effect of RSDI or RRB increases on program eligibility or benefits should be directed to your appropriate program management consultant.

AFDC	(916) 445-4458
Food Stamps	(916) 322-5475
IHSS	(916) 445-8724

Attachment

cc: CWDA