

January 28, 2010

**CalWORKs Program Guide**  
**Special Notice**  
**10-03**

**FOOD STAMP PROGRAM GUIDE**  
**Special Notice**  
**10-04**

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Subject            **CalWORKs AND FOOD STAMP PROGRAMS QUARTERLY REPORTING AND PROSPECTIVE BUDGETING (QR/PB) QUESTIONS AND ANSWERS (Q&A's)**

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Reference        All County Letter (ACL) 09-41 and ACL 09-41 Errata

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Purpose            The purpose of this Special Notice is to transmit a series of Q&A's regarding the QR/PB system in the CalWORKs and Food Stamp programs. This Special Notice reiterates and clarifies current policies that have been routinely found to be difficult and confusing for both county staff and recipients of aid.

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Background      San Diego County implemented the QR/PB system in May 2004 via Special Notice 04-02 for the Food Stamp Program (FSP) and 04-01 for the CalWORKs program. Currently, all regulations pertaining to QR/PB have been incorporated into both program guides.

In addition, two sets of QR/PB Q&A Special Notices can be found in the Food Stamp Program Guide (FSPG):

- [04-02 Addendum C](#) and
  - [04-02 Addendum E](#).
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Question 1  
QR 7 Process:  
Follow-up  
Contact

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**Is the Human Services Specialist (HSS) required to make a follow-up contact with the recipient if the QR 7 is not received by the 11th of the month or when the QR 7 is received incomplete?**

**Answer:** Regulations at [FSPG 63-274](#) and [CalWORKs Program Guide \(CPG\) 44-250.B](#) explain what the HSS is required to do when a client fails to submit a QR 7 or submits an incomplete QR 7.

### **DISCONTINUANCE NOTICE**

- If the QR 7 is not received by the 11<sup>th</sup> of the Submit Month, the HSS will send the client a notice of discontinuance (NA 960X QR) effective the end of the Submit Month. The notice will be issued automatically via CalWIN on the 10-day NOA cutoff day if the QR 7 has not been logged in.
- If the county receives an incomplete QR 7, the HSS must inform the recipient what specific information and documentation is needed to consider the QR 7 complete and the deadline by which the recipient must submit it to avoid being discontinued. Per [FSPG 63-274.2](#), this notice must also state that the county is available to assist the recipient in completing the QR 7.

The discontinuance notice states that a complete QR 7 must be received in order to avoid termination of benefits. Therefore, if a household responds to the notice of an incomplete QR 7 by submitting another QR 7 without the requested information, the HSS may discontinue without further notice. However, if between the two QR 7s the HSS has sufficient information to determine eligibility, the HSS will not discontinue the case. This is true for both the CalWORKs and FSP.

**Example:** The client reports a new job and a new household member but fails to turn in verification of earnings. The discontinuance notice states that the QR 7 was incomplete for failure to provide verification of earnings. The client submits a new QR 7 that includes verification of earnings, but does not report the new household member. In this case, the reporting is considered complete as the household reported the change and income in both QR 7s.

### **BALDERAS CONTACT**

**For CalWORKs cases**, prior to discontinue the case, the HSS is required to make a Balderas contact, to inform clients of the reason for the proposed discontinuance and to give the client the opportunity to submit a complete QR 7.

After sending the CalWORKs discontinuance notice (no later than 10 days before the end of the Submit Month), the HSS will attempt a personal (Balderas) contact with the client, either in person or by phone, and document the attempt in the case record. If the HSS attempts the contact, but cannot reach the client, then a written reminder will be sent to the client no later than five days before the end of the month. If the client does not submit a complete QR 7 by the first business day of the next QR Payment Quarter (the extended filing date), the discontinuance remains in effect and the individual must reapply for benefits, unless good cause is established.

(For food stamp cases, the Balderas reminder contact is not required in order to discontinue a case for failure to provide a complete QR 7.)

A CalWORKs case discontinuance for an incomplete QR 7 is not valid unless an attempted Balderas personal contact is made and documented and a Balderas reminder notice is sent if personal contact cannot be made. For recipients who have indicated a non-English primary language for verbal communications, the county contact must be made in the individual's primary language through a bilingual worker or interpreter ([CPG 21-100.A](#)).

[MPP §40-181.221(QR); 21-115; 63-508.6]

Question 2  
"Good Cause"  
for a Late QR 7

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**What constitutes "good cause" for failing to submit a timely QR 7? When can the HSS determine "good cause" for failing to submit a timely QR 7 by the extended filing date?**

~~**Answer:** Per [FSPG 63-274.5](#) and [CPG 44-250.C](#), "good cause" for submitting a late QR 7 will be determined when the recipient cannot reasonably be expected to fulfill his or her reporting responsibilities due to factors outside of his or her control. "Good cause" exists only in the following situations:~~

- ~~• The recipient is suffering from a mental or physical disability which prevents timely and complete reporting; or~~
- ~~• The recipient's failure to submit a timely and complete report is directly attributable to a county error; or~~
- ~~• The HSS finds other extenuating circumstances.~~

~~When a recipient requests restoration of aid during the first month after being discontinued for a late QR 7, the HSS is required to review whether the recipient had "good cause" for late submission of their QR 7. If the HSS finds "good cause", the discontinuance will be rescinded.~~

~~**In addition, the HSS may choose at any time to independently determine "good cause" even if the recipient does not request it**~~

**in the following situations:**

- ~~When the HSS becomes aware of a domestic violence situation;~~
- ~~When the recipient is suffering from a mental or physical condition which prevents timely and complete reporting;~~
- ~~If the HSS becomes aware of a county error such as when mail is returned as undeliverable and the HSS finds the client reported a new address that was not used for the mailing; or~~
- ~~When the HSS finds other extenuating circumstances.~~

~~NOTE: FSPG 63-274.5 and CPG 44-250.C will be updated shortly to include this information.~~

~~[MPP §40-181.23 and 63-508.64]~~

**[Refer to FSPG SN 10-04 Addendum for correct answer.](#)**

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Question 3  
Reasonably  
Anticipated  
Income

**In some instances, recipients:**

- **Write on the QR 7 or say they have “no idea” what income they expect to receive in the next quarter; or**
- **Report “\$0” income and the HSS is aware the recipient often does occasional work.**

**Can the HSS consider the QR 7 incomplete and inform the recipient that they must anticipate something? How would the HSS treat anticipated income when the recipient’s income fluctuates significantly?**

**Answer:** Recipients are only required to report income they reasonably expect to receive in the upcoming quarter. **The HSS will “reasonably anticipate” income only if the client is reasonably certain of the amount and payment dates.** This means that even when recipients do occasional work, if they can’t anticipate how much they will get paid or that they will get paid within any of the three months of the upcoming quarter, they may be unable to reasonably anticipate that income.

**[CPG 44-250.F](#); [FSPG 63-281](#).**

If a recipient reports they have “no idea” of the income that could be anticipated, the HSS should not return the QR 7 to the recipient as incomplete, but should contact the recipient and discuss their potential income for the next three months and decide if any income can be reasonably anticipated. The HSS has several options for obtaining more reliable information:

- If with the assistance from the HSS, the recipient is unable to estimate future income, the HSS may contact the employer or source of income with the recipient’s written permission.
- If unable to obtain additional source information, the HSS can also

look at past income (current quarter for CalWORKs and past 12 months for Food Stamps) and use this past income as an indicator of future income (that will be received over the next quarter), as long as no change in income has occurred or is anticipated to occur over the next quarter. **The portion of the income that is uncertain or cannot be reasonably anticipated will not be counted when determining benefits.** [CPG 44-250.F](#); [FSPG 63-281.12](#)

The HSS will explain to the client to make a mid-quarter voluntary report if the actual income decreases during the quarter. The HSS can increase the grant or food stamp benefits based on the decreased income.

The HSS should not treat QR 7's with zero anticipated income as incomplete, unless there is some discrepancy. For example, if the recipient had regular income last quarter and they anticipate zero income this quarter but do not state on the QR 7 that anything has changed since last quarter, then the HSS should follow-up with the recipient to resolve the discrepancy.

Furthermore, if the HSS does not accept the recipient's estimate of anticipated income, the HSS must document the reason for not accepting the recipient's estimate, explain the basis for their own estimate and issue a notice of action (including a budget) to the recipient. [CPG 44-250.F](#); [FSPG 63-281.1](#)

**Example 1:** If a recipient is a waitress and doesn't earn the same amount each month because of extra shift opportunities or shift cut-backs, but states on the QR 7 that the reported Data Month's income is "typical," the HSS can count that income as reasonably anticipated for the next quarter. If the recipient never has any regular shifts or hours, and the employer or prior income history verifies that there is no minimum amount of income expected, then this income cannot be reasonably anticipated.

**Example 2:** If the person's income varies between \$200 and \$400 a month and the employer can't confirm the earnings or schedule, but the recipient and the employer both agree that earnings are usually about \$200; the HSS could budget \$200 as reasonably anticipated income.

**Example 3:** If the recipient's income varies dramatically (for example someone who is waiting for an on-call substitute position, and doesn't know whether there will be any work or any minimum hours) there is no income that can be reasonably anticipated.

[MPP §44-101(c)(1); 44-313.111(c); 44-315.311(a); 44-315.312; 63-509(a)(1); 63-509(QR)(a)(2)); 63-509(a)(2)(C)(3)(f)]

Question 4  
Reducing the  
Number of  
Incorrect or  
Incomplete  
QR 7s

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**Some recipients have problems filling out the QR 7 correctly. This is especially true regarding anticipated income. What can be done to minimize this problem?**

**Answer:** To reduce the number of incomplete or incorrect QR 7s, the HSS could do the following:

- Review reporting responsibilities, and the QR 7 form, at application, and at re-determination as required per [CPG 44-100.C](#); FSPG [63-115.3](#); [63-273.1](#). (MPP §40-181(1)(e)(1); 63-508.322).
- Review the reporting responsibilities any time it appears that the person is having problems understanding his or her reporting responsibilities. This could also avoid overpayments and fraud. Refer to [CPG 44-100.C](#); FSPG [63-273.1](#) (MPP §20-005.313).
- Ensure that appropriate language services are used for limited English proficient recipients, and reasonable accommodations are provided to those recipients with disabilities requiring assistance. Review FSPG [63-022](#); [63-023](#). [CPG 21-100.B](#) (MPP §21-115).
- Contact and work with the recipients to determine whether income can be reasonably anticipated. As indicated in Q&A #3 (above), there are instances in which earnings cannot be reasonably anticipated as with occasional work.

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Question 5  
Income Decrease  
Reported Mid-  
Quarter

**What verification are CalWORKs and/or Food Stamp recipients required to provide when reporting a decrease of income mid-quarter?**

**Answer:** No verification is required in order to report a decrease of income. However, to take action on the income decrease, the recipient must provide verification within 10 days of the voluntary report.

When a participant reports a decrease of income, but does not provide verification, the HSS will send a written request to verify the income within 10 days.

- If the recipient does not send the requested verification, the HSS will document the report of decreased income in the case file and send the No-Change Notice of Action ([QR 377.4](#)) for Food Stamps); (MT40-001 No Change/Mid-Quarter Reporting) for CalWORKs
- If verification is received within 10 days of the reported change, then a supplemental payment will be issued for the month of the change or the month of the verified report, whichever is later.
- If verification is received after the 10 days, the date the verification is received will be considered the new report date

[CPG 44-250.D](#); [FSPG 63-283](#).

Acceptable verification could be (but is not limited to) paychecks, benefits stubs (i.e., unemployment or disability benefits stubs) or a letter from the employer. If the recipient provides verification, the HSS will accept the verification unless there is a documented reason to doubt its validity. [CPG 44-250.D](#). [FSPG 117.17.27-32](#)

- If the recipient is attempting to obtain the verification, but is having trouble, the HSS must offer to help in obtaining it. [CPG 44-100.L](#). [FSPG 63-117.4](#).
- The HSS could also use collateral contacts for food stamp households. [FSPG 117.29](#); or
- With the recipient's written permission, may contact the employer to verify the recipient's statement.
- If verification does not exist, an affidavit or sworn statement is acceptable verification of earnings for both the CalWORKs and Food Stamp programs. [CPG 44-100.C](#); [FSPG 63-117.7](#).

[MPP §40-115.22; 40-126.33; 40-181.24(f)(QR); 44-316.311; 63-300.5(e)(1); 63-300.5(h); 63-300.5(h)(2); 63-300.5(i); 63-509(d)].

Question 6  
Income Decrease  
Reported During  
the Submit  
Month

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**How would the HSS treat a decrease of income reported in the Submit Month (the month the QR 7 is due)?**

**Answer:** Per [CPG 44-250.D](#), [FSPG 63-275.1](#) and [FSPG 63-283](#), if the household reports on the QR 7 or by other means a decrease of income in the Submit Month, the HSS must treat the decreased income as a voluntary mid-quarter report and adjust/supplement benefits for the month the decrease takes place if verified timely (see Q&A #5 above). If the income decrease is expected to continue into the next quarter, the decreased income reported on the QR 7 will also be used to determine the next Payment Quarter's cash aid and food stamp benefit amount.

**Example 1:** During the Jan/Feb/Mar quarter, a recipient submits a timely and accurate February QR 7 on March 4<sup>th</sup> stating that her actual income for the month of March will be lower than the current budgeted income. She also reports that the decrease in income will continue through the upcoming Payment Quarter and provides written verification of her decreased income on March 7<sup>th</sup>.

The HSS will re-compute March's benefits and make any necessary supplemental payments to the AU/HH. In addition, the HSS will also use this new reasonably anticipated income to compute the upcoming Payment Quarter if the decrease in income is anticipated to continue.

~~**Example 2:** Using the same scenario above, the recipient reports an income decrease for the upcoming Payment Quarter, but didn't report a decrease of income for the current month.~~

~~If later in the month, on March 25<sup>th</sup>, the recipient reports a decrease in income for March and provides timely verification (on April 2), the HSS will re-determine March's cash aid and food stamp benefits and issue supplemental benefits.~~

~~NOTE: As explained in [FSPG 63-183.9](#), when supplementing the CalWORKs grant, the food stamp budget will include the original CalWORKs grant plus the additional CalWORKs supplement. [MPP §44-316.31 and 63-509(a)(2)]~~

~~[Refer to FSPG SN 10-04 Addendum for revised answer.](#)~~

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Question 7  
Approval of  
SSI/SSP or Other  
Payments or  
Benefits

**A recipient reports receiving (and provides a copy of) an approval letter for Supplemental Security Income/State Supplementary Payment (SSI/SSP). The letter states the participant will be paid \$661 monthly, but has no other information. Can the HSS budget this income for the following Payment Quarter?**

**Answer:** First of all, SSI/SSP income is not counted as income for the AU or household and recipients of SSI/SSP are not eligible to receive CalWORKs or food stamp benefits.

Since the approval letter does not reflect the date the participant will begin receiving SSI/SSP benefits, it cannot be reasonably anticipated. However, the HSS could attempt to verify with the Social Security Administration (SSA) the date the first benefits will be issued. Per QR rules, the SSI/SSP recipient must be discontinued from cash aid and food stamps at the end of the quarter once the recipient begins receiving SSI/SSP or the beginning date of payment is known.

It is not considered duplicate aid if a recipient receives CalWORKs, SSI/SSP or food stamps at the same time because the SSA will decrease the SSI/SSP payment level based on the recipient's portion of the CalWORKs grant, and the SSI/SSP payment will increase as soon as the recipient is removed from the AU (see [FSPG Special Notice 04-02 Addendum C \(Question #1 under the ACIN I-09-04 section\)](#), for more information on this scenario).

Assuming this is a different type of income, such as Unemployment Insurance or Disability Insurance, the HSS may not budget the income unless the payments can be reasonably anticipated; **the HSS must know both the amount and payment date before the income may be considered "reasonably anticipated"**. The HSS must document in the case file/CalWIN case comments regarding why the income was

not used in the benefit calculation.

[FSPG 63-281.1-5](#); [CPG 44-250.F](#)

[MPP §44-315.311; 63-509(a)(2); ACIN I-09-04]

Question 8  
Overpayments  
after Reasonably  
Anticipating  
Income

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**The HSS was not able to contact the employer to follow up, clarify and verify information reported on the QR 7 before issuing benefits for the upcoming Payment Quarter. During the Payment Quarter, the HSS confirms that the recipient had income that was not anticipated. Should the HSS establish an overpayment?**

**Answer:** There are two different issues in this question: the reporting of anticipated income and when a HSS can establish an overpayment. As previously discussed, in order to anticipate and budget income, the recipient must know both the amount of income and when the income will be received. If the recipient timely and correctly reported the income they could reasonably anticipate, the HSS cannot use actual income received during the quarter to compute an overpayment at a later date.

If the HSS did not confirm with the employer that **by the end of the Data Month** there was a specific job offer, anticipated wages and a start date, and an estimate of the income for the Payment Quarter, the HSS cannot re-compute benefits and determine an overpayment based on actual income obtained at a later date.

For example, the client reasonably anticipated working only three weeks and because of an unanticipated schedule change, worked four weeks instead. If the client reasonably anticipated only three weeks of work, the HSS must compute the budget based on three weeks of work. The HSS cannot re-compute the budget to assess an overpayment resulting from the change in the client's schedule.

This differs from correcting HSS' budgeting errors or client reporting errors, which can be assessed as overpayments and corrected mid-quarter. Client reporting errors occur when the recipient does not report correctly. [CPG 44-250.F](#); [FSPG 63-281](#)

[MPP §44-350.18(QR); 63-509(a)(2)]

Question 9  
Use of Weekly  
and Bi-Weekly  
Multipliers

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**Can you clarify when to use weekly and bi-weekly conversion multipliers?**

**Answer:**

- If the recipient is going to be paid weekly *every week* for the entire quarter, use the weekly multiplier.

- If they are going to be paid *every other week* for the entire quarter, use the bi-weekly multiplier.
- If the recipient receives a fixed monthly pay, whether in one or more pay periods, use the monthly amount and not the multiplier.
- If the person does not anticipate getting paid regularly for the entire quarter, don't use the multiplier, just count the anticipated income.

(Income averaging rules, including conversion multipliers are explained in [FSPG 63-281.10, 11](#); [CPG 44-250.F](#).)

**For Example:** someone getting paid \$200 every week for the whole quarter is treated differently than someone who reports that they will work only the first three weeks of each month, and be paid \$200 per week. In the first example, use the weekly multiplier 4.33 for a total of \$866 averaged monthly income; in the latter example, budget \$600 as the monthly income throughout the quarter. If a recipient reports that they will receive a paycheck every other week in the amount of \$300 for the entire quarter, use the bi-weekly multiplier of 2.167 for a monthly total of \$650.

The weekly or bi-weekly paychecks do not have to be the same amount every week; but the recipient must expect that the weekly fluctuating income pattern will remain the same. For example, if a recipient receives weekly paychecks in the amounts of \$100, \$230, \$175 and \$200 and claims that this income pattern will continue throughout the entire quarter, the income would be budgeted as follows: First, find the average weekly pay by adding all four checks together and dividing by 4 ( $\$100 + 225 + 175 + 200 = \$700$ .  $\$700/4 = \$175$ ). The average weekly income would then be multiplied by the weekly conversion factor of 4.33, to reach an average monthly income of \$757.75.

However, if the client anticipates the Data Month weekly payments will change for the upcoming quarter or will not be paid throughout the entire Payment Quarter for each week in the quarter, then the weekly multiplier would not be used (e.g. client will have a pay raise in the middle of the quarter, income will terminate, job will /change, or work-hours will increase or decrease in the middle of the quarter, etc.). In these cases, the HSS will compute the total anticipated income for the quarter by determining the number of pay periods and their reasonably anticipated amounts for each month.

Question 10  
Interpretive  
Services  
Requirements

**What language services must the county provide to someone if the QR 7 has not been translated into the recipient's primary language?**

**Answer:** The county is required to offer free interpretive services, without undue delays, to applicants and recipients for both oral and

written communications and to document these preferences in the case file. Applicants and recipients can also self-identify the language(s) in which they wish to receive verbal communications and written materials from the county at any time.

Applicants and recipients may select a different language preference for both oral and written communications. If the individual has selected a non-English language for written materials, and the state has provided a translation, the county must use the translated forms regardless of whether the participant has received forms in English in the past. This language requirement exists regardless of the size of the language group in the county or the county's automation system capacity.

If the state has not provided a translation of a particular form, the county must provide a county-translated form or verbal interpretive services. Furthermore, recipients may request interpretive services any time they believe they need help understanding a form, regardless of their English proficiency. [FSPG 63-021.7](#) and [63-022](#); [CPG 21-100.B](#)

[MPP §21-115.2; 21-115.15 and ACL 08-65]

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Quality  
Assurance (QA)  
Impact

Quality Assurance (QA) will cite an error if the policies regarding QR regulations are not followed or are followed incorrectly.

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OA/DP