

CalFresh Program Guide Letter #583

Subject HEAT AND EAT REGULATION CHANGE FOR HOMELESS HOUSEHOLDS

Effective Date January 2013

Reference All County Letters 13-35 and 12-61; and All County Information Notice I-11-13

Purpose This letter provides new instructions for the Heat and Eat Program regarding homeless households claiming a homeless shelter expense.

Background Beginning January 2013, all CalFresh households started receiving an annual Low Income Home Energy Assistance Program (LIHEAP) benefit of 10 cents which entitled them to the Standard Utility Allowance (SUA).

Because federal regulations prohibited households from receiving both the homeless shelter deduction and the SUA deduction, All County Letter 12-61 ([CalFresh Program Guide Letter #579](#)) explained that the homeless shelter deduction, the Limited Utility Allowance, and the Telephone Utility Allowance would no longer be used in the determination of CalFresh allotments.

This resulted in an increase in the amount of CalFresh benefits for many households. However, some homeless households that received the SUA instead of the homeless shelter deduction experienced a decrease in CalFresh benefits.

NOTE: The final CalWIN workaround instruction (BENDS 6345) was received May 29, 2013.

Policy Change The intent of the Heat and Eat Program is to increase, rather than decrease benefits for all CalFresh households. Therefore, homeless households receiving the LIHEAP benefit will receive either the homeless shelter or SUA whichever is more advantageous for the client. The homeless shelter deduction may be used when the household incurs or reasonably expects to incur a shelter cost. Refer to [Section 63-234](#).

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Policy Change
(continued)

For example, if the household’s allotment is reduced due to the allowance of the SUA in the CalFresh budget calculation, the Human Service Specialist (HSS) will use the homeless shelter deduction rather than the SUA if the household incurs a shelter cost.

Homeless households which do not incur shelter costs during a month will NOT be eligible to the homeless shelter deduction. They will be eligible to the SUA. Refer to [Section 63-234](#).

Regardless of which deduction is used, the household will still receive the LIHEAP payment.

Required Action

Effective immediately, the HSS must determine which deduction should be used in the CalFresh budget calculation so as not to adversely affect the household’s benefits.

Homeless households which incurred shelter costs and were adversely impacted by receiving the SUA rather than the homeless shelter deduction must have their benefits recalculated using the correct deduction retroactive to January 1, 2013, which was the implementation date for the Heat and Eat Program.

When a homeless household incurs a shelter cost, the HSS will compute a manual budget using the [CalWORKs/CalFresh Scratch Budget](#) to determine if the homeless household would receive more benefits when allowing the homeless shelter deduction instead of the SUA.

If the homeless household’s benefits are higher using the ...	Then the HSS will allow the ...
SUA	SUA
homeless shelter deduction	homeless shelter deduction

Refer to Automation Impact below for CalWIN implementation instructions.

**Required Action:
Management
Reports Review**

The HSS is required to review the following reports to ensure homeless households receive the most beneficial deduction:

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Required Action:
Management
Reports Review
(Continued)

HOMELESS HOUSEHOLDS WITH INCOME

This report includes a list of all homeless households that have earned income or some type of unearned income. The HSS is required to review these cases to determine if the homeless household incurs shelter costs and if so, determine if they could be entitled to more benefits when allowing the homeless shelter deduction as explained above.

HOMELESS HOUSEHOLDS WITH SHELTER DEDUCTION 12/2012

This report includes homeless households that were receiving the homeless shelter deduction as of December 2012 and started receiving the SUA effective January 2013. The HSS is required to review these cases to determine if the household's benefits decreased in January 2013 as a result of allowing the SUA.

Automation
Impact

CalWIN does not currently recognize which deduction is best for each individual case scenario. Therefore, the HSS will use the [CalWORKs/CalFresh Scratch Budget](#) to manually determine which deduction is more beneficial to the household, the SUA or the homeless shelter deduction.

CalWIN automatically allows the SUA for all homeless households but has the capability to allow the homeless shelter deduction instead. To allow the homeless shelter deduction instead of SUA in CalWIN the worker shall follow [BENDS #6345](#).

The Scratch
Budget

The [CalWORKs/CalFresh Scratch Budget](#) has been modified to cancel the SUA when the homeless shelter deduction is entered as a deduction.

The **CalWORKs CalFresh Scratch Budget** is available in the Enterprise/QR Excel Spreadsheet folder in the shared "S" drive.

Forms Impact

According to state regulations, the County must inform all households of new CalFresh benefits and deductions. All Family Resource Centers (FRCs) shall post both versions, [English](#) and [Spanish](#), of the LIHEAP notification notice **CF 1** in their lobbies and other areas frequented by clients. The notification must remain on display until December 31, 2013.

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Other Programs Impact **CALWORKS**
No impact.

MEDI-CAL
No impact.

Quality Control Impact Quality Control (QC) will cite the appropriate error when instructions in this material are not followed or are followed incorrectly.

Summary of Changes The following CalFresh Program Guide sections have been updated:

Section	Summary of Changes
63-117.22	Clarified that homeless households could receive the homeless shelter deduction instead of the SUA
63-234	Restored homeless shelter deduction regulations and added SUA vs. homeless shelter deduction determination.
63-236.2	Homeless households can receive the homeless shelter deduction instead of the SUA even if they receive the LIHEAP benefit.

Updates to the CalFresh Program Guide are noted with **highlighted text**.

Director Approval



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Eligibility Operations Director

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