

**County of San Diego, Health and Human Services Agency (HHS)A)  
CalWORKs Program Guide/CalFresh Program Guide Special Notice**

**Social Security Administration (SSA) Cost of Living Adjustment (COLA) Effective January 1, 2017**

**Number**

**Page**

CalWORKs 16-11 CalFresh 16-03

1 of 3

**Effective Date:**

01/01/17

**Background:**

Per All County Information Notice (ACIN) I-92-16, the COLA for SSA benefits and Supplemental Security Income (SSI) payments is 0.3 percent beginning with the December 2016 benefits payable in January 2017.

Annual updates on SSA COLAs may be obtained through the following web link: <http://www.ssa.gov/oact/cola/>.

**Policy:**

The amount of the SSA COLA is considered a "Known-to-County" change and is to be reasonably anticipated to be received by recipients of SSA benefits beginning January 2017.

**Treatment of SSA COLA for Applicants**

For new CalWORKs and CalFresh applicants who receive SSA, the actual amount of the SSA benefit, including the increase, will be used for eligibility and prospective budgeting purposes beginning with the month of January 2017.

If the application was taken in November or December 2016 and the applicant provided the pre-COLA benefit amount, reasonably anticipate the increased benefit amount. Calculate the increased SSA amount by multiplying the pre-COLA benefit amount by 1.003.

**Example:**

An individual received an SSA Title II benefit amount of \$375.00 in the month of December 2016. To determine the amount the applicant will receive in January 2017:

- Multiply \$375.00 by 1.003 = \$376.125
- Round down to the next lower dollar = \$376.00
- New anticipated SSA benefit amount = \$376.00

**Treatment of SSA COLA for Ongoing Semi-Annual Reporting (SAR) Recipients**

The SSA COLA is considered a mid-period County-Initiated action. As a result, a decrease in CalWORKs and/or CalFresh benefits may occur effective January 1, 2017, with timely and adequate notice.

**CalWORKs Income Reporting Threshold (IRT) Requirements**

CalWORKs recipients are required to report if the COLA increase, when combined with earned income, results in the Assistance Unit (AU) income exceeding the IRT. If income exceeding the IRT is reported by the AU, the worker is required to determine if cash aid should be discontinued. If cash aid is discontinued the CalFresh household will continue to receive benefits from a Transitional CalFresh case.

**County of San Diego, Health and Human Services Agency (HHS)A)  
CalWORKs Program Guide/CalFresh Program Guide Special Notice**

**Social Security Administration (SSA) Cost of Living Adjustment (COLA) Effective January 1, 2017**

**Number**

**Page**

CalWORKs 16-11 CalFresh 16-03

2 of 3

**IRT Reminders**

- When anyone in the AU has earned income or begins to receive earned income, the AU is required to report when their total combined gross earned and unearned income exceeds the IRT.
- AUs with unearned income only (including disability-based unearned income) are not required to report when that income by itself exceeds the IRT in mid-period.

Treatment of SSA COLA for CalWORKs Annual Reporting/ Child Only (AR/CO) Cases

Upon receipt of this Special Notice, take action on cases with SSA income that were not included in the COLA run.

The only cases where this action will not be considered mid-year are those AR/CO cases with a December 2016 redetermination. For those cases include the updated SSA COLA amount in budgeting for the upcoming AR/CO period.

Treatment of SSA COLA for CalFresh Change Reporting Households

The amount of the SSA COLA is considered a "Known-to-County" change and is to be reasonably anticipated to be received by recipients of SSA benefits beginning January 2017.

Timely and Adequate Notice

As with any adverse action, timely and adequate notice is required to decrease benefits when CalWORKs or CalFresh benefit amounts are decreased due to the SSA COLA benefit increase.

If unable to change January 2017's CalWORKs grant and/or CalFresh allotment amount (as a result of the increased January 2017 SSA payment), take the appropriate action to decrease benefits the first of the following month after timely adequate notice can be provided. Recalculate January 2017 benefits using the new SSA payment amount; and if the calculation results in a decrease, an overpayment/overissuance will need to be established as appropriate.

Payment Verification System (PVS)

The California Department of Social Services (CDSS) will not be providing additional notification of the SSA COLA through the PVS. However, upon request, a cost-of-living report will be provided through Secure File Transfer (SFT). The COLA printouts will be subject to the 45-day timeliness requirements of the Income and Eligibility Verification System (IEVS)

**Procedure:**

**Automation**

The COLA Mass Update run on December 3, 2016 automatically adjusted CalWORKs and CalFresh benefits to reflect the increased SSA COLA effective January 2017. The only cases where the automatic adjustment of the SSA COLA did not occur were on cases where there was a discrepancy or where the application was received after the COLA run.

**County of San Diego, Health and Human Services Agency (HHS)A)  
CalWORKs Program Guide/CalFresh Program Guide Special Notice**

**Social Security Administration (SSA) Cost of Living Adjustment (COLA) Effective January 1, 2017**

**Number**

**Page**

CalWORKs 16-11 CalFresh 16-03

3 of 3

**Management Reporting**

The following lists were sent to Family Resource Centers on December 6, 2016 to take appropriate action:

- Mass Update COLA Exception Report  
CalWORKs/CalFresh cases that did not convert successfully during the COLA update process
- List of Correspondence Remaining Online after SSA COLA  
Client correspondence remaining online

**Program Impacts:**

Medi-Cal - Instructions for Medi-Cal cases will be distributed separately.

**References:**

ACIN I-92-16

**Sunset Date:**

This policy will be reviewed for continuance by December 31, 2017.

**Approval for Release:**



Rick Wanne, Director  
Eligibility Operations