

**County of San Diego, Health and Human Services Agency (HHS) (HSA)
CalWORKs Program Guide**

Semi-Annual Reporting (SAR)

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44-270.A

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Revision Date:

August 1, 2021

Background:

The Semi-Annual Reporting (SAR) system was established by Assembly Bill (AB) 6 to replace the Quarterly Reporting (QR) system for CalWORKs and CalFresh programs.

Purpose:

This section is being revised to incorporate policies due to AB 79, which eliminates the requirement for the SAR 7 to be signed no earlier than the first day of the submit month for the SAR 7 to be considered complete and establishes alternate options to complete customer contacts.

Policy:

Eligibility factors such as deprivation, household composition, income, and property will be reevaluated on a semi-annual basis once initial eligibility is established. All Assistance Units (AUs) are subject to SAR regulations except for the Annual Reporting/Child Only (AR/CO) AUs. AR/CO AUs have an annual reporting requirement.

SAR System

Information provided at initial application, on the SAR 7 Eligibility Status Report, or during the annual redetermination will be used to determine eligibility and benefits for the six-month semi-annual period. CalWORKs benefits are evaluated every six months using prospective budgeting and reasonably anticipated income. A customer may report multiple changes within the same SAR payment period. When multiple changes are reported, each change will be evaluated separately and sequentially. The different circumstances must not be combined for a net result.

Benefits will remain unchanged for the six-month payment period, except for the following:

- Mid-period reports resulting in an increase in benefits
- Decrease or discontinuances based on mandatory reports
- Decrease or discontinuances based on county-initiated actions
- Discontinuance due to the customer's request

If a change is reported that does not require mid-period action, issue a "No Change" Notice of Action (NOA) and note the information as a Held Change for follow-up at the next SAR 7 or annual redetermination, whichever comes first.

SAR Cycle

The SAR cycle is made up of six consecutive months and is based on the beginning date of aid (BDA), or the first month for which eligibility is established. For Zero Basic Grant (ZBG) cases, the BDA will be the first month for which eligibility to CalWORKs is established, regardless of whether a payment is issued to the AU.

Once a SAR cycle is established, the redetermination month must be aligned with the SAR cycle to ensure that customers report eligibility information only twice a year. The processing of the SAR 7 and the annual redetermination must be completed in the SAR submit month. Whenever the CalWORKs redetermination month is adjusted, the redetermination month of the associated Medi-Cal program

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must also be adjusted so that CalWORKs and Medi-Cal have the same redetermination date. When adding a new CalWORKs or CalFresh program to an existing case, the redetermination date for the existing case will be used as the redetermination date for the new program to ensure there is no change to the existing SAR cycle.

If a CalFresh household contains two separate CalWORKs AUs, the SAR cycle must be based on the earliest BDA for either CalWORKs or CalFresh.

SAR Data Month

The month for which the customer is required to report all information necessary to determine eligibility on the SAR 7 or at annual redetermination. The SAR data month is month five of each semi-annual period.

SAR Submit Month

The month in which the SAR 7 or Statement of Facts at annual redetermination must be submitted. The SAR submit month is the month after the SAR data month and is month six of the semi-annual period. The SAR 7 is due by the fifth day of the SAR submit month following the initial application or annual redetermination. It is considered late if received after the 11th day of the submit month.

Benefits will be discontinued effective the end of the SAR submit month unless a complete SAR 7 is received before close of business on the first working day of the following month (extended filing date).

- If a complete SAR 7 is received after the extended filing date, good cause evaluation must be completed
- If good cause does not exist, a full rescind will not be completed

Payment Period

The payment period is the six-month period in which benefits are issued. Each SAR payment period starts with the BDA, the month after the SAR 7 submit month, or the month after the annual redetermination.

SAR Cycle	Month 1 BDA	Month 2	Month 3	Month 4	Month 5 Data Month	Month 6 Submit Month
1	January July	February August	March September	April October	May November	June December
2	February August	March September	April October	May November	June December	July January
3	March September	April October	May November	June December	July January	August February
4	April October	May November	June December	July January	August February	September March
5	May November	June December	July January	August February	September March	October April

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6	June December	July January	August February	September March	October April	November May
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Reporting Requirements

The SAR regulations require customers to report eligibility information twice a year. Information reported on the SAR 7 will be used to determine continuing eligibility for the upcoming payment period. Customers may voluntarily report a change any time. However, mandatory changes are required to be reported during the six-month semi-annual period:

- Customers are required to submit a SAR 7 once a year in the sixth month of the semi-annual period in person, online, by mail or telephone
- No SAR 7 is required in the redetermination month. The Statement of Facts completed at annual redetermination takes the place of the second eligibility report

The SAR 7 will include the following forms under certain circumstances when information from a sponsor or senior parent is needed to determine continuing eligibility for the AU:

- SAR 72 Sponsor’s Semi-Annual Income and Resources Report - when the customer is a sponsored noncitizen
- SAR 73 Senior Parent Semi-Annual Income Report - when a minor parent lives with their senior parent. Completeness criteria for the SAR 73 will follow the same completeness criteria as the SAR 7

Changes Reported Mid-Period

Information from a mid-period report is considered part of the case, regardless of whether any action was taken mid-period.

Mandatory Mid-Period Reports

Refer to CPG 44-270.G for information on mandatory mid-period reports.

Voluntary Mid-Period Reports

Refer to CPG 44-270.H and processing guide 44-270.A.1 for information on voluntary mid-period reports

County-Initiated Actions and Third-Party Information

Refer to CPG 44-270.I for complete information on county-initiated actions and third-party information.

Information Reported on the SAR 7

Information reported on the SAR 7 will be used to determine continuing eligibility for the upcoming payment period.

Customers must provide information and answers to all required questions and sign the SAR 7, under penalty of perjury, that they have truthfully reported all required information.

Reported changes on the SAR 7 will be treated as voluntary mid-period reports when the information on the SAR 7 was known after the SAR data month. When a decrease in income is reported for the first time on the SAR 7, a supplemental evaluation must be completed for the SAR submit month.

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SAR 7 Completeness Criteria

The SAR 7 is considered complete if all the following criteria are met:

1. The form is signed and dated by each natural or adoptive parent or aided spouse of a parent or other caretaker relative living in the home under penalty of perjury. The customer no longer is required to date the report after the last day of the report month to be considered complete.
 - The instructions on the SAR 7 form regarding the signature requirement are not aligned with the current regulations/requirements per AB 79. The SAR 7 form is to be updated by the California Department of Social Services (CDSS). Staff are to accept a SAR 7 signed before the first day of the submit month if the form is otherwise complete.
2. All questions pertaining to CalWORKs eligibility are fully answered and information on the SAR 7 together with attached documentation provides enough information to complete the eligibility determination
3. Required verification is provided
4. Provide additional forms, if applicable:
 - SAR 72 when the customer is a sponsored noncitizen
 - SAR 73 when a minor parent is living with their senior parent

The SAR 7 is considered incomplete if:

- Required verification is not received
- Information provided is not enough to determine eligibility
- Information from a previously unverified voluntary mid-period report is not included on the SAR 7. If a mid-period report was previously verified, the customer is not required to report the change again. The SAR 7 will not be considered incomplete if the information is not re-reported on the SAR 7. However, gross income received in the Data Month must still be reported and verified.

Required Verification

Verification of all gross income received in the SAR data month is required, as well as verification of any reasonably anticipated changes.

Verification of self-employment expenses is required before a deduction based on actual expenses is allowed. The SAR 7 will not be considered incomplete if verification of self-employment expenses is not provided. The 40% self-employment disregard may be given without proof of actual expenses. Under certain circumstances, an affidavit or sworn statement may be accepted if other verification does not exist, such as termination of self-employment income.

All other reasonable methods of verification must be attempted before an affidavit or sworn statement is accepted. An affidavit or sworn statement may not be accepted to verify the following:

- United States citizenship or noncitizen status
- Medical verification of pregnancy

Good Cause Determination

The discontinuance will be rescinded when the customer cannot reasonably be expected to fulfill their reporting responsibilities due to factors outside of their control.

Good cause exists in the following situations:

- The customer has a mental or physical condition that prevents them from submitting a timely report

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- The late report is directly attributable to Administrative Error
- Other extenuating circumstances exist, such as domestic violence or a customer not understanding their reporting responsibilities, which might have contributed to the customer’s inability to submit a timely report

Processing a Late SAR 7

When a complete SAR 7 is received after the 11th of the submit month but by the extended filing date, or if good cause is established, the discontinuance (X or Y-suspense) will be rescinded and benefits reinstated at the prior level. An overpayment will be established if benefits cannot be decreased with timely notice. If good cause does not exist, the case will be processed for restoration of aid based on the date the complete SAR 7 is received. The SAR cycle and redetermination will remain unchanged.

Timely and Adequate Notice

Unless a 10-day waiver is signed by the customer, 10-day (timely) notice must be given before benefits may be decreased or discontinued. Timely notice is not required for increases in benefits.

Refer to CPG 22-000.A for additional Timely and Adequate Notice requirements.

The following NOAs will be sent timely and adequately when a complete SAR 7 is not received by the 11th day of the SAR submit month:

If...	Then...
A SAR 7 is NOT received by the 11 th day of the SAR submit month	An X-NOA (NA 960X SAR) will be sent to the AU
An incomplete SAR 7 is received by the 11 th day of the SAR Submit Month	A Y-NOA (NA 960Y SAR) will be sent to inform the AU of: <ul style="list-style-type: none"> • What specific information or required verification is still needed • The deadline (the extended filing date) for the AU to provide the information
An incomplete SAR 7 is received in response to a timely and adequate X or Y-NOA	<ul style="list-style-type: none"> • No further NOA will be sent if the original X or Y-NOA was sent timely and adequately • Letter SAR 90 will be sent before the end of the Submit Month to inform the AU that the SAR 7 is considered incomplete

The Y-NOA is not considered an adequate notice if it fails to identify what was incomplete about the SAR 7, either in the notice using freeform text or by attaching a copy of the SAR 7 with circled items.

SAR 90 Reminder Letter

The SAR 90 Reminder Letter will be sent to an AU before the end of the Submit Month when an incomplete SAR 7 is submitted after an X or Y-NOA has been issued. The SAR 90 will inform the AU of the following:

- The affected program(s)
- Which questions need to be answered

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- The verifications that need to be provided for the SAR 7 to be considered complete

Note: The SAR 90 is not a NOA and does not change the discontinuance date established by the X or Y-NOA, nor does it change the extended filing date. The SAR 90 does not allow additional time for the AU to provide necessary information.

Balderas Contact

After sending the X or Y-NOA, a Balderas personal contact must be attempted either in person, by telephone, text message, or electronically and documented in case comments. If the AU cannot be reached, a written reminder (M40-181C Balderas Reminder Notice) will be sent no later than 5 days before the end of the SAR submit month.

A CalWORKs discontinuance for an incomplete SAR 7 is not valid unless an attempted Balderas personal contact is made and documented in the case comments, and a Balderas reminder notice is sent if personal contact cannot be made.

Procedure:

CalWORKs Processing Guides: 40-270.A1

Program Impacts:

Forms and Document Capture

The SAR 7 form is to be updated by the California Department of Social Services (CDSS). Staff are to accept a SAR 7 signed before the first day of the submit month if the form is otherwise complete.

Other Programs Affected

CalFresh - Refer to CalFresh Program Guide (CFPG) 63-270 - Semi-Annual Reporting

References:

EAS 40-103, 40-107, 40-181, 44-316

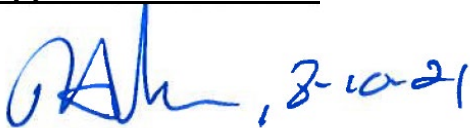
ACL No. 12-25, 12-5E, 12-49, 12-59, 13-17, 13-26, 13-28, 13-80, 13-109, 14-100, 15-92, 19-76, 19-76E, 21-24

ACIN No. I-01-14, I-02-16, I-03-20, I-16-20

Sunset Date:

This policy will be reviewed for continuance by July 31, 2024.

Approval for Release:



Rick Wanne, Director
Self-Sufficiency Services