

June 30, 2014

CalWORKs Program Guide Letter No. 328

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, 2014

Reference All County Letter (ACL) No. 14-39

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 MBSAC and IIK levels are adjusted annually to reflect increases or decreases in the cost of living.

 This year the adjustments include a **2.17 percent** increase to the MBSAC and IIK levels.

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 hyperlinks to the Assistance Standards Chart desk aid.
45-200	Assistance Standards Chart	Desk aid updated to reflect the new MBSAC and Income In-Kind levels.
45-200	CalWORKs IRT Chart	Desk aid removed and information incorporated into the Assistance Standards Chart above.

Changes to the CPG are noted with highlighted text.

MBSAC Levels

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, 2014.

Human Services Specialist (HSS) is required to take immediate steps to review and correct any applications denied on or after July 1, 2014, if the sole reason for denial was failure to pass the applicant financial eligibility income test due to the MBSAC or IIK amounts used. Refer to the [Automation Impact](#) section for the reference table updates in CalWIN.

Reminder:

If the AU is not financially eligible for the application month, but if the Assistance Unit (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 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 enter the new values, 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.

For existing recipients, HSSs are required to evaluate and take action to prospectively apply the new IIK amounts.

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

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

With the 2.17 percent increase in IIK, there's a potential decrease in CalWORKs benefits and/or increase in CalFresh benefits. HSS is required to review the impacted cases and take any appropriate action.

**Medi-Cal
Program
Impact**

No impact.

**Child Care
Program
Impact**

No impact.

**County
Medical
Services**

No impact.

**Automation
Impact**

The reference tables in CalWIN, to reflect the new MBSAC level changes (07/14) and IIK values (07/14), have been updated on the weekend of June 21, 2014, with the new values available on June 23, 2014.

As a result, the CalWIN Project provided two lists identifying cases potentially impacted with the reference table updates:

- MBSAC List – This list includes all CalWORKs cases that were denied starting May NOA cutoff date to June 22nd because of over MBSAC limit.
 - IIK List – This list includes all CalWORKs cases with IIK. With the 2.17% increase, there's a potential decrease in CalWORKs benefits and/or increase in CalFresh benefits.
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**Access
Impact**

MBSAC

Upon receipt of inquiry, Access Customer Service Agents are to review any 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 Family Resource Center (FRC) will be completing a review and to determine if they are eligible. The agent will ONLY send an Access FRC Task Too (AFTT) message when there is no indication in the case that a review has been completed.

Forms Impact

None.

**Imaging
Impact**

None.

**Assistance
Standards
Chart**

The [Assistance Standards Chart](#) for CalWORKs has been updated and loaded to the CPG online with the new MBSAC and IIK levels.

**Scratch
Budget**

The CalWORKs/CalFresh Scratch Budget has been updated with the new MBSAC levels and placed in the [ENTERPRISE\QR Excel Spreadsheet](#) folder on the shared "S" drive.

**Quality
Control
Impact**

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

**Director
Approval**

Rick Wanne, 6-30-14

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