

Cash Assistance Program for Immigrants (CAPI) Program Guide Letter No. 11

April 15, 2008

Subject **2008 COST-OF-LIVING ADJUSTMENTS (COLA) THAT AFFECT CAPI**

Effective date October 1, 2008

Reference All-County Information Notices (ACIN) I-26-08

Purpose The purpose of this CAPI Program Guide Letter is to inform staff that the COLA scheduled for June 1, 2008 has been postponed to October 1, 2008.

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.
ACINs I-75-07 and I-26-08	Notified counties of the new CAPI Payment Standards for 2008, resulting from the Federal SSI/SSP COLA, effective January 1, 2008 and October 1, 2008.

Increases in other values The Federal SSI COLA affects four values that can impact CAPI eligibility and benefit amounts. These four values will not change for the October COLA. They are:

- Presumed Maximum Value (PMV) of the In-Kind Support and Maintenance (ISM);
- Allowance for Ineligible Children in Deeming Situations (i.e., deeming income from an ineligible spouse);
- Sponsor’s Allocation in Alien Deeming Situations; and
- Allowance for Parent(s) in Parent-to-Child Deeming Situations.

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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 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 2007 for the increased income. Otherwise, it will not be counted correctly for January 2008.

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Example of budgeting methods

Using January 2008 the following example illustrates the difference between the current retrospective budgeting for the COLA and subsequent months (i.e., January and February of 2008) 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
<u>Retrospective</u>		
\$1,514	- \$856	= \$658
<u>Prospective</u>		
\$1,514	- \$870	= \$644

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

COLA Run

Workers will be notified when the date for the COLA run is scheduled along with any actions that must be taken at that time.

Required worker actions

Workers must not take action to increase benefits due to the originally scheduled COLA on June 1, 2008. Further instructions will be provided once the October 1, 2008 COLA is scheduled.

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.

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**Filing
instructions**

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

Action	Pages
Remove	Appendices G-11 and G-12
Replace	Appendices G-11 and G-12

**Manager
approval**

ORIGINAL SIGNED BY:

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