

December 22, 2005

**CASH ASSISTANCE PROGRAM FOR IMMIGRANTS (CAPI)
PROGRAM GUIDE LETTER NO. 6**

Subject **CAPI PAYMENT STANDARDS FOR 2005/2006**

Effective dates

- January 1, 2006 for revised payment standards resulting from *Federal* Supplemental Security Income (SSI) COLA.
- April 1, 2006 for revised payment standards resulting from the *State* Cost of Living Adjustment (COLA) resulting from the *State* Supplementary Payment (SSP).

References WIC 18941; ACIN I-77-05; ACIN I-81-04; and I-68-06

Purpose The purpose of this CAPI Program Guide Letter is to notify staff of:

- Revised payment standards for CAPI
- Changes in COLAs for CAPI/SSI couple cases.

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 No. I-81-04 of December 6, 2004 | Notified counties of the following, per Senate Bill 68: <ul style="list-style-type: none">• New CAPI Payment Standards for 2005, resulting from the <i>Federal</i> SSI/SSP COLA, effective January 1, 2006.• An additional increase resulting from the SSP COLA, effective April 1, 2006.• Changes in COLAs for CAPI/SSI couple cases. |

Continued on next page

**SUBJECT: CAPI PAYMENT STANDARDS FOR 2005/2006;
CHANGES IN COLAS FOR CAPI/SSI COUPLES**

Advance notification of increases

Upon receipt of advance notification from the State of the 2005/2006 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 2006 increased CAPI Payment Standards at a later date, upon issuance of ACIN I-81-04.

CAPI Payment Standards for 2005 and 2006 (including those for the April 1, 2006 SSP COLA) are included in Appendices G-7, G-8 and G-9 of the CAPI Program Guide.

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 2005 | New Amount, As of 1/1/06 | Enter Amount, When Appropriate, on Form . . . |
|--|--|--|--|
| <ul style="list-style-type: none">• Presumed Maximum Value (PMV) of the In-Kind Support and Maintenance | Individual: \$213.00 Couple: \$309.66 | Individual: \$221.00 Couple: \$321.33 | SOC 452, Income Eligibility Worksheet, line A.1.b. |
| <ul style="list-style-type: none">• Allowance for Ineligible Children in Deeming Situations (i.e., deeming income from an ineligible spouse) | \$290.00 | \$301.00 | SOC 452, Income Eligibility Worksheet, line B.2.a. |
| <ul style="list-style-type: none">• Sponsor's Allocation in Alien Deeming Situations | \$579.00 | \$603.00 | SOC 454, Sponsor to Alien Deeming Worksheet, line 2. |

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.

Continued on next page

**SUBJECT: CAPI PAYMENT STANDARDS FOR 2005/2006;
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SSI couple cases (cont'd)

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 two months results in the CAPI/SSI/SSP couples receiving *higher* combined benefits in the two 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

Using January 2005 as the following example illustrates the difference between the current *retrospective* budgeting for the COLA and subsequent months (i.e., January and February of 2006) 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.

| CAPI/SSI Couple's Payment Standard | SSI Spouse's Benefit for Appropriate Months | CAPI Spouse's Benefit |
|------------------------------------|---|-----------------------|
| <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 2006 by March 30, 2006.
 - Use prospective budgeting for recalculating budgets for the April 1, 2006 SSP COLA.
 - Issue Notices of Action, as appropriate.

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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 CAPI Grant adjustments due to COLA and CAPI Payment Standard changes will be treated for Food Stamp (FS) according to Quarterly Reporting/Prospective Budget (QR/PB) regulations.

CAPI payments are considered Public Assistance (PA) income. The actual monthly CAPI grant amount must be used each month to compute FS benefits for FS households receiving CAPI benefits.

Changes to PA benefits are considered information that is known to the county. The Human Services Specialist (HSS) shall review all changes to PA benefits for possible FS benefit increases or decreases by calculating a new FS budget. FS benefits shall be increased if the calculation indicates such an increase. For QR reporting households, if the calculation indicates a mid-quarter decrease, benefits cannot be decreased.

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

| Remove CAPI PG pages | Replace with revised CAPI PG pages |
|-------------------------------|---|
| 99-103 pages 7-11 | 99-103, pages 7-11 |
| Appendices: G-7, G-8 and G-9. | Appendices: G-7, G-8 and G-9. |

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**Manager
approval**

ORIGINAL SIGNED BY:

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