October 1, 2010

**Food Stamp Program Guide (FSPG) Letter # 552**

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<tr>
<th>Subject</th>
<th>FOOD STAMP RESTORATION OF ELIGIBILITY AND BENEFITS WAIVER</th>
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<tr>
<td>Effective Date</td>
<td>October 1, 2010</td>
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<tr>
<td>Reference</td>
<td>All County Letter (ACL) No. 10-32</td>
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<td>Purpose</td>
<td>The purpose of this letter is to provide information and instructions to staff regarding the implementation of the Food Stamp (FS) Restoration of Eligibility and Benefits waiver.</td>
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<td>Background</td>
<td>The United States Department of Agriculture (USDA) Food and Nutrition Service (FNS) has approved the California Department of Social Services (CDSS) waiver to restore eligibility of discontinued Non-Assistance Food Stamp (NAFS) cases the month following discontinuance, without requiring a new application or an interview.</td>
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**FSPG Changes/Updates**

The Food Stamp Program Guide (FSPG) has been updated as follows:

<table>
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<tr>
<th>FSPG Section</th>
<th>Title</th>
<th>Changes/Updates</th>
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<tr>
<td>63-117.3</td>
<td>Requesting Verification during the Certification Period- Restoration of Eligibility Waiver</td>
<td>Added Restoration of Eligibility and Benefits Waiver regulations</td>
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<td>63-262.3</td>
<td>Processing Standards to Decrease Benefits</td>
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</table>
| 63-274.3 | QR 7 Notice of Action | • Added Restoration of Eligibility QR 7 notice requirements  
• Changed title to “QR 7 Notices of Action”  
• Revised this section to clarify a second NA960X or Y notice is not required |
| 63-274.7 | New section: Restoration of Eligibility Waiver | Added Restoration of Eligibility and Benefits Waiver QR regulations |
| 63-274.8 | New section: Restoration of Eligibility Waiver: QR 7 Examples | Added restoration of eligibility and benefits waiver examples of QR 7 related discontinuances |
| 63-303.13 | Exemptions for Providing a Timely Notice | Added adequate notice when restoring FS eligibility or denying a restoration request |
When a Quarterly Reporting (QR) or Change Reporting (CR) NAFS household case is discontinued, the Human Services Specialist (HSS) will restore eligibility within the month following the discontinuance without requiring a new application or an interview, and without changing the certification period and QR cycle when the household resolves the reason(s) for the discontinuance in that month. The HSS will issue prorated benefits effective the date the household provides the information/verification (the date the missing information is received at a Family Resource Center (FRC)).

- **Exceptions:**
  - Households that have been discontinued for:
    - Not completing a recertification,
    - Moving out of the county (reapplying after being discontinued for moving out of the county), or
    - Disqualified households (IPV, voluntary quitting a job without good cause, etc.) are not eligible for restoration of eligibility and must reapply for FS.
  - Households who have had their eligibility restored under this waiver are not considered applicants. Therefore they are not entitled to expedited services.
  - The waiver does not apply to FS households receiving CalWORKs or TFS households.

**NOTE:** If during the restoration process, the HSS discovers that a household has been erroneously discontinued, the HSS will rescind the discontinuance and restore eligibility and benefits as specified in FSPG section 63-456.3.

See Attachment: [Food Stamp Restoration of Eligibility Reference Guide](#).

The FS restoration of eligibility waiver does not change or amend current FS eligibility regulations:

- Before restoring FS eligibility, the household must meet all other FS eligibility conditions;
- The household is required to provide information and verification needed to establish and maintain FS eligibility; and
- The HSS is required to:
  - Review and validate information and verification submitted by the household,
  - Continue to take all appropriate actions related to the information provided by the household, and
  - Document in Case Comments the reason for the FS discontinuance.
FS Restoration of Eligibility: HSS Action

If a NAFS households provides the missing information (that triggered the discontinuance) the month after the case has been discontinued, the HSS will re-open (restore) the case and issue pro-rated benefits effective the date the household provides the missing information or verification.

- The household must provide the necessary documentation or verification or satisfy any other condition of eligibility that prompted the discontinuance before the HSS can take any action.

- Restored households are considered continuing cases. Therefore, the HSS will not:
  - Interview the household,
  - Require a new application,
  - Fingerprint image any household member,
  - Change the original certification period, or
  - Change the QR cycle.

- The HSS will:
  - Issue benefits to the household as soon as administratively feasible, and
  - Issue an adequate Notice of Action (NOA):
    - QR 2104 when restoring eligibility.
    - DFA 389 when denying restoration.

    Restoring discontinued benefits is considered a “positive action.” Therefore, a 10-day notice to decrease benefits is not required to resume benefits.

- Provide the household the option to file a new application instead of being restored. In some instances it could be more advantageous and convenient for the household to reapply for benefits (e.g., the date of the household’s recertification is approaching).

NOTE: If the discontinuance is QR 7 related, the HSS will determine if the household had good cause for failure to submit a complete and timely QR 7 as specified in FSPG sections 63-274.5, 6. If the household does not meet good cause criteria, the HSS will restore eligibility if the household submits the missing verification or information that prompted the discontinuance.
Below, are a series of regulations and examples pertaining to QR 7 related discontinuances:

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<th>Regulation</th>
<th>Description</th>
<th>Example</th>
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<tr>
<td>Data Month</td>
<td>If a QR household that has been discontinued for not submitting or providing an incomplete QR 7, submits a complete QR 7 the month immediately after discontinuance, the HSS will <strong>determine eligibility and allotment based on the information pertaining to the QR data month.</strong></td>
<td>The QR quarter is January/February/March (QR cycle 1). The household does not submit the QR 7 by the extended filing date (April 1st) and the case discontinues March 31st. On April 15th, the household submits the complete February QR 7. The HSS will determine eligibility and benefits for the April/May/June payment quarter based on the QR data month (February). If the household is eligible based on the QR data month (February) information, the HSS will restore eligibility, keep the same cycle, prorate benefits effective April 15th and issue Notice of Action QR 2104. <strong>A 10-day notice to decrease benefits is not required.</strong></td>
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<td>QR Cycle</td>
<td>When a QR household is discontinued due to a QR 7 related issue, resolves the discrepancy and has eligibility restored under the guidelines of the waiver, the household’s <strong>QR cycle will not change.</strong></td>
<td>A household applied for and is approved for food stamp benefits on February 26th. The household is cycle 2 with a 12-month certification period. The household is discontinued April 30th for failure to provide proof of earnings as reported on the QR 7. Subsequently, the household provides the necessary documentation of earnings to the HSS on May 7th. The HSS will restore eligibility and prorate benefits effective May 7th, not change the QR cycle and keep the existing certification period. <strong>A 10-day notice to decrease benefits is not required.</strong></td>
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<tr>
<td>Ineligibility</td>
<td><strong>The HSS will not restore eligibility when a QR household is determined ineligible after submitting the missing information and/or verification the month after a discontinuance.</strong> In this case, the original discontinuance will remain in effect.</td>
<td>The QR quarter is January/February/March (QR cycle 1). The household does not submit the QR 7 by the extended filing date (April 1) and the case discontinues March 31st. On April 15th, the household submits a complete February QR 7. The HSS determines eligibility and benefits applying QR rules for the April/May/June payment quarter based on data month (February) information. The income reported on the QR 7, which can be reasonably anticipated for the next payment quarter, renders the household ineligible. The HSS will not restore eligibility and issue Notice of Action DFA 389 denying restoration.</td>
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<tr>
<td>Regulation</td>
<td>Description</td>
<td>Example</td>
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<td>Voluntary Mid-Quarter Report</td>
<td>When a household voluntarily provides updated or additional information during the restoration process (from what has been reported on the QR 7); the HSS will treat this information as a voluntary mid-quarter report and apply QR regulations according to FSPG section 63-283: “The HSS will only take mid-quarter action on those voluntary reports that result in an increase in benefits.”</td>
<td>The QR quarter is October/November/December (QR cycle 1). The household submits the November QR 7 timely but does not provide income verification. The HSS correctly discontinues the household for lack of verification. On January 21st, the household provides the missing verification and informs the HSS that a new household member, who has income, moved in on January 19th. Since the new household member was not required to be reported on the November QR 7, the HSS will treat this information as a voluntary mid-quarter report. In this situation, adding the new household member with income would decrease benefits. Therefore the HSS will restore eligibility and benefits based on November data month information effective January 21st and will not add the new household member for the January/February/March payment quarter. The HSS will issue Notice of Action QR 2104 and remind the household to report the new member on the next QR 7 via no-change notice QR 377.4 as explained in FSPG section 63-283.7.</td>
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<tr>
<td>Re-Establishing Eligibility</td>
<td>The HSS will restore eligibility when a QR household that has been discontinued due to ineligibility reports changes in circumstances that re-establish FS eligibility the month following the discontinuance.</td>
<td>The QR quarter is June/July/August (QR cycle 3). The household submits the QR 7 timely in August and reports anticipated income that exceeds the maximum gross income limits. The HSS correctly discontinues the household effective August 31st for being over income. On September 10th, the household reports and provides proof of the loss of the income reported on the QR 7. The HSS will determine eligibility and benefits based on the new income information and restore the household effective September 10th. The HSS will not change the QR cycle and the existing certification period.</td>
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Forms/Imaging Impact

The HSS is required to send only adequate notice regarding restoration approval or denial to households under the Restoration of Eligibility Waiver. The HSS will issue NOA:

- QR 2104 when approving restoration of eligibility or
- DFA 389 when denying restoration.

The notices are currently available in CalWIN, but they are not yet automated. When restoring FS eligibility in CalWIN, the worker will:

- Delete the approval notice or any other inappropriate notice from the print queue,
- Generate the QR 2104 or DFA 389,
- Enter manual variables:
  - For the denial notice (DFA 389), enter the reason for the denial.
  - For the approval notice (QR 2104), enter the amount of the allotments, the month and the number of persons in the household.

Refer to How To # 112 for instructions on how to manually generate and add variables to manual notices in CalWIN.

Automation Impact

CalWIN is not programmed to restore eligibility and benefits according to this waiver. Therefore, HSS’s will follow BENDS_5228 instructions to restore NAFS eligibility and benefits as required by the waiver.

CalWIN programming updates will take place July 2011 with Release 27 (Change Request 5228).

Operational Impact

FRC managers will determine the appropriate task group to process restoration actions. If recipient chooses to re-apply, they may re-apply via normal FRC procedures.
**ACCESS Impact**
The ACCESS Customer Service Agent will provide the information on how the FS Restoration of Eligibility and Benefits waiver can be applied in a discontinued FS case. The ACCESS Agent:

- Will review the FS discontinuance and provide information to the caller on what verifications are needed for restoration of their benefits and give instructions on what documents/verifications are missing.
- May refer the caller to the appropriate FRC to provide the missing information/verification and
- Will enter appropriate case comments documenting client contact.

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**Other Programs Impact**
No impact to CalWORKs, Medi-Cal or General Relief.

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**Quality Control (QC) and Quality Assurance (QA) Impact**
There is no hold-harmless period regarding the implementation of this waiver. QC and QA staff will continue to review FS cases using standard review procedures.

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**Manager Approval**

Sylvia Melena  
Self-Sufficiency Programs  
Strategic Planning & Operational Support  

OA
# Food Stamp Restoration of Eligibility and Benefits Waiver

## Reference Guide

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<tr>
<th>Benefit Issuance</th>
<th>If the household provides the missing information/verification the month after the discontinuance, the HSS will <strong>issue prorated benefits</strong> effective the date the household provides the information/verification (the date the missing information is received at a Family Resource Center). The HSS will issue benefits as soon as administrative possible.</th>
</tr>
</thead>
</table>
| Certification    | FS households that have had their eligibility restored under this waiver will not begin a new certification period. Restored households:  
  - Will be reinstated for the remaining months of their previous certification period;  
  - Are considered continuing cases. Therefore they will not be:  
    - Interviewed,  
    - Required to submit a new application, or  
    - Fingerprinted/imaged, and  
  - The QR cycle will not change.  
  **The household has the option to file a new application instead of being restored.** |
| Good Cause       | This waiver does not amend the criteria for determining good cause. The HSS will first determine if the household had good cause for failure to submit a complete and timely QR 7 for the previous quarter as specified in FSPG sections 63-274.5, 6. If the household does not meet good cause criteria for failing to provide a complete QR 7, the HSS will restore eligibility if the household submits the complete QR 7 the month after the discontinuance. |
| Discontinued Cases | Households that have been discontinued for:  
  - Not completing the recertification,  
  - Moving out of the County, (reapplying after being discontinued for moving out of the county), and  
  - Disqualified households (IPV, voluntary quitting a job without good cause, etc.) are not eligible for restoration of eligibility and must reapply for FS. |
| Not Eligible for Restoration |  
| Errorneous Discontinuance | If, during the restoration process, the HSS discovers that a household has been erroneously discontinued, the HSS will rescind the discontinuance and restore eligibility and benefits as specified in FSPG section 63-456.3. |
| Expedited Services | Households who have had their eligibility restored under this waiver are not considered applicants. Therefore they are not entitled to expedited services. |
| Notice of Action |  
  - Restoring discontinued benefits is considered a “positive action.” Therefore, **a 10-day notice to decrease benefits is not required to resume benefits.**  
  - Issue adequate Notice of Action (NOA):  
    - QR 2104 when approving restoration of eligibility, or  
    - DFA 389 when denying restoration. |
| Public Assistance Households and Transitional Food Stamps (TFS) |  
  - FS households receiving CalWORKs are not eligible for this waiver. If a CalWORKs case is discontinued, the FS household will continue to receive TFS.  
  The waiver does not apply to TFS households. |