

HANDBOOK BEGINS HERE

.1 Background

On May 9, 1990, the Jacobson v. Anderson lawsuit was filed with the San Luis Obispo County Superior Court. This lawsuit challenged the California Department of Social Services' (CDSS) policy of allowing county welfare departments (CWDs) to refuse to approve plaintiffs' self-initiated programs (SIPs) under the Greater Avenues for Independence (GAIN) Program as GAIN activities solely because their SIPs would require more than two years to complete. This policy was in violation of the Welfare and Institutions Code Section 11310 et seq. in effect before October 1990. In this class action, plaintiffs sought approval of their SIPs under GAIN, restoration of their full Aid to Families with Dependent Children (AFDC) grants and retroactive or prospective supportive services under GAIN for plaintiffs' approvable SIPs. Plaintiffs also sought a declaratory judgment that the CWDs' practice of disapproving otherwise valid SIPs solely because they could not be completed within two years was unlawful under former Welfare and Institutions Code Section 11320.5(b)(5). CDSS agreed that CWDs could not disapprove SIPs before October 1990 solely because the SIPs could not be completed in two years. CDSS also agreed to restore cash aid to those persons who were sanctioned because they refused to quit their SIPs to participate in GAIN, to provide retroactive or prospective supportive services to those persons who were denied such services and to allow those persons who choose to re-enroll in their approvable SIPs to do so in lieu of their other GAIN activities. On April 12, 1993, the San Luis Obispo County Superior Court signed the Settlement and Consent Decree.

HANDBOOK ENDS HERE

.2 Definitions

For the purpose of these regulations:

- a. (1) "ABCDM 228 (Rev. 10/78)" (Release of Information Form) means the document used by CWDs to obtain documentation when the class member does not have the necessary information or is unable to provide such information.
- (2) "Approvable SIP" means a self-initiated educational or vocational training program of limited duration which is expected to lead to unsubsidized employment as specified in Section 50-023.91.
- b. (1) "Claim period" means the time in which a class member may file a claim under the Jacobson v. Anderson lawsuit. The claim period shall be 90 days beginning July 1, 1993 and ending midnight September 28, 1993.

50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT	50-023
---------------	--	---------------

(Continued)

- c. (1) "Class member 1" means those persons:
- Whose SIPs were initially disapproved solely because their SIPs could not be completed within two years, and they refused to participate in GAIN so they could continue in their SIPs and who were sanctioned for nonparticipation in GAIN;
- or
- (2) "Class member 2" means those persons:
- Whose SIPs were initially approved but not completed when class members reached the two-year limit, and they continued to participate in their SIPs and refused to participate in their GAIN components that would interfere with the continuation of their SIPs and were sanctioned for nonparticipation in GAIN;
- or
- (3) "Class member 3" means those persons:
- Still on aid and whose SIPs were initially disapproved and who quit their SIPs on or after June 1, 1989 to participate in GAIN in order to avoid sanction for nonparticipation in GAIN;
- or
- (4) "Class member 4" means those persons:
- Still on aid and whose SIPs were initially approved and:
- (A) They quit their SIPs on or after June 1, 1989 because they had reached the two-year limit for GAIN SIPs; and
 - (B) They had not completed the SIP at the time of quitting; and
 - (C) They quit their SIP to participate in GAIN in order to avoid a sanction for nonparticipation in GAIN.
- or
- (5) "Class member 5" means those persons:
- Still on aid and who were exempt from GAIN registration, volunteered to participate in GAIN and whose SIPs were initially disapproved solely because their SIPs could not be completed within two years.

50-023 **JACOBSON V. ANDERSON RETROACTIVE LAWSUIT** **50-023**
(Continued)

- (A) Persons claiming membership in this class must be able to verify their initial contact with the CWD (e.g., GAIN registration, AFDC application, request for SIP approval).
 - 1. Verification shall include, but is not limited to, CWD phone records and logs.
 - 2. Self-certification of contact with CWDs shall be accepted unless the CWD has evidence to the contrary.
 - 3. The absence of a formal or written denial of a SIP or case log entry is not evidence of the lack of contact between the class member and the CWD.
- (B) This class excludes persons in counties which were not accepting exempt volunteers into GAIN prior to October 1, 1990.
- (C) This class also excludes exempt volunteers who have had their SIPs approved since October 1, 1990.
- d. (1) "Corrective payment" means the retroactive payment of cash aid and/or supportive services inappropriately withheld from a class member.
- e. (Reserved)
- f. (1) "Five standard languages" means Spanish, Vietnamese, Laotian, Chinese and Cambodian.
 - (2) "Four standard Asian languages" means Vietnamese, Laotian, Chinese and Cambodian.
- g. (1) "GEN 1172 (5/93)" (Court Case Statistical Report) means the form used by CWDs to gather data regarding the claims filed and paid under this lawsuit.
- h. - m. (Reserved)
- n. (1) "NOA" means a notice of action (NOA) that is considered to be adequate within the meaning of MPP Section 22-021.
- o. - q. (Reserved)

HANDBOOK CONTINUES

- (a) The TEMP GAIN 78 shall be printed in English on one side with bullets in the five standard languages on the other side.
 - (1) The English version shall contain a brief statement to inform potential class members of possible corrective payments and/or supportive services and/or eligibility to re-enroll in their approvable SIP as specified in the Jacobson lawsuit.
 - (2) The bullets shall state essentially: "If you enrolled in an education or training program on your own and GAIN wouldn't approve that program because it would take more than two years to finish or your program was approved but it could not be finished in two years, GAIN may owe you money. Call your GAIN worker or 1-800-952-5253 to get more facts."

- .313 Print TEMP GAIN 79 and 80 in English and Spanish with bullets in the four standard Asian languages.
 - (a) The English version shall contain a brief statement informing potential class members that GAIN may owe them money and they may be eligible for supportive services from GAIN and/or be eligible to re-enroll in their approvable SIP as specified in the Jacobson lawsuit.
 - (b) The bullets shall state essentially: "If you enrolled in an education or training program on your own, and GAIN wouldn't approve that program because it would take more than two years to finish or your program was approved but it could not be finished in two years, GAIN may owe you money. Call your GAIN worker or 1-800-952-5253 to get more facts."

- .314 Provide CWDs a:
 - (a) Reproducible copy of the TEMP GAIN 81 in English and the five standard languages.
 - (b) Reproducible copy of NOAs in English and the five standard languages.

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- (c) Supply of TEMP GAIN 79.
- .315 Mail copies of TEMP GAIN 79 to legal aid and welfare rights organizations of plaintiffs' choice.
 - (a) Plaintiffs' counsel shall provide CDSS with the mailing labels not to exceed 600.
- .316 Provide public service announcements to the media two weeks before the beginning of the claim period and two weeks before the end of the claim period.

HANDBOOK ENDS HERE

.32 Responsible CWDs

Alpine, Butte, Contra Costa, El Dorado, Fresno, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Mariposa, Merced, Modoc, Mono, Monterey, Nevada, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Siskiyou, Solano, Sonoma, Stanislaus, Tulare and Tuolumne.

.33 CWD responsibilities. CWDs shall:

- .331 Mail a TEMP GAIN 80 by July 1, 1993 to all persons sanctioned during the retroactive period if the CWD does not possess separate records of class members who were sanctioned by GAIN but possess separate records of persons sanctioned by AFDC.
 - (a) If a CWD does not possess separate records of persons sanctioned by AFDC, CDSS shall mail a TEMP GAIN 78 to all persons currently receiving AFDC in the county as a stuffer with the Medi-Cal card.
 - (b) If a CWD possesses separate records of persons sanctioned by GAIN during the retroactive period, the CWD shall review case files as specified in Section 50-023.5.

50-023 **JACOBSON V. ANDERSON RETROACTIVE LAWSUIT** **50-023**
(Continued)

- .332 Place a TEMP GAIN 79 in conspicuous locations in all welfare offices and GAIN offices.
- (a) The TEMP GAIN 79 shall be displayed until close of business September 28, 1993.
- .333 Provide a TEMP GAIN 79 to community colleges, four year colleges and universities, both public and private, requesting that they display the TEMP GAIN 79 in conspicuous locations on each campus.

HANDBOOK BEGINS HERE

- (a) It is recognized and agreed that CDSS and/or CWDs cannot require educational institutions to display the TEMP GAIN 79.

HANDBOOK ENDS HERE

- .334 Reproduce an adequate supply of the TEMP GAIN 81 in English and the five standard languages.
- .335 Give or mail a TEMP GAIN 81 to anyone upon request.
- .4 Application for Corrective Payment
- .41 Class members' responsibilities. Class members shall:
- .411 Complete and sign under the penalty of perjury a TEMP GAIN 81.
- .412 Provide necessary additional information, documentation or clarification upon request from a CWD.
- .413 Submit a completed TEMP GAIN 81 to the responsible CWD if possible.
- (a) Class members may also submit a TEMP GAIN 81 to each responsible CWD if there was more than one CWD in which the class member was affected by the Jacobson v. Anderson lawsuit.
- (b) Class members may submit the TEMP GAIN 81 to the current county of residence but must list the responsible CWD and complete a TEMP GAIN 81 for each county.

50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT	50-023
---------------	--	---------------

(Continued)

- .414 Submit the TEMP GAIN 81 on or before the end of claim period.
- (a) If mailed, postmark must be no later than September 28, 1993.
 - (b) Persons shall be permitted to resubmit a previously denied claim during the claim period.
- .42 CWD responsibilities. CWDs shall:
- .421 Stamp the TEMP GAIN 81 with the date received and retain envelopes postmarked after September 28, 1993.
- .422 If the postmark date cannot be determined, the CWD shall use the date the class member signed the TEMP GAIN 81 to determine when the claim was received.
- .423 Issue a NOA M50-023D (7/93) denying the claim within 60 days of receipt if the TEMP GAIN 81 is postmarked after claim period.
- .424 Maintain all documents until the end of the claim period and retain all records which contain documents relevant to the Jacobson lawsuit for three years from when the claim is processed or the date the last expenditure report for federal reimbursement or the termination of the lawsuit whichever is later.
- (a) Documents included are those used to determine eligibility for the class (including denials) and those used to determine the amount of corrective payments.
 - (b) Documents which are relevant also include case records, payment records, assistance claims, reimbursement claims, claim verification and any other documents related to this lawsuit.
- .425 Determine the responsible CWD. CWDs shall also:
- (a) Process the TEMP GAIN 81 within 60 days after receiving the claim when the receiving CWD is the responsible CWD.
 - (b) Issue a NOA M50-023D denying the claim and forward the TEMP GAIN 81 as soon as possible, but no later than 30 days from date received, if the CWD receiving the TEMP GAIN 81 determines that it is not the responsible CWD.

50-023 **JACOBSON V. ANDERSON RETROACTIVE LAWSUIT** **50-023**
(Continued)

- (1) The receiving CWD shall inform the class member identified in the NOA M50-023D that the TEMP GAIN 81 has been forwarded to the responsible CWD for processing.
 - (2) The responsible CWD shall process the claim within 60 days from the date a completed TEMP GAIN 81 is received.
 - (c) If the responsible CWD cannot be determined, the receiving CWD shall issue a NOA M50-023D denying the claim.
- .5 Case File Review.
- .51 Responsible CWDs that possess separate records of GAIN-related sanctions shall review case files to identify class members "1" and "2."
 - .511 CWDs shall begin and complete the review of all case files within the 90-day claim period unless additional information is needed to complete the review.
 - .512 To the extent possible, CWDs shall complete the review and calculate the amount of corrective payment without requiring class members to come in person to the CWD.
 - .52 For class members "1" and "2", CWDs shall:
 - .521 Correct payments for cash aid for Jacobson-related sanctions.
 - .522 Review and correct the case file for all Jacobson-related sanctions actions after July 1, 1989 so that all Jacobson-related sanctions cannot be counted in any future sanction actions.
 - (a) Sanctions received from July 1, 1989 through November 28, 1989 are subject to the sanction criteria specified in Section 50-023.941.
 - (b) Sanctions received from November 29, 1989 through September 30, 1990 are subject to the sanction criteria specified in Section 50-023.942.
 - .523 Review the case file to determine if subsequent sanctions require re-evaluation without reference to discounted Jacobson-related sanctions. If the re-evaluation results in a corrective payment, the CWD shall calculate the amount of the cash aid that should have been paid.

50-023 **JACOBSON V. ANDERSON RETROACTIVE LAWSUIT** **50-023**
(Continued)

.53 If class members "1" and "2" are on cash aid:

.531 CWDs shall complete the NOA M50-023A as specified in Sections 50-023.52 through .525 and issue it with a NOA M50-023E requesting the information needed to determine retroactive or prospective supportive services. CWDs shall allow class members to re-enroll in their approvable SIPs in lieu of attending any other GAIN activities.

(a) Class members shall have 30 days from the date on the NOA or until the end of the claim period, whichever is longer, to respond to the request for information.

(b) If the additional information is not received within the time period, CWDs shall issue a NOA M50-023D.

.532 CWDs shall complete reviewing the case file within 60 days after receiving the additional information.

.533 Class member "1" chooses:

(a) Retroactive supportive services and does not want to re-enroll in his/her approvable SIP. The CWD shall complete the computation for supportive services and issue a NOA M50- 023B with the NOA M50-023A.

(1) Retroactive supportive services benefits shall meet the criteria as specified in Sections 50-023.632(a) through .632(a)(4).

or

(b) Retroactive supportive services and wants to re-enroll in his/her approvable SIP. The CWD shall complete the computation for supportive services and issue a NOA M50-023C (7/93) with the NOAs M50-023A and M50-023B.

(1) The class member shall not be eligible for prospective supportive services benefits while attending his/her SIP.

or

(c) Prospective supportive services and wants to re-enroll in his/her approvable SIP. The CWD shall complete a NOA M50-023C.

50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT	50-023
---------------	--	---------------

(Continued)

- (1) Prospective supportive services benefits shall meet the criteria as specified in Sections 50-023.632(b) through .632(b)(4)(A).

- .534 If class member "2" chooses to re-enroll in his/her former approvable SIP, CWDs shall complete a NOA M50-023C.
 - (a) The class member shall not be eligible for retroactive or prospective supportive services benefits.

- .535 If a prior SIP is unavailable or inaccessible for any reason that is not the fault of the class member, CWDs shall allow the class member to enroll in a similar approvable SIP.

- .536 CWDs shall cancel class members' previous basic contracts under current Sections 42-772.1, .2 or .3 and enter into a new contract as specified in Section 50-023.91.
 - (a) Class members shall re-enroll in their SIPs within one year of when CWDs completed reviewing their case file and notified class members of their eligibility to re-enroll.

- .537 The "good cause" for nonparticipation in GAIN shall be that the work activity would interrupt the approved education or job training program.

- .538 CWDs shall complete the review process and issue a NOA M50-023C if the information is sufficient. CWDs shall attach appropriate NOAs and/or a contract agreement.
 - (a) If the information is not sufficient, CWDs shall request the information needed as specified in Section 50-023.65.

- .6 Process Claim Forms. The responsible CWD shall:
 - .61 Review each TEMP GAIN 81 for completeness. The TEMP GAIN 81 shall be considered complete when the following questions are answered.
 - .611 Qualifying class member questions:
 - (a) Were you in the GAIN Program?

50-023 **JACOBSON V. ANDERSON RETROACTIVE LAWSUIT** **50-023**
(Continued)

- (b) Did GAIN deny an education or training program you enrolled in only because you couldn't finish the program in two years?
 - (c) Was your education or training program approved but you did not finish it in two years?
 - (d) Was your cash aid lowered because you kept going to your education or training program instead of going to GAIN?
 - (e) Did you stop going to your education or training program in order to go to GAIN to keep from having your cash aid lowered?
 - (f) Did you volunteer for GAIN on or before October 1990?
 - (g) Are you on cash aid now?
- .612 Class member's case name(s) used during retroactive period.
- .613 Class member's date of birth.
- .614 Class member's social security number.
- .615 CWD or CWDs of residence during retroactive period.
- .616 Class member's signature.
- .617 The following information shall be provided on the TEMP GAIN 81 to the extent possible:
- (a) The case number.
 - (b) Current address.
 - (c) Phone number.
 - (d) Date(s) for which the claim is being filed.
 - (e) The name of the school or educational program.
 - (f) The boxes checked to indicate whether retroactive or prospective supportive services are being claimed and if the class member wants to re-enroll in his/her SIP.

50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT	50-023
---------------	--	---------------

(Continued)

- .62 To the extent possible, process the TEMP GAIN 81 without requiring class members to come in person to the CWD.

- .63 Complete processing the claim within 60 days if the claimant meets the definition of:
 - .631 Class members "1" or "2".
 - (a) Process the TEMP GAIN 81 for class members who are not on cash aid as specified in Sections 50-023.52 through .525(a), (b) and (c).
 - (b) Process the TEMP GAIN 81 for class members who are on cash aid as specified in both Sections 50-023.52 through .525 (a), (b) and (c) and Sections 50-023.533 through .538.

 - .632 Class members "3" or "5". Choice of prospective or retroactive supportive services shall be the choice of the class member.

If class members choose:

- (a) Retroactive supportive services. Retroactive benefits shall be paid from the date the SIP was denied up to two years that class members continued to participate in their approvable SIPs.
 - (1) CWDs shall use the criteria specified in Section 50-023.92 to determine retroactive supportive services.
 - (2) Documentation shall be provided by the class members to indicate that they were enrolled in or attending approvable SIPs during the time for which they are claiming retroactive supportive services expenses.
 - (A) CWDs shall verify the documentation whenever authenticity is in doubt.
 - (3) Self-certification under penalty of perjury is not acceptable documentation for proof of enrollment unless the education or training provider no longer exists and there are no other records available.

50-023	<u>JACOBSON V. ANDERSON RETROACTIVE LAWSUIT</u> (Continued)	50-023
---------------	---	---------------

- .633 Class members "4" still on aid shall be allowed to re-enroll in an approvable SIP in lieu of attending any other GAIN activity.
 - (a) If a prior SIP is unavailable, the class member shall enroll in a SIP as specified in Section 50-023.535 or
 - (b) Cancel the previous contract and enter into new contract as specified in Section 50-023.536.
 - (1) Class members "4" still on aid shall re-enroll in a SIP as specified in Section 50-023.536(a).
 - (c) "Good cause" for nonparticipation shall be as specified in Section 50-023.537.
 - (d) CWDs shall issue a NOA M50-023C if the information is sufficient in the case file and on the TEMP GAIN 81.
 - (1) Class members shall not be eligible for retroactive or prospective supportive services benefits.

- .64 If a person is NOT a class member.
 - .641 Issue NOA M50-023D (7/93) denying the claim within 60 days after receiving the TEMP GAIN 81 and preprint or attach a GAIN 50 (6/92).

- .65 If additional information is needed:
 - .651 Within 30 days:
 - (a) Issue NOA 50-023E (7/93) for CWDs reviewing case files.
 - (b) Issue NOA 50-023F (7/93) for CWDs processing TEMP GAIN 81.
 - .652 Class members shall have 30 days from the date on the NOA or until the end of claim period, whichever is longer, to respond to the request for additional information.
 - (a) If a response is not received within the time period specified in Section 50-023.652, a NOA M50-023D shall be issued.
 - .653 CWDs shall request documentation if the document is necessary to process and/or support the claim or review of the case file and the CWD believes the document is in the class member's possession.

50-023 **JACOBSON V. ANDERSON RETROACTIVE LAWSUIT** **50-023**
(Continued)

- (a) If a class member does not have the documentation, request that he/she sign an ABCDM 228, or the CWD equivalent form, to allow the CWD to obtain documentation on his/her behalf.
 - (b) If a class member is unable to provide the requested documentation, a declaration signed under penalty of perjury affirming the information shall be accepted in lieu of the documentation unless the CWD has evidence to the contrary.
 - (1) The CWD shall verify the documentation whenever authenticity is in doubt.
- .654 CWDs shall complete processing the claim or reviewing the case file within 60 days after receiving the additional information.
- (a) If the additional information does not establish the person as a class member, CWDs shall issue a NOA M50-023D denying the claim.
- .66 A CWD shall process the first claim and deny any subsequent claims related to this lawsuit for that county.
- .7 Computation of Corrective Payments. CWDs shall:
- .71 For the purpose of determining continued eligibility and the amount of assistance for the AFDC Program, neither consider a corrective payment as income nor as a resource in the month paid nor in the following month.
 - .72 For the purpose of determining continued eligibility for the Food Stamp Program, exclude a retroactive corrective payment as income for all Food Stamp households and as a resource for categorically eligible Food Stamp households as long as they remain eligible for AFDC.
 - .73 If an assistance unit has both an underpayment and an overpayment, balance one against the other before making a corrective payment as specified in Section 42-751.4 for GAIN and Section 44-340.42 for AFDC.
 - .731 For class members who are no longer on aid, the CWD shall offset the corrective payment against any outstanding overpayment as specified in Section 42-751.4 and Section 44-340.42.

50-023 **JACOBSON V. ANDERSON RETROACTIVE LAWSUIT** **50-023**
 (Continued)

HANDBOOK CONTINUES

Aug-88	.3442	.3500	.3558	.3617	.3675
Sep-88	.3383	.3442	.3500	.3558	.3617
Oct-88	.3325	.3383	.3442	.3500	.3558
Nov-88	.3266	.3325	.3383	.3442	.3500
Dec-88	.3208	.3266	.3325	.3383	.3442
Jan-89	.3150	.3208	.3266	.3325	.3383
Feb-89	.3092	.3150	.3208	.3266	.3325
Mar-89	.3030	.3092	.3150	.3208	.3266
Apr-89	.2975	.3030	.3092	.3150	.3208
May-89	.2917	.2975	.3030	.3092	.3150
Jun-89	.2858	.2917	.2975	.3030	.3092
Jul-89	.2800	.2858	.2917	.2975	.3030
Aug-89	.2742	.2800	.2858	.2917	.2975
Sep-89	.2683	.2742	.2800	.2858	.2917
Oct-89	.2625	.2683	.2742	.2800	.2858
Nov-89	.2566	.2625	.2683	.2742	.2800
Dec-89	.2508	.2566	.2625	.2683	.2742

HANDBOOK CONTINUES

50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT	50-023
---------------	--	---------------

(Continued)

.822 The report shall include:

(a) The total number of:

- (1) TEMP GAIN 80s (Informing Notices) mailed to potential class members. If a CWD does not possess separate records of persons sanctioned under the provisions of GAIN, the CWD shall mail the TEMP GAIN 80 to all persons sanctioned within that CWD.
- (2) Class members identified by CWDs through case file search. If a CWD does possess separate records of persons sanctioned under the provisions of GAIN, the CWD shall search its case files to identify those individuals who meet the criteria of class members "1" and "2" as specified in Section 50-023.2c.(1) and (2).
- (3) TEMP GAIN 81s (Claim Forms) mailed or given out by the CWD.
- (4) TEMP GAIN 81s received by the CWD.
- (5) Class members approved.
- (6) Claims denied.
 - (A) Untimely. Claim forms received after the claim period in which additional information was requested but received after the 30-day time period specified on the NOA 50-023E.
 - (B) Not a class member.
 - (C) Claims sent to the wrong CWD and the receiving CWD was unable to determine the responsible CWD from the information available on the TEMP GAIN 81.
 - (D) Claims sent to the wrong CWD and forwarded to the responsible CWD.
 - (E) Incomplete. The claim was mailed in blank; the claim was received signed but illegible; no address or social security number; social security number and name in case file did not match and there was no forwarding address to obtain necessary additional information; or additional information requested but not received.

50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT	50-023
---------------	--	---------------

(Continued)

- (F) Other. CWDs shall provide documentation for any denial listed in the "other" column.

 - (b) Total amount of retroactive cash paid to all class members.
 - (c) Total amount of retroactive supportive services paid to all class members.
 - (d) Total number of overpayments offset with retroactive cash aid in both case file search and claims processing.
 - (1) Total dollar amount of payments offset.
 - (e) Total number of supportive services overpayments offset with retroactive supportive services or cash aid in both case file search and claims processing.
 - (1) Total dollar amount of overpayments offset.
 - (f) Total number of class members no longer on aid in both case file search and claims processing.
 - (1) Total amount of interest paid on retroactive cash aid benefits.
 - (2) Total dollar amount of interest paid on retroactive supportive services benefits.
 - (g) Total number of class members who selected prospective supportive services.
 - (h) Total number of class members who elected to re-enroll in their SIP.
- .9 When calculating corrective payments for Jacobson-related sanctions, CWDs shall follow the regulations which were in effect prior to October 1, 1990 and are included as handbook below.
- .91 GAIN Basic Participant Contract Requirements as specified in Section 42-772.4 in effect 7/1/89.

RETROACTIVE BENEFITS		
50-023 (Cont.)	ELIGIBILITY AND PAYMENT STANDARDS	Regulations
50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT (Continued)	50-023

HANDBOOK CONTINUES

- .4 For any participant who is enrolled and wishes to continue in a self-initiated vocational training program of limited duration or an educational program which is expected to lead to unsubsidized employment, the basic contract shall provide for continued participation in the program until completion.
- .41 Participation as a GAIN participant, however, shall be limited to a total of two academic years.
- .42 Vocational and educational programs which are expected to lead to unsubsidized employment shall be those which will provide the participation with the training or education required to obtain employment in an occupational field which is either:
- .421 One that has been identified in the county's labor market needs assessment; or
- .422 One for which the participant can demonstrate a need exists.
- .43 An individual may choose to participate concurrently according to .11, .22, or .31 above, whichever is appropriate.
- .44 The basic contract shall provide that if concurrently participation has not occurred as specified in .43 above, the participant shall participate according to .1, .2, or .3 above, whichever is applicable, when the participant completes the program or reaches the two-year limit, or when any of the following occur:
- .441 The participant stops participating in the educational or training program.
- .442 The participant fails or refuses to regularly attend the educational or training program.
- .443 The participant does not maintain satisfactory progress in the educational or training program.
- .45 If the CWD determines that the participant had good cause for failing to meet the participation, attendance, or progress standards, based on the criteria specified in Section 42-782, and the school allows the participant to continue in the program, participation according to .44 above shall not be required.
- .46 The participant shall provide documentation from the training or educational provider to the county at least quarterly or at midpoint if the program is for less than three months to verify satisfactory participation, attendance, and progress in the program.

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- .212 If the CWD chooses to contract with any child care provider which is also under contract with the State Department of Education (SDE), these contracts shall be consistent with and shall not supersede all of the following:
- (a) Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code.
 - (b) Applicable provisions of Title 5 and Title 22 of the California Code of Regulations.
 - (c) Applicable SDE contract provisions.
- .213 If the CWD or a contractor pays for child care services which are exempt from licensure with the exception of extended day care on a school site operated by school employees, all of the following information about the care provider shall be on file with the CWD, or agency contracting with the CWD, and shall be made available to the participant.
- (a) The care provider's name, address, and social security number.
 - (b) The address where care is to be provided.
 - (c) The hours care is to be provided, and the charge for this care.
 - (d) The names, addresses, and telephone numbers of two character references.
 - (e) A copy of a valid California driver's license or other identification to establish that the care provider is at least 18 years of age.
 - (f) A statement from the care provider as to his or her health; education, experience, or other qualifications; criminal record; and names and ages of other persons in the home or providing care.
- .22 In order to provide maximum choice to parents and to ensure the availability of child care, each county shall do all of the following:
- .221 Assist participants in locating child care necessary for participation in GAIN. In so doing, the CWD shall:

HANDBOOK CONTINUES

RETROACTIVE BENEFITS		
50-023 (Cont.)	ELIGIBILITY AND PAYMENT STANDARDS	Regulations
50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT (Continued)	50-023

HANDBOOK CONTINUES

.224 An amendment to the participant contract shall not be required in instances where the only change relates to child care arrangements. However, the basic contract shall specify that the participant shall notify the CWD of any such changes. This information shall be included in the participant's case file.

.23 Child Care Costs.

.231 GAIN funds may be used to pay for child care services arranged by the participant, providing those costs do not exceed regional market rates as specified in .233 below, and they meet the standards set forth in .21 above.

.232 Child care payments for GAIN participants shall be paid on a per month, per week, per day, or per hour basis depending on the participant needs, and the contractual terms used by the care providers to charge private clients for the same services.

.233 Participants shall be allowed to choose licensed or exempt child care, and the cost shall be reimbursed up to the regional market rate.

(a) Regional market rates shall be determined annually in accordance with the resource and referral programs provided for under Article 2 (commencing with Section 8210) of Chapter 2 of Part 6 of the Education Code, and the alternative payment program provided for under Article 3 (commencing with Section 8220) of Chapter 2 of Part 6 of the Education Code.

(b) The regional market rate means care costing no more than 1.5 standard deviations above the mean market cost of care for that region.

(1) The mean market cost for care in a region shall be determined based on a statistically valid survey of the rates established by child care providers for private clients.

(A) The regional market rate shall be updated every two years with recent survey data.

.234 Reimbursement to child care providers for GAIN participants shall not exceed the fee charged to private clients for the same service. Reimbursement shall be made at a rate lower than that charged to private clients for the same service, if the child care program agrees to charge a lower fee.

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- .235 GAIN funding will be available to pay for child care services when the child is temporarily absent from care, if it is agreed to pursuant to .223(g) above. Payment may be made for temporary absences only for the following verified reasons:
- (a) Illness or quarantine of the child;
 - (b) Illness or quarantine of the parent;
 - (c) Family emergency;
 - (d) Court ordered visits with a parent or other relative of the child; or
 - (e) Other reasons approved by the CWD.
- .24 If a GAIN registrant terminates AFDC dependency due to unsubsidized employment, payment for child care services in accordance with Section .221 above shall be available for a transition period of three months.
- (a) This transition period commences immediately following the discontinuance of AFDC.
- .25 The CWD shall ensure that there is a mechanism for collecting fees from participants receiving GAIN child care subsidies in accordance with the most recent version of the SDE Family Fee Schedule.

HANDBOOK BEGINS HERE

No fee is charged if a participant's family income, including the AFDC grant, is less than 50 percent of the annually adjusted state median income.

HANDBOOK ENDS HERE

- .251 The fees collected by the CWD, or agency contracting with the CWD, shall be used to expand child care services or resources.

HANDBOOK CONTINUES

RETROACTIVE BENEFITS		
50-023 (Cont.)	ELIGIBILITY AND PAYMENT STANDARDS	Regulations
50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT (Continued)	50-023

HANDBOOK CONTINUES

- .3 Reasonable transportation costs shall be paid for every participant to and from his or her GAIN assignment, including transportation to and from the child care provider, and transportation for children to and from child care.
- .31 Regional market rates for transportation shall be determined as follows:
- .311 The least costly form of public transportation that would not preclude participation in GAIN as specified in Section 42-783.1(b).
- .312 If there is no public transportation available which meets the requirements of .311 above, participants may use their own vehicles, and shall be reimbursed at a rate used to reimburse CWD employees for the use of privately-owned vehicles.
- .313 Parking for GAIN participants shall be reimbursed at actual cost. Participants must submit receipts for this purpose, except in cases where parking meters are used.
- .314 Reimbursement to participants who choose to use their own vehicles when public transportation is available shall not exceed the rate specified in .311 above.
- .315 The CWD shall submit as part of their county plan, an alternative for areas in which there is no public transportation available, and where a per-mile reimbursement rate would result in excessive costs.
- .4 Ancillary expenses shall be paid when necessary up to a maximum of \$450 per participant. These shall include books, tools, clothing, fees, and other necessary costs of work or training assignment.
- .41 The maximum in .4 above may only be exceeded on an exception basis where the CWD determines that expenses in excess of the maximum are reasonable and necessary for participation.

HANDBOOK CONTINUES

RETROACTIVE BENEFITS		
50-023 (Cont.)	ELIGIBILITY AND PAYMENT STANDARDS	Regulations
50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT (Continued)	50-023

HANDBOOK CONTINUES

- .2 The CWD shall either arrange for a substitute payee, develop a plan for vendor payments, or do both, for the money management period to ensure that none of the grant is paid directly to the participant's assistance unit.
 - .21 If the CWD chooses to make payments to a substitute payee, the CWD shall name the payee.
 - .211 If the CWD is unable to name a substitute payee, the CWD shall name the payee, the CWD shall allow the recipient to name someone or shall arrange for vendor payments. (See Section 44-309.13 for selection criteria.)
 - .212 If an agency payee is used, the agency must ensure that no conflict of interest exists. (See Section 40-107.21.)
 - .22 The CWD shall be allowed to contract with outside parties to perform the activities associated with money management.
- .3 Money management shall begin on the first of the month following the end of formal conciliation.
 - .31 Before beginning money management, the CWD shall provide at least a ten-day written notice of the intent to begin money management.
 - .311 If the CWD is unable to provide the ten-day notice before the first of the month following the end of formal conciliation, money management shall begin with the next payment installment. However, the entire calendar month following the end of formal conciliation shall be counted as the first of the three months of money management.
- .4 Money management shall occur for a three-month period, with the following exception:
 - .41 The money management period shall be terminated, and, if administratively feasible, the next aid payment installment following termination shall be paid to the participant, if any of the following occur:
 - .411 The participant and CWD reach an agreement regarding participation, including a determination that the participant should be exempt (Sections 42-631 through 42-641) or deferred (Section 42-761.3).

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- .312 One of several eligible children in the assistance unit, aid shall be discontinued for that child and aid shall be continued to the remainder of the family; or
 - .313 The only eligible child in the assistance unit, aid shall be discontinued to the entire family; or
 - .314 The principal earner, aid shall be discontinued to all members of the family whose sole basis of deprivation is the unemployment of that parent.
- 4 The discontinuance from aid shall become effective at the end of the month following the CWD's timely and adequate notification (see Section 22-022.1), except as specified in Sections 42-787.41 and .61 below:
- .41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached.
 - .411 If the CWD's action is sustained, the discontinuance shall be effective at the end of the payment month in which the state hearing decision is received.
 - (a) If the CWD is unable to discontinue aid at the end of such month, aid shall be discontinued at the end of the following payment month.
- .5 The CWD shall arrange for a protective payee in the case of a sanctioned caretaker relative. (See exception in Section 44-310).
- .6 The CWD shall restore aid:
- .61 Upon expiration of the sanction period if the individual applies for aid, registers with GAIN as required in Section 42-760, and is otherwise eligible; or
 - .62 If the sanction is rescinded as a result of the outcome of a state hearing or either of the formal grievance procedures (Section 42-787).
- .7 Financial sanctions shall not apply to individuals who voluntarily participate in the program.
- .71 If a volunteer participant engages in conduct which would result in sanctions for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.

HANDBOOK ENDS HERE

50-023 **JACOBSON V. ANDERSON RETROACTIVE LAWSUIT** **50-023**
(Continued)

.94 Sanction Criteria as specified in Section 42-786.

.941 Regulations in effect July 1, 1989 through November 28, 1989.

HANDBOOK BEGINS HERE

42-786 GAIN FINANCIAL SANCTIONS

- .1 Financial sanctions shall be applied when a mandatory participant fails or refuses to meet program requirements without good cause and informal and formal conciliation efforts have failed.
- .2 Financial sanctions shall be applied as follows:
 - .21 The first financial sanction shall continue until the individual and the CWD reach an agreement in an amended contract or the individual agrees to participate in the activity in which he/she previously refused to participate.
 - .22 The second financial sanction shall continue for three (3) months or until the individual and the CWD reach an agreement or the individual agrees to participate in the activity in which he/she previously refused to participate, whichever is longer.
 - .23 The third or subsequent financial sanction which shall continue for six (6) months or until the individual and the CWD reach an agreement or the individual agrees to participate in the activity in which he/she previously refused to participate, whichever is longer.
 - .24 If a sanction period has continued for three (3) months, the CWD shall notify the individual in writing of his/her option to end the sanction by beginning (or resuming) participation. This notification is to be made no later than 10 working days prior to the end of the third month.
 - .241 If this is the third or subsequent sanction, the individual shall be notified as specified in Section 42-786.24 that the sanction can be ended only after completion of the six-month sanction period.
- .3 During the sanction period, aid shall be discontinued to the individual or assistance unit as specified below:

HANDBOOK CONTINUES

RETROACTIVE BENEFITS		
50-023 (Cont.)	ELIGIBILITY AND PAYMENT STANDARDS	Regulations
50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT (Continued)	50-023

HANDBOOK CONTINUES

- .31 If the individual who failed or refused to participate is:
- .311 A caretaker relative, other than the principal earner, his/her aid shall be discontinued, and aid shall be continued to the remainder of the family (refer to Section 42-786.5 and Section 44-309 for protective payments); or
 - .312 One of several eligible children in the assistance unit, aid shall be discontinued for that child and aid shall be continued to the remainder of the family; or
 - .313 The only eligible child in the assistance unit, aid shall be discontinued to the entire family; or
 - .314 A parent in a family whose sole basis of deprivation is the unemployment of the principal earner, his/her aid shall be discontinued. In addition, if the sanctioned parent's spouse or the second parent is not participating in the program, aid to the spouse or second parent shall also be discontinued.
 - (a) Aid shall be continued for any dependent children in the assistance unit in accordance with the provisions of Section 44-309.
 - (b) If the spouse or second parent is participating in the program, his/her aid shall be continued, together with aid for any dependent children in the assistance unit.
 - (c) If the spouse or second parent chooses to participate after the financial sanction has been imposed, his/her aid shall be restored in accordance with Section 40-125.9.
 - (d) If the spouse or second parent chooses to participate and subsequently ceases participation without good cause after reinstatement of the sanctioned parent, the spouse or second parent shall be subject to the sanctions specified in Sections 42-786.2 or 42-786.7, as appropriate.

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- .4 The discontinuance from aid shall become effective at the end of the month following the CWD's timely and adequate notification (see Section 22-022.1), except as specified in Sections 42-786.41 and 42-787.61 below:
- .41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached.
- .411 If the CWD's action is sustained, the discontinuance shall be effective at the end of the payment month in which the state hearing decision is received.
- (a) If the CWD is unable to discontinue aid at the end of such month, aid shall be discontinued at the end of the following payment month.
- .5 The CWD shall arrange for a protective payee in accordance with Section 44-309 as specified in Sections 42-786.311 and 42-786.314(a).
- .6 The CWD shall restore aid:
- .61 Upon expiration of the sanction period if the individual applies for aid and is otherwise eligible; or
- .62 If the sanction is rescinded as a result of the outcome of a state hearing or either of the formal grievance procedures (Section 42-787).
- .7 Financial sanctions shall not apply to individuals who are exempt from participation but choose to voluntarily participate in the program.
- .71 If a volunteer participant who is a member of a group listed under Section 42-720.671 engages in conduct which would result in sanctions for a mandatory participant, the individual shall not be given priority so long as other individuals are actively seeking to participate.
- .72 If any other volunteer participant engages in conduct which would result in sanctions for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.

HANDBOOK ENDS HERE

- .942 Regulations in effect November 29, 1989 through September 30, 1990.

HANDBOOK BEGINS HERE

42-786 GAIN FINANCIAL SANCTIONS

- .1 Financial sanctions shall be applied when a mandatory participant fails or refuses to meet program requirements without good cause and informal and formal conciliation efforts have failed.
- .2 Financial sanctions shall be applied as follows:
 - .21 The first instance of noncompliance without good cause shall result in a financial sanction which shall continue until the individual and the CWD reach an agreement in an amended contract or the individual agrees to participate in the activity in which he/she previously refused to participate.
 - .22 The second instance of noncompliance without good cause shall result in a financial sanction which shall continue for three (3) months or until the individual and the CWD reach an agreement or the individual agrees to participate in the activity in which he/she previously refused to participate, whichever is longer.
 - .23 The third or subsequent instance of noncompliance without good cause shall result in a financial sanction which shall continue for six (6) months, or until the individual and the CWD reach an agreement or the individual agrees to participate in the activity in which he/she previously refused to participate, whichever is longer.
 - .24 If a sanction period has continued for three (3) months, the CWD shall notify the individual in writing of his/her option to end the sanction by beginning (or resuming) participation. This notification is to be made no later than 10 working days prior to the end of the third month.
 - .241 If this is the third or subsequent sanction, the individual shall be notified as specified in Section 42-786.24 that the sanction can be ended only after completion of the six-month sanction period.
- .3 During the sanction period, aid shall be discontinued to the individual or assistance unit as specified below:
 - .31 If the individual who failed or refused to participate is:

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- .311 A caretaker relative, other than the principal earner, his/her aid shall be discontinued, and aid shall be continued to the remainder of the family (refer to Section 42-786.5 and Section 44-309 for protective payments); or
 - .312 One of several eligible children in the assistance unit, aid shall be discontinued for that child and aid shall be continued to the remainder of the family; or
 - .313 The only eligible child in the assistance unit, aid shall be discontinued to the entire family; or
 - .314 A parent in a family whose sole basis of deprivation is the unemployment of the principal earner, his/her aid shall be discontinued. In addition, if the sanctioned parent's spouse or the second parent is not participating in the program, aid to the spouse or second parent shall also be discontinued.
 - (a) Aid shall be continued for any dependent children in the assistance unit in accordance with the provisions of Section 44-309.
 - (b) If the spouse or second parent is participating in the program, his/her aid shall be continued, together with aid for any dependent children in the assistance unit.
 - (c) If the spouse or second parent chooses to participate after the financial sanction has been imposed, his/her aid shall be restored in accordance with Section 40-125.9.
 - (d) If the spouse or second parent chooses to participate and subsequently ceases participation without good cause after reinstatement of the sanctioned parent, the spouse or second parent shall be subject to the sanctions specified in Sections 42-786.2 or 42-786.7, as appropriate.
- .4 The discontinuance from aid shall become effective at the end of the month following the CWD's timely and adequate notification (see Section 22-022.1), except as specified in Sections 42-786.41 and 42-787.61 below:

HANDBOOK CONTINUES

RETROACTIVE BENEFITS		
50-023 (Cont.)	ELIGIBILITY AND PAYMENT STANDARDS	Regulations
50-023	<u>JACOBSON V. ANDERSON</u> RETROACTIVE LAWSUIT (Continued)	50-023

HANDBOOK CONTINUES

- .41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached.
 - .411 If the CWD's action is sustained, the discontinuance shall be effective at the end of the payment month in which the state hearing decision is received.
 - (a) If the CWD is unable to discontinue aid at the end of such month, aid shall be discontinued at the end of the following payment month.
- .5 The CWD shall arrange for a protective payee in accordance with Section 44-309 as specified in Sections 42-786.311 and 42-786.314(a).
- .6 The CWD shall restore aid:
 - .61 Upon expiration of the sanction period if the individual applies for aid and is otherwise eligible; or
 - .62 If the sanction is rescinded as a result of the outcome of a state hearing or either of the formal grievance procedures (Section 42-787).
- .7 Financial sanctions shall not apply to individuals who are exempt from participation but choose to voluntarily participate in the program.
 - .71 If a volunteer participant who is a member of a group listed under Section 42-720.671 engages in conduct which would result in sanctions for a mandatory participant, the individual shall not be given priority so long as other individuals are actively seeking to participate.
 - .72 If any other volunteer participant engages in conduct which would result in sanctions for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.

HANDBOOK ENDS HERE

NOTE: Authority Cited: Sections 11310 et seq., 11320.5(b)(5) and 11329.3(e)(1) through (4), Welfare and Institutions Code. Reference: Jacobson v. Anderson, Settlement and Consent Decree, Case No. 68117.