

September 26, 2014

## Program Guide Letter #602

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Subject **CALFRESH OVERISSUANCE CLARIFICATIONS**

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Effective Date January 1, 2014

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Reference ACIN I-33-14,I-28-14, ACL 13-79, & 13-79E

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Purpose To provide clarifications regarding CalFresh overissuances.

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**Policy Clarifications** **Administrative Error Thresholds:**  
On August 18, 1992 California Department of Social Services (CDSS) was granted an indefinite waiver that allows the state to not establish Administrative Error (AE) overissuances of \$35 or less. This threshold remains effective for all participating (active) households even with the passage of Senate Bill 1391.

Senate Bill 1391 raised the threshold to above \$125 for non-participating (closed) CalFresh households.

If an AE overissuance above \$35 but less than \$126 is discovered on a case that is currently active but is due to discontinue at the end of the current month, the claim would not be established. However, if the case is reopened without a break in aid, the claim would then be established.

**Inadvertent Household Error Thresholds**

If an Inadvertent Household Error (IHE) \$35 or less is discovered on an inactive (closed) case, the claim would not be established. A case is considered inactive even if it is set to close at the end of the current month.

**Claim Establishment Reminder:**

When a household incurs an overissuance in the same month that a claim is being collected, calculate the amount of the new overissuance by subtracting the benefits the household is eligible to receive, from the amount the household actually received not including the amount that is being collected from the prior claim.

**Tax Intercepts:**

Due to federal regulations and the time sensitive nature of the review process, the contact information for tax-intercepts has been updated from the Office of Revenue and Recovery to the Appeals Division.

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CalFresh  
Program Guide  
Updates

The following CalFresh Program Guide sections have been revised:

| Section                          | Updates  |
|----------------------------------|--|
| <a href="#">63-451.4</a>         | Added clarifications and examples for threshold for IHE and AE overissuances                           |
| <a href="#">63-452.1 &amp; 2</a> | Added clarification of establishing a new overissuance when a previous overissuance is being collected |
| <a href="#">63-454.4</a>         | Updated section with recoupment clarifications   |
| <a href="#">63-455</a>           | Updated Tax intercepts information to contact Appeals instead of ORR.                                  |

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

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Automation  
Impact

CalWIN has been programmed to only establish claims at or above the given thresholds.

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Document  
Capture  
(Imaging)

All documentation and verification used to determine an overissuance amount must be imaged and kept in the case record.

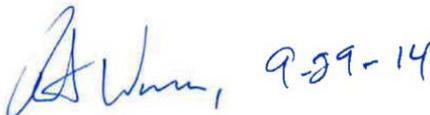
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Office of  
Revenue &  
Recovery

Any AE claims established for participating households for amounts \$35 or less must be terminated. Any collections that have begun on these claims must be reimbursed to the household.

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Director  
Approval

  
**RICK WANNE, MA, MFT**  
Eligibility Operations Director

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MH/DH