

February 21, 2014

CalWORKs Program Guide Letter No. 315

Subject VETERAN'S DISABILITY COMPENSATION BENEFITS

Effective Date January 1, 2014

Reference All County Letter (ACL) 14-08

Purpose To inform Family Resource Center (FRC) staff of the expansion of the definition of Disability Based Income (DBI) to include Veterans' Disability Compensation (VDC) benefits.

Background CalWORKs recipients who receive DBI are entitled to the \$225 Earned Income Disregard (EID) when the Assistance Unit's (AU) ongoing eligibility and grant amount is being determined ([CPG 44-100.I.2 Earned Income Disregards](#)).

DBI had been limited to disability insurance benefits, private disability insurance benefits, temporary worker's compensation benefits, and social security disability benefits.

Summary of Updates The following CPG sections have been loaded to the online CPG:

CPG Section	Title	Program Updates
44-100.A.6	Disability Based Income	DBI definition updated to include VDC benefits.

Changes to the CPG are noted with **highlighted text**.

New Regulations Effective January 1, 2014, VDC benefits are considered DBI and recipients are entitled to the \$225 EID when Human Services Specialists (HSSs) are determining the AU's ongoing eligibility and grant amount.

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**Human
Services
Specialist
(HSS) Actions**

As a result of the expanded definition of the DBI, the grant amounts of some AUs may increase if they are receiving VDC benefits. HSSs are required to ensure that all cases in which any AU member receives VDC benefits have their grant amounts recalculated to allow the \$225 EID, and issue any supplement for the month of January 2014 and any subsequent months, in accordance with [CPG 44-350.K Underpayment](#).

HSSs are required to recalculate the grant retroactively to January 2014 the next time the HSS takes action on the case (e.g. processing a SAR 7, annual redetermination, voluntary report from the AU, etc.) or when it becomes known to the HSS that the recipients are/were receiving VDC.

HSSs are also required to rescind any discontinuances if the sole cause of the discontinuance was ineligibility due to receipt of excess income due to the VDC benefits, and the case would have remained eligible had the disregard been applied beginning January 1, 2014. The AU must be paid any cash aid the AU would have been eligible for had the AU not been discontinued due to the disregard not being applied.

Refer to [CPG 44-100.I.3.1](#) for case scenarios when the DBI, such as VDC benefits, are:

- Greater than the \$225 EID (Example #1); and
 - Less than the \$225 EID (Example #2).
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**Types of VDC
Benefits**

The Veterans' Administration (VA) has many types of VDC benefits. The main benefit type is Disability Compensation.

There are some additional, special categories of supplemental VDC payments that veterans and their spouses, children, or parents may be entitled to receive depending on several different factors.

Regardless of the type of VDC benefit being paid or to whom it's being paid, the AU is entitled to the \$225 disregard if the payment is based on the veteran's disability.

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CalFresh Program Impact The CalFresh benefits of recipients receiving both CalFresh and CalWORKs shall be recalculated as a result of any changes in the CalWORKs grant. Any CalWORKs grant increase is considered Known-to-County information.

If decreasing the CalFresh allotment, the decrease will be effective the first of the month for which timely notice can be provided to the household, as described in [CalFresh Program Guide 63-285.5 Public Assistance Grant Changes Mid-Period](#).

Medi-Cal Program Impact No impact.

General Relief Program Impact No impact.

Child Care Program Impact No impact.

County Medical Services Program Impact No impact.

Automation Impact CalWIN changes to reflect these new regulations are in progress and will be scheduled for a future release.

ACCESS Impact ACCESS Customer Service Agents may receive questions from callers requesting clarification on the CalWORKs changes. The agents will provide information to callers regarding the regulation changes.

Forms Impact No impact.

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**Document
Capture
Impact**

No impact.

**Quality
Control Impact**

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

**Manager
Approval**



Rick Wanne, 2-21-14

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CalWORKs Program

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