

November 5, 2012

CalWORKs Program Guide Letter No. 275

Subject CalWORKs COST OF LIVING ADJUSTMENT (COLA) INCREASE TO THE MINIMUM BASIC STANDARD OF ADEQUATE CARE (MBSAC) AND INCOME IN-KIND (IIK) LEVELS

Effective Date July 1, 2012

Reference All County Letter (ACL) No. 12-34

Purpose The purpose of this letter is to inform staff of the Cost of Living Adjustment (COLA) increase to the CalWORKs Minimum Basic Standard of Adequate Care (MBSAC) and Income In-Kind (IIK) levels.

Background CalWORKs Maximum Aid Payment (MAP), MBSAC and IIK levels are adjusted annually to reflect any increases or decreases in the cost of living.

This year the adjustments include:

- **2.98 percent** increase to the MBSAC and IIK levels.
 - COLA increase **suspension** to the MAP levels.
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Summary of Updates The following CPG section has been loaded to the CPG online:

CPG Section	Title	Program Updates
44-300.G	CalWORKs Payment Standards	Section updated with the new MBSAC and Income In-Kind levels.

Retroactive Eligibility for Denied Applications

The new MBSAC levels are to be used in determining applicant financial eligibility for those families who apply for CalWORKs on or after July 1, 2012.

Human Services Specialists (HSSs) are required to review applications which were denied solely for failing the applicant financial eligibility income test due to the higher MBSAC level, by:

- Completing a manual budget for the applicant Assistance Unit (AU).
- When the total earned income minus \$90 earned income disregard plus unearned income is between the previous MBSAC and the current MBSAC, the HSS needs to determine if the income is below the Maximum Aid Payment (MAP).

HSSs are required to make any necessary retroactive and all prospective changes effective as soon as administratively possible to implement the increase in the MBSAC levels and retroactively approve those applications.

Reminder:

If the AU is not financially eligible for the application month, but if the AU will become financially eligible within 60 days of the application date, the HSS is required to do another applicant test using the second month's reasonably anticipated income. If eligible, the case needs to be approved effective the first of the second month.

Reference: [CPG 44-100 K. Income Eligibility](#).

Income In-Kind (IIK) Levels

HSSs are required to review the list of continuing cases with IIK and update the values manually:

- If the IIK amount on the case needs to reflect the new value, HSS is required to run EDBC and authorize.
- If the IIK amount does not need to be updated (client receives lower IIK value), HSS is not required to take any action.

The HSS is required to evaluate and take action to prospectively apply the new IIK amounts as soon as administratively possible.

The COLA change is a county-initiated mid-quarter action, therefore the change will be made as soon as timely and adequate notice is provided.

**MAP COLA
Suspension**

The California Department of Social Services (CDSS) has announced that no adjustment to the MAP levels will be made during **fiscal year 2012-13**, unless otherwise specified by statute.

**RCA and
TCVAP
Impact**

These instructions for the MBSAC and IIK changes also apply to Refugee Cash Assistance (RCA) and Trafficking and Crime Victims Assistance Program (TCVAP) applicants and recipients.

**CalFresh
Program
Impact**

No impact.

**Medi-Cal
Program
Impact**

No impact.

**Child Care
Program
Impact**

No impact.

**Automation
Impact**

The reference tables in CalWIN have been updated to reflect the new MBSAC level changes (07/12) and IIK values (07/12).

**ACCESS
Impact**

MBSAC

Upon receipt of inquiry, ACCESS Customer Service Agents are to review only previously denied CalWORKs applications which were denied solely for failing the applicant financial eligibility income test due to the higher MBSAC as described in this program material.

IIK

Upon becoming aware of the customers receiving IIK, ACCESS Customer Service Agents are required to review that appropriate updates have been made to the cases as described in this program material.

The agent is required to inform the customer that the FRC will be completing a review and to determine if they are eligible. The agent will ONLY generate a SharePoint when there is no indication in the case that a review has been completed.

If there are changes to case address and/or phone number, the agent is to make appropriate entries in CalWIN to update the case and make appropriate case comments.

Forms Impact

None.

**Imaging
Impact**

None.

**Assistance
Standards
Chart**

The Assistance Standards chart for CalWORKs and CalFresh has been updated with the new MBSAC and IIK levels. The chart is attached to this letter.

**Scratch
Budget**

The QR Scratch Budget has been updated with the new MBSAC levels and placed in the Enterprise/QR Excel Spreadsheet folder on the shared "S" drive.

**QC / QA
Impact**

Quality Assurance will cite the appropriate error when the regulations cited in this program material have not been followed.

**Director
Approval**



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