

Cash Assistance Program for Immigrants (CAPI) Program Guide Letter No. 7

December 13, 2006

Subject **JANUARY 2007 COST-OF-LIVING ADJUSTMENTS (COLA)**

Effective date January 1, 2007

Reference All-County Information Notice (ACIN) I-85-06

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-85-06 of November 16, 2006	Notified counties of the following, per Senate Bill 68: <ul style="list-style-type: none"> • New CAPI Payment Standards for 2007, resulting from the <i>Federal</i> SSI/SSP COLA, effective January 1, 2007. • Changes in COLAs for CAPI/SSI couple cases.

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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 2006	New Amount, As of 1/1/07	Enter Amount, When Appropriate, on Form . . .
Presumed Maximum Value (PMV) of the In-Kind Support and Maintenance	Individual: \$221.00 Couple: \$321.33	Individual: \$227.66 Couple: \$331.33	SOC 452, Income Eligibility Worksheet, line A.1.b.
Allowance for Ineligible Children in Deeming Situations (i.e., deeming income from an ineligible spouse)	\$301.00	\$311.00	SOC 452, Income Eligibility Worksheet, line B.2.a.
Sponsor's Allocation in Alien Deeming Situations	\$603.00	\$623.00	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.

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SSI couple cases
(continued)

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. Due to functionality, CalWIN will not use prospective budgeting. In order for the income to be counted correctly, workers must enter the begin date of November 2006 for the increased income. Otherwise, it will not be counted correctly for January 2007.

Example of budgeting methods

Using January 2007 the following example illustrates the difference between the current *retrospective* budgeting for the COLA and subsequent months (i.e., January and February of 2007) 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>		
\$1,492 -	\$836	= \$656
<i>Prospective</i>		
\$1,492 -	\$856	= \$636

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

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Exception List Workers must review each case on the attached Exception List as these cases did not convert successfully during the SSA COLA process. The worker must determine if an error exists, resolve it, run EDBC, and authorize the results.

The COLA ran on all CalWORKs, Food Stamps, Medi-Cal, GR, and CAPI cases with SSA/Veterans' Benefits and on all Medi-Cal programs based on Federal Poverty Levels.

There may be some cases on the list without SSA income, but have associated Medi-Cal programs. Running an automated COLA on these Medi-Cal programs, and running EDBC, meant the associated programs also ran EDBC. Pending cases, cases with errors or problems, and discrepant cases did not go through batch authorization (did not authorize). These are the cases appearing on the list.

Most cases had the SSA amount updated effective January 2007, but some of them must be updated by the worker by running EDBC and authorizing. Pay special attention to the EDBC errors (error encountered in EDBC process).

The table below shows actions to be taken on the list.

Error Type	Action
EDBC Error	Worker must run EDBC to find the error, correct the error, run EDBC again, and authorize the results, if correct.
Pre Authorization Exceptions	Worker must review these cases and authorize if the results are correct.

**Required
worker
actions**

Workers must take the following actions:

- Use prospective budgeting for recalculating budgets for the January 1, 2007 COLA.
- Issue Notices of Action, as appropriate.
- Review the cases on the attached Exception List as stated above.

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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 worker 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 The table below shows how to file the CAPI PG material.

Action	Pages
Remove	99-103, Pages 7-11
	Appendix G-9
Replace	99-103, Pages 7-11
	Appendices G-9 and G-10

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**Manager
approval**

ORIGINAL SIGNED BY:

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