

**County of Orange Social Services Agency  
Family Self-Sufficiency & Adult Services Division**

<b>Program/Area:</b>	CalWORKS/Eligibility		
<b>Title:</b>	Mid-Period Reporting in Semi-Annual Reporting (SAR)		
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<b>Approved:</b>	Signature on file		

**PURPOSE**

The purpose of this policy is to outline the rules for mandatory, voluntary, and county-initiated mid-period reporting for the Semi-Annual Reporting (SAR) system within the CalWORKs (CW) and Refugee Cash Assistance (RCA) programs.

References to mid-period reporting rules for the CalFresh (CF) program are also contained in this policy, however for more detailed guidance:

- Refer to CalFresh Handbook Section 22.30 - Mid-Period Actions.

**BOOKMARKS**

- [Background](#)
  - [Mandatory Mid-Period Reporting](#)
    - [Exceeding CalWORKs IRT](#)
    - [Fleeing Felon and Parole/Probation Violations](#)
    - [Change in Address](#)
    - [Termination of Pregnancy \(Not Resulting in the Birth of a Child\)](#)
  - [Voluntary Mid-Period Reporting](#)
    - [Decreases in Income](#)
    - [Increases in CalFresh Expenses](#)
    - [Request for Special Needs Payment](#)
    - [Exempt and Non-Exempt Status Beno](#)
    - [Changes in Household Composition](#)
    - [Request for Discontinuance \(Including Death of a Recipient\)](#)
  - [County-Initiated Mid-Period Changes](#)
    - [Sanctions and Penalties](#)
    - [Duplicate Aid](#)
    - [Supplemental Security Income and State Supplementary Payment CalWORKs](#)
  - [Third-Party Information/Known to County](#)
    - [Income and Eligibility Verification System \(IEVS\) Matches](#)
  - [Treatment of Multiple Changes within a SAR Payment Period](#)

- [Forms](#)
- [References](#)

**BACKGROUND**

The SAR system became effective October 1, 2013, for the CW, RCA, and CF programs.

- Refer to Policy 100-E5 – Semi-Annual Reporting (SAR) and Budgeting Process for guidance on processing changes reported at the start of a SAR Payment Period.

Under SAR, Eligibility Workers are required to act on specified changes that occur mid-period or outside of the application, SAR, or Re-Evaluation (RE) reporting process. Mid-period changes to benefits under SAR include changes that result from client mandatory reports, certain client voluntary reports, and county-initiated actions.

For both CW and CF, clients may report mid-period changes online, in writing, verbally, or in person to the Eligibility Worker. Eligibility Workers can provide the Mid-Period Status Report for Cash Aid and CalFresh - SAR 3 to clients who wish to report a mid-period change in writing. If a client chooses not to report in writing at the time of the change, but instead chooses to report the mid-period change verbally (in person or over the phone), the Eligibility Worker must document all reported changes in a CalSAWS journal entry.

**MANDATORY MID-PERIOD REPORTING**

Under SAR, clients are mandated to report specified changes to the Eligibility Worker within 10 calendar days of the date the change became known to the household. The Eligibility Worker will document the date and information reported in a CalSAWS journal entry.

Some mid-period changes are required to be reported in the CW program that are not required to be reported for CF. If the Assistance Unit (AU) reports a change that is required to be reported for CW, the Eligibility Worker must also review CF to determine if the CF benefits must also be re-evaluated.

Information that is reported and verified for CW that triggers action is considered reported and verified for CF on the date the Eligibility Worker authorizes the change. Additionally, if a change is authorized for the CW grant

mid-period, the CF benefits should be re-evaluated using the new grant amount.

Changes that are reported and verified for CW but not processed mid-period should also not be processed for CF mid-period if they will have a negative effect on the CF benefits.

- Refer to CalFresh Handbook Section 22.30 - Mid-Period Actions for guidance on CF mid-period reporting.

Appropriate Eligibility Worker actions for each type of mid-period change are described below:

### **CalWORKs Only**

All CW clients must report the following changes during the SAR Payment Period within 10 days:

- When earned and unearned income exceeds the Income Reporting Threshold (IRT)
- Fleeing felon status
- Violation of conditions of probation or parole
- Address change
- Termination of pregnancy, not resulting in the birth of a child (within 30 days),

### **Exceeding CalWORKs IRT**

CW clients subject to SAR must report verbally or in writing within 10 days when their earned or combined earned and unearned income exceeds the IRT for their family size, even if the income is received mid-period. Clients with unearned income only (including disability based unearned income) are not required to report when that income by itself exceeds the IRT mid-period. A SAR case with income exceeding the IRT may have CW benefits discontinued or decreased effective the first day of the month following timely and adequate notice.

**Note:** If the AU reported the change timely but the Eligibility Worker does not have enough time to provide timely notice the Eligibility Worker cannot establish an overpayment (OP) for the following month.

### **Example:**

AU/household of three is in the October through March SAR Payment Period with no income. The AU's IRT is the current Tier 1 level for an AU of three.

Parent A obtains a job on December 1, and the earnings will exceed the current Tier 1 level. Parent A verifies (verbally or in writing) the earned income over the IRT to the Eligibility Worker December 8, reporting the income within the required 10 days of occurrence. An OP cannot be established for January, if the Eligibility Worker does not process the change until December 28, since the income was reported timely. The changes will be reflected in the February budget, to allow timely notice.

There are two tiers of the CW IRT for SAR, as described below, which are subject to change when the AU's income changes. If any member of the AU has earned income, the AU is required to report when the total combined gross monthly income (earned and unearned), of all persons included in the Family Maximum Aid Payment (MAP) exceeds the lesser of the following two amounts:

**Tier 1** - 55 percent of the Federal Poverty Level (FPL) for a family of three (3), plus the amount of income last used to calculate the AU's monthly grant amount; or

**Tier 2** - 130 percent of the FPL, the level likely to render them ineligible for CW benefits (total gross earned and unearned income, less exempt income, that is reasonably anticipated to continue to exceed Tier 2 IRT).

The Reporting Changes for Cash Aid and CalFresh - SAR 2 is used to inform clients of their AU's current IRT and other mid-period reporting requirements. Clients must be informed of their IRT every six (6) months or whenever the IRT changes.

- Refer to Policy 100-B14 - Income Reporting Threshold for SAR for further IRT instructions.

### **Fleeing Felon and Parole/Probation Violations**

- **CalWORKs:** The fleeing felon or probation/parole violator must be discontinued. The Eligibility Worker must take mid-period action to reduce or discontinue benefits, as appropriate, at the end of the month after 10-day notice can be provided.
- **CalFresh:** Not a mandatory mid-period report for CF, however, once a household member has been identified as a fleeing felon or probation/parole violator, the Eligibility Worker must take action to remove the individual from the CF household (CFHH) mid-period, at the end of the month in which timely and adequate notice can be provided.

### **Example:**

An AU/CFHH is in the SAR Payment Period of January through June. On March 20, the AU reports timely that a parent had violated their parole on

March 10. The parent is removed from the AU/CFHH effective April 1 with timely and adequate notice. If, however, the AU did not report the parole violation until April, the parent would be removed from the AU/CFHH effective May 1 with timely and adequate notice and a CW OP would be assessed for their portion of the grant for April. A CF Overissuance (OI) will not be assessed because this is not a mandatory mid-period report for CF.

**Note:** The CW and CF programs have different criteria for defining fleeing felons and probation/parole violators. For Public Assistance CalFresh (PACF) households, the Eligibility Worker must apply the appropriate definitions and processes for fleeing felons and probation/parole violators for each of the programs.

- Refer to Policy 100-B9 Fleeing Felon for further instructions on fleeing felons and probation/parole violators and the appropriate definitions for each program.

#### **Change in Address**

- **CalWORKs:** Clients are required to report address changes to the Eligibility Worker within 10 days. This reporting requirement is necessary to provide the Eligibility Worker with the most up-to-date address so that clients can receive benefits and Notices of Action (NOAs) in a timely manner.
- **CalFresh:** Not a mandatory mid-period report for CF, however, if a voluntary report is made of change of address, or the address change becomes known to the case due to a report to the CW program, action must be taken on the CF case, following CF mid-period address change rules. Refer to CalFresh Handbook Section 22.30 - Mid-Period Actions.

#### **Move Out of State**

If a client reports moving out of state, the Eligibility Worker will terminate benefits for the individual or the entire AU/CFHH mid-period at the end of the month after 10-day notice can be provided.

If an individual member of the AU/CFHH moves out of state, that individual would be discontinued mid-period at the end of the month after 10-day notice can be provided. The remaining members of the AU/CFHH would continue to receive benefits if otherwise eligible.

If the entire AU/CFHH moves out of state, the entire AU/CFHH would be discontinued mid-period with 10-day notice.

- **CalWORKs:** If the Eligibility Worker determines that the client had moved out of state and was not entitled to receive cash aid in California, the Eligibility Worker will establish an OP for those months in which aid was continued due to inability to provide a 10-day notice.
- **CalFresh:** If the Eligibility Worker determines that the household is no longer or will not be residing in the state, a timely NOA must be provided to the household prior to terminating benefits within the certification period. An OI may be established if the client was residing out of state and continued to receive benefits from California.
- **Transitional CalFresh (TCF):** When Supplemental Nutrition Assistance Program (SNAP) benefits are received out-of-state while transitional benefits are received in California, TCF is discontinued, and there would be an OI if SNAP benefits were concurrently issued in another state. However, if SNAP benefits are not received out-of-state while transitional benefits are received in California, then the transitional benefits would continue for the full duration of the transitional benefit period.

#### **Move Out of County**

**CalWORKs:** When a client reports moving to another county, the Eligibility Worker of the county which is notified first must initiate the ICT within seven business days following CW Inter-County Transfer (ICT) regulations.

The sending county will discontinue cash aid mid-period, after the receiving county notifies the sending county that the case has been successfully transferred.

The receiving county will use the most recent SAR 7 and SAWS 2 Plus along with information provided by the client to determine ongoing eligibility and grant amount.

If the RE of eligibility in the new county of residence results in a decrease to the AU's grant due to a change in circumstances, the receiving county worker will notify the sending county on county-initiated mid-period action to reduce the AU's grant at the end of the transfer period with timely notice.

If the RE results in an increase to the AU's grant, the receiving county worker will increase the grant the first of the month following the end of the transfer period.

**Note:** When at least one member of the CFHH also receives CW, the CW ICT process will be followed.

- Refer to Policy 100-E11 Inter-County Transfer for more information.

**Whereabouts Unknown**

Discontinuances based solely on “whereabouts unknown” are not appropriate in the CW program. If the AU does not report a change in address and mail sent to the only known address returns as undeliverable or without any forwarding address, the Eligibility Worker must attempt to reach the AU to resolve the conflicting information and document attempts in a CalSAWS journal entry.

If the client submits the SAR 7 form without reporting the change of address, the Eligibility Worker is to send a notice of incomplete SAR 7. After this notice, and the documented Balderas attempt, the Eligibility Worker can discontinue cash aid at the end of the SAR Payment Period for submitting an incomplete SAR 7. If the client responds to the Eligibility Worker and indicates that the AU has moved to another county, an ICT will be initiated.

A mid-period discontinuance must only take place if the Eligibility Worker learns that the AU has moved out of California.

**Termination of Pregnancy (Not Resulting in the Birth of a Child)**

If a pregnancy ends prior to the estimated delivery date, not resulting in the birth of a child, CW pregnant clients (including Pregnant Person Only [PPO]) are required to report to the Eligibility Worker verbally or in writing, within 30 days following the end of their pregnancy.

- Refer to Policy 100 –D2 Pregnancy Special Needs for further information and guidance on the actions of the Eligibility Worker.

**VOLUNTARY MID-PERIOD REPORTING**

For CW and CF programs, clients can voluntarily report changes in income and circumstances that may increase benefits any time during the SAR Payment Period.

The requirement to report changes within 10 days of the occurrence only applies to mandatory reports. A voluntary report can never be late, however, voluntary information must be reported on the next SAR 7 or RE form if still relevant in the SAR Data Month.

Voluntarily reported changes may be made in writing, online via BenefitsCal, verbally, or in person to the Eligibility Worker. The Eligibility Worker will only

take mid-period action on those voluntary reports that result in an increase to benefits.

Changes that might increase benefits include, but are not limited to the following:

- When the household's income stops or decreases
- When someone moves into or out of the home (depending on income)
- When a CW AU member becomes pregnant or gives birth
- When allowable CF deductions start or increase (CF only)
- When a household member begins to pay court ordered child support for a child out of the home (CF only)

In some cases, voluntarily reported changes may result in an increase in benefits for one program, while decreasing benefits for the other program. For example, an increase in CW may result in a decrease in CF benefits.

Action to increase the CW grant and/or CF allotment in response to a voluntary report is based on when the change was reported, not when the change actually occurred.

The effective date of the increase in benefits is determined differently for the following scenarios:

#### **CalWORKs and CalFresh**

- Increases due to decreased income in CW and CF are effective the first of the month in which the change occurs or is reported, whichever is later.
- Increases due to the addition of new household members are effective the first of the month following the report of the change.

The client must provide verification of the change within the 10-day period listed on the Request for Verification - CW 2200. If the verification is not received within 10 days, the Eligibility Worker will send a CalWORKs No Change NOA - M44-316.31 (SAR) or CalFresh No Change NOA - CF 377.4 (SAR) to the AU/CFHH which states that no action to increase benefits was taken because verification was not received. If verification is provided after 10 days, the date the verification is provided will be considered the date of the voluntary report.

Anytime a voluntary mid-period report does not result in a change to the grant amount, the Eligibility Worker will send a No Change NOA informing the AU/CFHH the voluntarily reported information did not increase their benefits. This is true whether the voluntary report is regarding a change of income, household composition, property, deprivation, or any other voluntary mid-period report.



- For changes regarding income and household composition, the budget computation must be completed on these notices so that clients can see how the Eligibility Worker determined the change would not result in an increase to their benefits.
- The budget computation does not need to be included on a No Change NOA regarding a report of property or deprivation, because these are changes that would affect the AU's eligibility, not their grant amount.

CalWORKs No Change NOA - M44-316.31 (SAR) and CalFresh No Change NOA - CF 377.4 (SAR) contain verbiage reminding the client of their reporting and verification responsibilities for the next semi-annual report. If a voluntary report was not verified, the No Change NOA must be sent. If the circumstances of the original voluntary report of information are still applicable in the SAR Data Month, the client must report this information on the SAR 7 or RE forms and provide the required verification. If the voluntary report was already verified, no further reporting is necessary, beyond what is already asked on the SAR 7 and RE forms.

If information on the SAR 7 or RE forms is inconsistent with what was previously voluntarily reported, and not clarified in the report itself (such as reporting the person who moved in had moved out or that the new vehicle was sold), the Eligibility Worker will take action to resolve the discrepancy and determine what the actual current AU/CFHH situation is. The Eligibility Worker must first attempt to contact the client to resolve the discrepancy. If the Eligibility Worker is unable to contact the client or obtain resolution, the SAR 7 or RE will be considered incomplete.

### **Decreases in Income**

When a client voluntarily reports a change in income, the Eligibility Worker will act on the report only if it increases benefits.

**Note:** All mid-period reports of income, except for earned or combined earned and unearned income over IRT, are considered voluntary reports.

The Eligibility Worker must request verification of the change in income immediately in writing and must not act to increase benefits until required verification is received. The Eligibility Worker will provide the Request for Verification - CW 2200 to inform the client they have 10 days to provide the necessary verification. If the requested verification is not received by that date, the Eligibility Worker will document the report of decreased income in a journal entry and send a No Change NOA to the client for both CW and CF. If verification is received within 10 days of the notice date, even if the verification is provided in the following calendar month, then a supplemental payment will be calculated for the month of the report or the month of the change, whichever

is later. If verification is received after the 10 days, the date of verification will be considered the new report date.

**Example 1:**

January through June SAR Payment Period. Client reports a decrease in income on March 25. The Eligibility Worker mails a request for verification on March 28, requesting verification by April 7. Client provides timely verification of the decreased income on April 3. The Eligibility Worker will recalculate the grant amount for March through June and issue a supplemental payment for March.

**Example 2:**

Same as above, but verification is not received until April 10, more than the 10-day period listed in the request for verification form. April 10 is considered the new report date so no supplemental payment will be calculated for March. The grant will be recalculated for April through June and a supplemental payment for April must be issued.

Acceptable verification includes (but is not limited to):

- Paycheck and benefits stubs (i.e., unemployment or disability benefits stubs), or
- A letter from the employer.

If the client provides such verification, the Eligibility Worker will accept the verification unless there is a documented reason to doubt its validity. If verification is not accepted, the reason must be documented in a CalSAWS journal entry.

If the client is attempting to obtain the verification, but is having trouble, the Eligibility Worker must offer to help. With the client's written permission utilizing the third page of the CW 2200, the Eligibility Worker may contact the employer to verify the client's statement. The Eligibility Worker can also utilize the Work Number to verify income information. If verification does not exist or is not available, an affidavit (Sworn Statement – GEN 853) is acceptable verification of earnings in both CW and CF.

To determine whether the change results in increased benefits mid-period, the Eligibility Worker must recalculate benefits for the current and remaining months of the SAR Payment Period using the new income the AU/CFHH reasonably expects to receive.

If the newly reported income results in an increase in benefits when benefits have been recalculated, the Eligibility Worker must act to increase benefits within 10 days of receiving the required verification and provide adequate

Change NOA of the increase in benefits to the client. The increased benefits will be effective for the entire month in which the change was reported.

The Eligibility Worker will supplement benefits in the month the change was reported and change the benefit amount for any remaining months in the SAR Payment Period.

**Example 1:**

January through June SAR Payment Period. Client submits a timely SAR 7 on June 4 stating their actual income for the month of June will be lower than previously anticipated/budgeted for and that this decrease in income will continue through the upcoming SAR Payment Period. Client provides written verification of their decreased income on June 7. The Eligibility Worker will determine the AU/household's CW and CF benefits for the month of June and make any necessary supplemental payments to the AU/CFHH. The Eligibility Worker will also use this new reasonably anticipated income to calculate the AU/CFHH's benefits for the upcoming SAR Payment Period since it is anticipated to continue.

**Example 2:**

Using the same scenario as above, on the SAR 7 submitted in June, client reported the decreased income for the upcoming SAR Payment Period but did not report that the current Submit Month's (June) income would also be decreased. If on June 25, client reports their June income will also be at the lower amount and provides timely verification on July 2, their June benefits would be redetermined and a supplemental grant must be issued for the difference. If, however, client doesn't provide verification of the decreased income until July 8 (after the 10-day period listed on the request for verification form) the date of the verification (July 8) will be considered the new report date, and the June grant would not be supplemented. CF does not count supplemental or retroactive payments as income, since they are non-recurring lump sums, so the July CF benefits will not be recalculated, and no OI established. For the remainder of the SAR Payment Period, the CF benefits will list the actual CW grant paid.

**Example 3:**

Using the same scenario as above, if client reports on their SAR 7 (and verifies timely) their May (Data Month) income had decreased and the decreased income would continue through the upcoming SAR Payment Period, the decreased income would be used to calculate the upcoming period's grant and their June grant would be supplemented; however, client would not get a supplement for May since they did not report the decreased income until June.

**Example 4:**

January through June SAR Payment Period. Benefits are based on \$1,000 monthly income. On March 25, client reports and provides proof to the Eligibility Worker that they missed two weeks of work due to an illness and only anticipates receiving \$500 in March. Client's normal monthly income of \$1,000 will resume in April. The Eligibility Worker would issue a supplemental payment for the month of March only and keep benefits at the previous level for the months of April, May, and June. Because this decrease was only temporary, the IRT would not be recalculated.

### **Increases in CalFresh Expenses**

CF is affected by changes in expenses such as:

- Shelter costs
- Court ordered child support payments
- Dependent care expenses

Elderly or disabled households can report a one-time only medical expense and elect to have a one-time deduction or to have the expense averaged over the certification payment period.

Shelter costs are anticipated at the time of initial application or RE and when the household moves. However, shelter costs must be changed during the certification period if the household reports a change on the SAR 7.

**Note:** When a change in shelter expense is voluntarily reported mid-period, but the household does not provide information about the amount of the new shelter costs at the time they report the change, send the household a Request for Verification - CW 2200. If the household fails to provide information within 10 days, send a notice that CF benefits will be recalculated without the shelter deduction. Once the Eligibility Worker has been informed of the new shelter costs (client statement is sufficient unless questionable), they must make necessary case changes and re-evaluate benefits.

### **Request for Special Needs Payment**

A client may voluntarily report having a special need at any time during the SAR Payment Period. If the client is eligible for a Special Needs Payment, the Eligibility Worker will treat this report as a voluntary mid-period report that results in increased benefits and must adjust benefits effective the month the request was made, once required verification has been provided and substantiates the special need exists in that month. The Special Needs Payment will be issued for that month and the remainder of the SAR Payment Period and terminated at the end of the SAR Payment Period in which verification for the special need expires.

Eligibility Workers must request verification of recurring special needs such as, but not limited to:

- Therapeutic diet
- Special laundry cost
- Special chore services

The Eligibility Worker will provide the Request for Verification - CW 2200 and allow the client 10 days to provide necessary verification.

If the need is permanent, verification is only required once per year, during the annual RE process. If the client does not know how long the special need will be required, the Eligibility Worker will request that it be verified once per SAR Payment Period and provided with the SAR 7 or RE form.

If the special need is time limited, the Special Need Payment will be provided until the end of the SAR Payment Period in which the special need is expected to end, based upon verification provided by the client.

**Example:**

A client is in the SAR Payment Period of April through September. The client has been approved for therapeutic diet from February to May. The Eligibility Worker will continue the Special Need Payment until the last day of September. The Eligibility Worker will notify the AU of the termination and provide a written 10-day notice of the request for new verification. If the AU provides verification of continuing need, the therapeutic diet would be authorized for the next SAR Payment Period (October through March).

**Pregnancy Special Needs**

Once verified by the Eligibility Worker, pregnancy special needs (PSN) payments will begin to be paid to the client and will continue through the end of the SAR Payment Period in which the child is expected to be born (verified by estimated due date).

However, if a client voluntarily reports the birth of the child mid-period and results in an increase in benefits, the Eligibility Worker will take action to discontinue the PSN payment at the end of the month prior to the month in which the newborn child is added to the AU. Newborn will be added to the AU the first of the month after the birth is reported and all verifications have been received.

- Refer to Policy 100-D2 – Pregnancy Special Needs/ CalWORKs Eligibility Based on Pregnancy and Policy 100-C4-B – Adding a Newborn/Parent to the Assistance Unit for further details.

**Example 1:**

An AU is in the June through November SAR Payment Period. A parent is pregnant and has a due date of July 10. The Eligibility Worker approved PSN payments through November 30, the end of the SAR Payment Period in which the baby was due. On July 28, the parent provides verification the baby was born July 19. The Eligibility Worker terminates the PSN payment July 31 and adds the newborn to the CW AU effective August 1. A journal entry must be made of PSN termination, due to CW benefit increase as a result of adding the newborn to the AU.

If the birth is voluntarily reported mid-period and results in a decrease or ineligibility to benefits, the PSN payment will continue through the end of the current SAR Payment Period. If eligibility remains, the newborn will be added to the AU the first of the month of the next SAR Payment Period after the PSN payment is discontinued.

If there is a second parent, they should be evaluated separately from the newborn when determining when they should be added to the case, to maximize the cash aid.

**Example 2:**

An AU is in the January through June SAR Payment Period. In April, it is reported that the baby was born on February 11 and the employed second parent moved into the home in March. Adding the baby mid-period would cause an increase to the CW benefits. The Eligibility Worker will terminate the PSN payment February 28 and add the baby to the AU as of March 1. Adding the second parent would cause a decrease in benefits, therefore they would not be added until July 1.

**Note:** An increase in CW benefits based on the additional special needs payment is likely to result in a decrease to CF benefits. Once the special needs payment is authorized it is considered verified for CF and should be budgeted accordingly.

**Exempt and Non-Exempt Status Beno**

The Eligibility Worker will review AU exemption status at application, when a parent or caretaker relative is added/removed from the AU, and when the SAR 7 or RE is processed. In a two-parent household, both parents must meet the Beno eligibility criteria.

An AU may also voluntarily request that the Eligibility Worker review their exemption status any time during the SAR Payment Period. The Eligibility

Worker will act mid-period to change the AU's exempt status only if it results in an increase to the grant.

However, if the change in status is due to the AU's receipt of disability-based income, the Eligibility Worker must consider this income at the same time that it determines the AU's eligibility for Exempt MAP. If the Exempt MAP status, together with the disability income, would result in a decrease to benefits, the Eligibility Worker would not make the change mid-period and would send the AU a CalWORKs No Change NOA - M44-316.31 (SAR).

- Refer to Policy 100-B5 Higher and Lower MAP - BENO for further details.

### **Changes in Household Composition**

For both CW and CF, clients may **voluntarily report** changes in AU/CFHH at any time during the SAR Payment Period.

During the SAR Payment Period, the Eligibility Worker will only act on those changes that result in an increase to the AU/CFHH's benefits.

If the change results in increased benefits, the Eligibility Worker will take action to add the person effective the first of the month following the month in which the change was reported once verification has been provided.

If it results in a decrease, the Eligibility Worker must not take action to change the AU/CFHH's benefits mid-period.

If the change is reported, but not verified, the Eligibility Worker will send a Request for Verification - CW 2200 asking for the required verification within 10 days. This form will advise the client that a delay in verification may result in a delay in increased benefits.

If verification is not received within the 10 days specified on the Request for Verification-CW 2200, the Eligibility Worker will send a CalWORKs No Change NOA - M44-316.31 (SAR) or CalFresh No Change NOA - CF 377.4 (SAR) to the AU/CFHH reminding them to report and provide the needed verification regarding the new household member on the next SAR 7 or RE form.

If the AU/CFHH submits the verification more than 10 days after the voluntary report, the date the verification is provided is considered the new report date and changes to the CW benefit will occur the first of the following month. Other than denying the request to add the new person, no negative action may be taken if verification is not provided, since mid-period reports of household composition changes are voluntary.

- Refer to Policy 100-C4-A – Household Composition Changes for more information.

### **Request for Discontinuance (Including Death of a Recipient)**

A client may voluntarily request mid-period that:

- The entire AU/CFHH be discontinued; or
- Any individual member of the AU/CFHH who is no longer in the home or is an optional member be discontinued.

Eligibility Workers will make mid-period benefit adjustments based on these requests for discontinuances. If the AU/CFHH or the individual's request is made verbally, both CW and CF require the Eligibility Worker to provide a timely (10-day) and adequate notice before discontinuing or decreasing benefits at the end of the month.

Eligibility Workers must not assume that a voluntary mid-period report of someone leaving the home equates to a voluntary request for discontinuance of that AU member. The Eligibility Worker must determine whether the voluntary mid-period report of someone leaving the home is truly a request for discontinuance for that member, since the AU is not required to report this change in household composition mid-period. The Eligibility Worker must ask the AU/CFHH if they are requesting that the member be discontinued and must inform the AU/CFHH if the discontinuance results in decreased benefits to the remaining AU/CFHH.

An individual may request their own benefits to be discontinued so that the individual can ensure that their CW time clock is stopped as a non-recipient of cash aid. If the individual provides a written request for discontinuance, the Eligibility Worker is not required to provide a 10-day notice that decreases benefits to the remaining AU members. The person requesting discontinuance must either be out of the home or an optional AU member who no longer wishes to receive cash aid.

If the remaining AU members decide not to voluntarily report a household member has left the home mid-period, but the individual who has left the home requests discontinuance, that individual's request for discontinuance will take precedence over the AU's decision to not voluntarily report the change in household composition. Benefits to the remaining AU members must be reduced mid-period to reflect the individual's discontinuance and to ensure that their time clock does not continue to run.

If the Eligibility Worker is notified mid-period that a recipient has died, the Eligibility Worker must treat this information as a voluntary client request for discontinuance of benefits for the deceased individual. If the information was



received verbally, the Eligibility Worker will discontinue benefits at the end of the month in which timely (10-day) and adequate notice can be provided.

- If the AU member who is deceased is a child, the deceased child must not be removed from the AU in the month of, and the month following, the child's death. Refer to Policy 100-C4-A – Household Composition Changes.

**Note:** Because there are no requirements to report household composition changes mid-period, if the AU does not report that an AU member was deceased until the next SAR 7, or RE, an OP/OI would not be assessed, and no fraud referral is required.

- Refer to CalFresh Handbook Section 22.30 - Mid-Period Actions for guidance on CF mid-period reporting.

**COUNTY-INITIATED MID-PERIOD CHANGES**

In addition to making mid-period adjustments to benefits as a result of mandatory and voluntary client reporting, the Eligibility Worker must also act on certain changes in eligibility status at the end of the month in which timely and adequate notice can be provided, even if it results in a decrease in benefits.

The changes in eligibility status listed below are considered county-initiated and these actions may occur at any time during the SAR Payment Period. They include, but are not limited to:

- An adult reaches the CW Time On Aid (TOA) limit
- The Eligibility Worker imposes or removes a sanction/financial penalty on individual members of the AU
- A Cal-Learn participant earns a bonus or sanction
- A child reaches age limit (exceptions apply, refer to Policy 100-E08 Eligibility for Teens Turning 18)
- A child is placed in Foster Care
- A Non-Minor Dependent is transferred into their own AU
- When aid has been approved for a child or other individual who is currently being aided in another household
- When a state hearing decision results in mandatory changes mid-period
- When an AU becomes a family reunification case
- A Refugee Cash Assistance (RCA) recipient reaches the twelve-month RCA time limit
- An AU member is no longer a California resident
- There are adjustments to correct erroneous payments
- When it becomes known to the Eligibility Worker that an AU member is deceased (applicable only to Annual Report/Child Only cases)
- There are cost-of-living adjustments (Minimum Basic Standards of Adequate Care and Income In-Kind)

- When it becomes known to the Eligibility Worker that an individual is confined in a correctional facility on the first of a month and is expected to remain for a full calendar month or more
- Nine-month real property exemption expires
- IEVS criminal matches

In addition to the above circumstances, the Eligibility Worker will also initiate a mid-period benefit adjustment if such an adjustment is necessary as a result of a late SAR 7 or RE form being submitted by the client. Submission of a late SAR 7 may require that benefits be reduced for the next SAR Payment Period. However, if the Eligibility Worker cannot decrease benefits due to an inability to provide 10-day notice, benefits for the first month of the SAR Payment Period must be released at the prior level and an OP/OI assessed for that month. The Eligibility Worker must take action to reduce benefits effective the first day of the next month in the SAR Payment Period when 10-day notice of decrease in benefits can be provided.

In both the CW and CF programs, when an Eligibility Worker discovers that an AU/CFHH is receiving an erroneous payment, the error must be corrected mid-period, even if it results in a decrease to the grant and allotment amount. However, recouping an OP/OI is not a county-initiated mid-period action, so the Eligibility Worker may only initiate benefit adjustment to begin recoupment of an OP/OI at the beginning of a SAR Payment Period, as long as it will not result in a decrease to CW benefits. For example, if recoupment of one OP/OI is completed mid-period, the Eligibility Worker may begin recoupment on a second OP/OI in the following month, as long as the amount of the second recoupment is equal to or less than the first, so there is no decrease to the benefit amount mid-period.

In cases where the decrease or discontinuance is due to a client reaching the CW TOA limit, a sanction or financial penalty is imposed (including Intentional Program Violations [IPVs]), the Eligibility Worker must act at the end of the month in which 10-day notice can be provided. If there is insufficient time to provide a 10-day notice to decrease benefits, benefits must be released at the prior, higher level. For actions relating to a child reaching the age limit or an adult reaching the TOA limit, this will result in an OP for the month in which benefits were not appropriately reduced.

**Example – CW 60-month time limit:**

Client and their two children are receiving CW and are in the April through September SAR Payment Period. Client will have received 60 months of CW as of May 31 and must be removed from the AU. Since the Eligibility Worker is tracking the client's TOA, the Eligibility Worker initiates action to discontinue client with timely and adequate notice, effective May 31, after determining they

do not qualify for a TOA extension. This results in a county-initiated mid-period decrease in cash aid to the remaining AU members. Any month in which client incorrectly receives aid after their 60 months will be an OP, even if they received the extra month of aid due to the inability of the Eligibility Worker to provide 10-day notice.

**Example – Cal-Learn Program School Bonus:**

A Minor Parent and their child receive CW benefits. The Minor Parent has not yet finished high school, so the Minor Parent is a mandatory Cal-Learn program participant. They have a January through June SAR Payment Period. The Minor Parent turns in a January report card showing satisfactory progress and becomes eligible for a \$100 bonus. The Eligibility Worker initiates a school bonus for the month of February. The March CW benefit will return to the previous grant level calculated for the SAR Payment Period, less the school bonus.

**Sanctions and Penalties**

All sanctioned persons must be discontinued mid-period, as these are county-initiated actions. Sanctions may continue until cured or may start or end in the middle of a SAR Payment Period. The following sanctions and penalties must be initiated mid-period:

- WTW sanction
- Sanction for failure to cooperate in verifying citizenship/non-citizen status (this sanction only affects the individuals who fail to cooperate)
- Sanction for refusal/failure to furnish an SSN, or provide proof of completed application for SSN
- Sanction for strikers who are not caretaker relatives
- Cal-Learn Program sanction
- Penalty for failure to comply with immunization requirements without Good Cause
- Penalty for failure to comply with school attendance requirements
- 25 percent penalty for failure to provide information required by the child support cooperation requirements without Good Cause
- Penalty for IPV

**Note:** Mid-period action can also be taken to reduce CalFresh benefits in order to impose a sanction or penalty as a result of failure to comply with work requirements or as a result of an IPV conviction.

**Example – WTW sanction:**

On July 10, after completing the noncompliance process the Eligibility Worker imposes a sanction effective August 1 (if Good Cause is not found). Imposing a sanction is considered a county-initiated action; therefore, the result is a mid-period decrease in cash aid for the AU effective August 1.

## **Duplicate Aid**

### **Foster Care**

For cases in which a child has been removed from the home and placed in Foster Care, timely notice is not required prior to discontinuing the child from the first AU. If CW is paid for the child beyond the end of the month in which they were placed in Foster Care, a CW administrative OP would be assessed.

### **Supplemental Security Income and State Supplementary Payment CalWORKs**

The Eligibility Worker may not discontinue an AU member who begins receiving Supplemental Security Income/State Supplementary Payment (SSI/SSP) mid-period until the end of the SAR Payment Period (unless it is received concurrently with earned income and exceeds the IRT). It is not considered duplicate aid if a client receives CW and SSI at the same time, because the Social Security Administration will use the client's portion of the grant as income to the SSI payment. When the client is discontinued from CW, the SSI payment will increase.

**Note:** Recipients of SSI/SSP are eligible to CF benefits, provided all other eligibility requirements are met.

### **Applied for Aid in another AU/CFHH**

In cases where an individual has applied for aid in another AU/CFHH, aid cannot be approved until the individual has been discontinued from the first AU/CFHH with timely and adequate notice.

For CW cases, if the individual is a child, the Eligibility Worker will need to determine which caretaker relative has care and control of the child in order to take action in either case. Once the Eligibility Worker determines that a different AU has care, custody, and control of the child, then this becomes a county-initiated action, and the prior AU must receive timely and adequate notice of the discontinuance of aid for the child(ren). Once the child has been removed from the prior AU/CFHH, the new AU/CFHH can begin receiving aid for the child. If the child being removed from the AU/CFHH is the only eligible child in the AU, CW should be discontinued with timely and adequate notice. The Eligibility Worker will take the child out of the CFHH at the same time this child is discontinued from the CW AU. CF benefits would continue for the remaining members of the first household, provided all other eligibility requirements are met. If CW was terminated in the first AU for no eligible children, TCF benefits should be approved for the remaining members of the CFHH for five months

**THIRD-PARTY  
INFORMATION/  
KNOWN TO THE  
COUNTY**

Under certain circumstances, information will be “known to the county” or will be provided to the Eligibility Worker through a third-party. Such information will be used by the Eligibility Worker to:

- Calculate an OP/OI when the information received was a mandatory report and is obtained after benefits have been issued in the wrong amount, such as in the case of IEVS matches; and
- Take prospective action at the beginning of a SAR Payment Period or change benefits mid-period, if the client failed to accurately report information on a mandatory report (Application, SAR 7, or RE form).

All third-party information received by or known to the Eligibility Worker must be acted upon. If a change is required to be reported by the client, the Eligibility Worker must first verify the information and then act based on the information once it has been verified.

If a change is not required to be reported, such as a change of income not over IRT that occurs mid-period or income over IRT that consists of unearned income only, the Eligibility Worker may use the third-party information to ensure that the next SAR 7 submitted by the client is consistent with other information known to the Eligibility Worker.

If the information on the initial application, SAR 7, or RE forms is not consistent with what has already been reported or is being reported through a third-party, the Eligibility Worker must seek to resolve the discrepancy. If the Eligibility Worker cannot resolve the discrepancy the forms may be considered incomplete.

While third-party information may be useful to the Eligibility Worker, under some circumstances such information will not result in any action by the Eligibility Worker. For example, the Eligibility Worker must not take mid-period action based on third-party information regarding changes that an AU/CFHH is not required to report (i.e., household composition or, for CW, the gaining of new resources and AUs with income changes that consist of unearned income only) during the SAR Payment Period. The exception is if the situation turns into a county-initiated action, such as approving aid in another AU/CFHH or a Foster Care removal.

If the Eligibility Worker receives or knows about information the AU/CFHH is required to report, such as income exceeding the IRT or changes in fleeing felon status, and the AU/CFHH has not reported such information, the Eligibility Worker must act to resolve the discrepancy and take appropriate action once the information has been verified.

**Note:** Information that is reported to and verified by the CW program which triggers action in a CW case, is considered reported and verified for CF on the date CW processes the change.

Examples of when the Eligibility Worker might have information from a third-party include, but are not limited to the following situations:

- A WTW case manager has been notified the client has started a job
- An anonymous source reports information about the AU/CFHH to the Eligibility Worker
- IEVS matches show that there are earnings in a case
- An asset match shows interest income for a bank account that has never been reported by a CW AU
- A Cal-Learn teen parent's case manager notifies the Eligibility Worker of a minor who becomes pregnant or gives birth
- A WTW case manager reports a mandatory WTW participant did not comply with the employment participation requirements

The examples above are examples that would not necessarily warrant any action by the Eligibility Worker. The Eligibility Worker must compare information that is known, with what the client reported and ensure that it is consistent.

**Income and Eligibility Verification System (IEVS) Matches**

Information from the matches need to be evaluated to determine if the information was required to be reported by the client on the initial application, SAR 7, RE forms, or as a mandatory mid-period report.

If the information was required to be reported, but was not, then appropriate action must be taken. If the information was not required to be reported and therefore considered voluntary, the Eligibility Worker must complete a journal entry for follow-up during the next SAR or RE period (whichever comes first).

When reconciling IEVS matches with reported income from the SAR Data Month or RE, the Eligibility Worker must take prospective budgeting rules into consideration. This includes taking into account information that was available at the time the determination of reasonably anticipated income would have been made, if reported timely. Eligibility Workers should not rely on actual income if, at the time the mandatory report was due, the income could not have been reasonably anticipated.

**TREATMENT OF MULTIPLE CHANGES WITHIN**

If a client experiences multiple changes during a SAR Payment Period, the Eligibility Worker must act on those changes in accordance with actions required on mandatory and voluntary client reports and on county-initiated actions. The Eligibility Worker must act on each change separately and sequentially, using

**A SAR PAYMENT PERIOD**

the rule that is unique to that type of change and may not combine the different circumstances to effect a change in benefits resulting from the combined changes.

When multiple changes are voluntarily reported mid-period, the Eligibility Worker must first determine if the changes are independent of each other or if they are different events that are part of one change.

If the two events are separate changes, the Eligibility Worker must evaluate each change independently of the other and only act on those changes that result in an increase. The Eligibility Worker will not determine the net result of two changes, even if the net result is an increase; each change must only be acted on if that change, by itself, would result in a mid-period increase in benefits.

If the two events are part of one change, then the Eligibility Worker must treat this voluntary report as one change and determine if acting on this change would result in an increase to the grant amount.

In cases where one change would increase the grant and the other would decrease the grant, the Eligibility Worker must act on the change that increases the grant and send a CalWORKs No Change NOA - M44-316.31 (SAR) or CalFresh No Change NOA - CF 377.4 (SAR) (with a budget, as appropriate) to the AU/CFHH about the other change reminding them, if the change has not been verified, to report that change on their next SAR 7 and provide necessary verification.

**Example 1:**

The AU/CFHH is in the January through June SAR Payment Period. On January 15, the AU/CFHH reports that Parent B moved back into the home and has a part-time job. The Eligibility Worker determines that earnings from Parent B's job would result in a decrease to the AU/CFHH benefits. The Eligibility Worker is unable to add Parent B to the AU/CFHH the first of February because SAR rules do not allow for benefits to be decreased as a result of a voluntarily reported mid-period change.

On February 17, the AU/CFHH reports that Part A violated conditions of parole. The Eligibility Worker must take action to remove Parent A from the AU/CFHH effective March 1, because Parent A is ineligible. The Eligibility Worker decreases benefits to the remaining AU/CFHH members effective March 1. When decreasing March benefits, the Eligibility Worker may not take action to add Parent B and Parent B's earned income at the same time as discontinuing Parent A, as these are two different changes, and they must be treated separately and sequentially. The Eligibility Worker may only take action to decrease the grant based on Parent B and Parent B's income at the beginning of the next SAR Payment Period when the AU/CFHH has submitted the SAR 7

or RE forms for May, reporting that Parent B is still in the home and still has income.

**Example 2:**

January through June SAR Payment Period. Parent B moves into the home February 4 without income. The AU/CFHH voluntarily reports Parent B in the home that day. The Statement of Facts for an Additional Person - CW 8 is still pending February 20 (within the 30-day processing time). The AU/CFHH reports that Parent B began getting income on February 10. Since the CW 8 has not been received or approved, the Eligibility Worker must use Parent B's income and treat it as part of the voluntary report. If Parent B's income would result in decreased benefits to the AU, the Eligibility Worker will not act to add Parent B to the AU until the first of the next SAR Payment Period.

If adding Parent B's income would result in financial ineligibility, the Eligibility Worker cannot add Parent B to the AU but must discontinue the AU/CFHH at the end of the current SAR Payment Period, after the AU reports the income on the SAR 7 or RE forms for May, submitted in June.

If Parent B had already been added to the AU before getting income, then the report of income would have been a separate voluntary report and would not have been acted on until the next SAR Payment Period (unless income received by Parent B was earned and over IRT).

**Example 3:**

Parent B moves into the home and has income. Parent A has a decrease in earnings. Parent A reports both changes on the same day. The Eligibility Worker must not evaluate the net result of the two changes, even if the net result would be an increase to the grant because adding Parent B and income would reduce the level of increased benefits Parent A would have gotten based solely on decreased income. Instead, the Eligibility Worker will not act to add Parent B to the AU if Parent B's income would result in decreased benefits for the AU. The Eligibility Worker must act to increase the grant due to Parent A's decreased income.

If adding Parent B would result in a decrease in aid, Parent B will not be added to the AU/CFHH until the next SAR Payment Period, after the AU/CFHH reports Parent B being in the home on the next SAR 7 or RE forms.

**Example 4:**

An AU/CFHH voluntarily reports an increase in income that is under the IRT. The Eligibility Worker does not act to change benefits based on the reported change, because it would result in decreased benefits.



Later in the same SAR Payment Period, the AU makes a mandatory report of another AU/CFHH member avoiding conviction of a felony. When the AU/CFHH reports the fleeing felon, the benefits must be decreased to reflect the removal of that individual from the AU/CFHH, without reconsideration of the previous voluntary report of increased income. The Eligibility Worker will not act on the increased income until the following SAR Payment Period.

**Example 5:**

January through June SAR Payment Period. Pregnant Person Only (PPO) case. The baby is born in February. The fully employed absent Parent B moves into the home in March. The birth of the baby and Parent B moving in are reported in March.

In this example, the baby's eligibility must be considered first and all circumstances relative to the baby's eligibility must be considered before the baby can be added. Here, the report is the first application for the baby, and all eligibility factors need to be evaluated. If ineligibility occurs any time before action is taken to grant aid, the PPO case must be discontinued because the baby has no deprivation, since the Parent B is in the home and employed full-time.

If, however, the baby's birth was reported in February and the baby was added to the AU before Parent B moved into the home, the AU would remain eligible until the end of the SAR Payment Period, when Parent B's presence would make the AU ineligible based on no deprivation.

**Example 6:**

January through June SAR Payment Period. AU consists of Parent A and Parent A's child. Parent A is working part-time. Unemployed Parent B moves into the home on February 5 and Parent A loses their job on February 8. Both changes are reported to the Eligibility Worker on February 9. The Eligibility Worker must evaluate each change separately and sequentially, keeping in mind the timing of when benefits can be increased based on decreased income and adding new household members. In this scenario, the Eligibility Worker must act to increase benefits for the month of February (assuming all verifications are submitted timely) based on Parent A's decreased income and the Eligibility Worker will add Parent B to the AU effective March 1.

**FORMS**

The below forms are located within CalSAWS:

- Reporting Changes for Cash Aid and CalFresh (SAR 2)
- Request for Verification - CW 2200
- Mid-Period Status Report for Cash Aid and CalFresh - SAR 3
- CalFresh No Change NOA - CF 377.4 (SAR)

- Statement of Facts for an Additional Person - CW 8
- Sworn Statement – GEN 853

Located within EFMS:

- CalWORKs No Change NOA M44-316.31 (SAR)

**REFERENCES**

ACL 12-25, 12-25E, 14-100, 16-90, 16-120, 21-101, 21-140  
 CalFresh Handbook Section 22.30 - Mid-Period Actions  
 Policy 100-B5 – Higher and Lower MAP - BENO  
 Policy 100-B9 – Fleeing Felon  
 Policy 100-B14 – Income Reporting Threshold  
 Policy 100-C4-A – Household Composition Changes  
 Policy 100-C4-B – Adding a Newborn/Parent to the AU  
 Policy 100-D2 – Pregnancy Special Needs/CalWORKs Eligibility Based on Pregnancy  
 Policy 100-E5 – Semi-Annual Reporting (SAR) and Budgeting Process  
 Policy 100 –E08 Eligibility for Teens Turning 18  
 Policy 100-E11 – Inter-County Transfer (ICT)