

January 26, 2005

**CASH ASSISTANCE PROGRAM FOR IMMIGRANTS (CAPI) PROGRAM GUIDE  
LETTER NO. 5**

---

<b>Subjects</b>	<b>CAPI PAYMENT STANDARDS FOR 2004/2005; CHANGES IN COLAS FOR CAPI/SSI COUPLES; AND ELIMINATION OF MONTHLY REPORTING</b>
<b>Effective dates</b>	<ul style="list-style-type: none"><li>• April 1, 2005 for revised payment standards resulting from the <i>State</i> Cost of Living Adjustment (COLA) resulting from the <i>State</i> Supplementary Payment (SSP)</li><li>• January 1, 2005 for revised payment standards resulting from <i>Federal</i> Supplemental Security Income (SSI) COLA</li><li>• May 1, 2004 for elimination of monthly reporting</li><li>• January 1, 2004 for '04 payment standards</li></ul>
<b>References</b>	WIC 18941; ACIN I-81-03; ACIN I-81-04; ACL 99-13
<b>Purpose</b>	The purpose of this CAPI Program Guide Letter is to notify staff of <ul style="list-style-type: none"><li>• Revised payment standards for CAPI</li><li>• Changes in COLAs for CAPI/SSI couple cases</li><li>• Elimination of the monthly reporting requirement for CAPI recipients.</li></ul>

---

**SUBJECT: CAPI PAYMENT STANDARDS FOR 2004/2005; CHANGES IN COLAS FOR CAPI/SSI COUPLES; AND ELIMINATION OF MONTHLY REPORTING**

**Background on CAPI payment standards**

The documents listed in the chart below determine the CAPI payment standards.

Document	Purpose
Welfare and Institutions Code Section 18941	Requires CAPI payment standards based on the SSI/SSP payment standards, minus \$10.00 for an individual and \$20.00 for a couple.
All County Information Notice (ACIN) No. I-81-03 of November 10, 2003	Notified Counties that, per Assembly Bill 1752, the 2004 CAPI Payment Standards would be increased only by the amount of the <i>Federal</i> SSI COLA for 2004.
All County Information Notice No. I-81-04 of December 6, 2004	Notified Counties of the following, per Senate Bill 1104, <ul style="list-style-type: none"> <li>• New CAPI Payment Standards for 2005, resulting from the <i>Federal</i> SSI/SSP COLA, effective January 1, 2005</li> <li>• An additional increase resulting from the SSP COLA, effective April 1, 2005.</li> <li>• Changes in COLAs for CAPI/SSI couple cases.</li> </ul>

**Advance notification of increases**

Upon receipt of advance notification from the State of the 2004/2005 Payment Standards, copies of the increased CAPI Payment Standards were provided to CAPI Managers and staff of the Mission Valley Family Resource Center and staff was instructed to make the required payment adjustments for new and ongoing cases, effective January 1st of each year. The State sent the April 2005 increased CAPI Payment Standards at a later date, upon issuance of ACIN I-81-04.

CAPI Payment Standards for 2004 and 2005 (including those for the April 1, 2005 SSP COLA) are included in Appendices G-7, G-8 and G-9 of the CAPI Program Guide.

**SUBJECT: CAPI PAYMENT STANDARDS FOR 2004/2005; CHANGES IN COLAS FOR CAPI/SSI COUPLES; AND ELIMINATION OF MONTHLY REPORTING**

**Increases in other values**

The Federal SSI COLA affects three values that can impact CAPI eligibility and benefit amounts. The chart below lists these three values.

Variable Value	Amount for 2004	New Amount, As of 1/1/05	Enter Amount, When Appropriate, on Form . . .
<ul style="list-style-type: none"> <li>Presumed Maximum Value (PMV) of the In-Kind Support and Maintenance</li> </ul>	Individual: \$208.00 Couple: \$302.00	Individual: <b>\$213.00</b> Couple: <b>\$309.66</b>	SOC 452, Income Eligibility Worksheet, line A.1.b.
<ul style="list-style-type: none"> <li>Allowance for Ineligible Children in Deeming Situations (i.e., deeming income from an ineligible spouse)</li> </ul>	\$282.00	<b>\$290.00</b>	SOC 452, Income Eligibility Worksheet, line B.2.a.
<ul style="list-style-type: none"> <li>Sponsor's Allocation in Alien Deeming Situations</li> </ul>	\$564.00	<b>\$579.00</b>	SOC 454, Sponsor to Alien Deeming Worksheet, line 2.

**Changes in COLAs for CAPI/SSI couple cases**

ACIN I-81-04 instructs Counties to change the way they prepare budgets for CAPI/SSI/SSP couples in the month that a COLA occurs and the subsequent month. Currently, per All-County Letter (ACL) No. 99-13, workers count the SSI/SSP benefits received by one spouse as income, while using a special Payment Standard for CAPI/SSI/SSP couples.

This is to ensure that these couples receive combined benefits that total \$10.00 less than the benefit rate for SSI/SSP couples, as opposed to \$20.00 less for CAPI couples. However, this intended result will NOT occur for a CAPI/SSI/SSP couple if workers use normal *retrospective* budgeting of the spouse's SSI/SSP benefit to determine the CAPI payment in the effective month of a COLA and the subsequent month. Using the current retrospective budgeting for these 2 months results in the CAPI/SSI/SSP couple's receiving *higher* combined benefits in the 2 months in question than either the SSI/SSP or the CAPI couple.

Therefore, workers must use *prospective* budgeting for the month that a COLA occurs and the subsequent month.

**Example of budgeting methods**

The following example illustrates the difference between the current *retrospective* budgeting for the COLA and subsequent months (i.e., January and February of 2005) and the new *prospective* budgeting for this same period. This example assumes the SSI spouse receives the full SSI benefit and there are no other income adjustments for an aged or disabled couple.

<b>CAPI/SSI Couple's Payment Standard</b>		<b>SSI Spouse's Benefit for Appropriate Months</b>		<b>CAPI Spouse's Benefit</b>
<i>Retrospective</i>				
\$1,412	-	\$790 (Nov. & Dec.)	=	\$622
<i>Prospective</i>				
\$1,412	-	\$805 (Jan. & Feb.)	=	\$607

**Note:** This example is for the months of January and February. However, prospective budgeting will be used for *all* future COLA and subsequent months.

---

**Required worker actions**

Workers must take the following actions:

- Calculate overpayments resulting from the new requirement to prospectively budget CAPI/SSI couple payments for January and February of 2005 by March 30, 2005.
  - Use prospective budgeting for recalculating budgets for the April 1, 2005 SSP COLA.
  - Issue Notices of Action, as appropriate.
-

**Elimination of monthly reporting** The recent implementation of Quarterly Reporting in CalWORKs and Food Stamps necessitated a decision about what kind of reporting (if any) to require for the CAPI program. When CAPI was implemented in November of 1998, San Diego County required CAPI recipients to submit monthly reports (CW-7s) because the Social Services Advisory Board (SSAB) recommended it.

There was no penalty for clients, who did not submit monthly reports or who submitted incomplete ones, and the State does not require monthly reporting for CAPI. All the State requires of CAPI recipients is that they report any changes within 10 days after the end of the month changes occur.

Therefore, the decision was made to eliminate monthly reporting for CAPI, effective May 1, 2004 and the following steps were taken to implement this change:

- Managers and staff of the Mission Valley Family Resource Center were informed in mid-April of 2004.
- CAPI recipients were notified through an Automated Letter in English and Spanish.
- The Case Data System was modified to no longer generate CW-7s for CAPI recipients.

**Note:** If CAPI recipients also receive Food Stamps, they must comply with the reporting requirements of the Food Stamp Program.

---

**Automation impact**

- The Fraud Referral and Tracking System (FRATS) has been updated to reflect the increased CAPI Payment Standards for 2005 and will be updated for the April 2005 amounts as appropriate.
- The Case Data System no longer generates CW-7s for CAPI recipients, as of May 1, 2004.

---

**Forms impact** None.

---

**Quality Assurance impact** The California Department of Social Services has not specified a Quality Assurance requirement for CAPI and appeals are handled through the usual State hearing process.

---

**Food Stamp impacts** Workers must treat CAPI payments in accordance with Food Stamp Program Guide 63-256.2.

**SUBJECT: CAPI PAYMENT STANDARDS FOR 2004/2005; CHANGES IN COLAS FOR CAPI/SSI COUPLES; AND ELIMINATION OF MONTHLY REPORTING**

---

**Medi-Cal  
impact**

Since CAPI payments are considered public assistance income and are exempt for Medi-Cal budgeting purposes, do not count CAPI when determining Medi-Cal eligibility and/or share of cost.

---

**Filing  
instructions**

<b>Remove CAPI PG pages</b>	<b>Replace with revised CAPI PG pages</b>
99-103 pages 7-11	99-103, pages 7-11
99-105-TOC-i	99-105-TOC-i
99-105 pages 7-10	99-105 pages 7-10
99-113 pages 3-4	99-113 pages 3-4

Add Appendices G-7, G-8 and G-9.

---

**Manager  
approval**

ORIGINAL SIGNED BY:

Steve Hon  
Medical Care Program Administration  
Regional Program Support Division

---

**SUBJECT: CAPI PAYMENT STANDARDS FOR 2004/2005; CHANGES IN COLAS FOR  
CAPI/SSI COUPLES; AND ELIMINATION OF MONTHLY REPORTING**