

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

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**Effective Date:**

January 1, 2021

**Background:**

Per All County Information Notices (ACIN) I-73-20 and I-88-20, the Cost of Living Adjustment (COLA) for Social Security Administration (SSA) benefits is 1.3 percent beginning with the December 2020 benefits payable in January 2021.

Annual updates on SSA COLAs may be obtained through the following website: <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 2021.

State Data Exchange (SDX) information about Supplemental Security Income (SSI)/State Supplementary Payment (SSP) monthly payment amounts is considered verified upon receipt and must be updated in CalFresh household budgets and monthly benefit amounts no later than the March benefit allotment.

**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 2021.

If the application was taken in November or December 2020 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 1.013.

**Example:**

An individual received an SSA Title II benefit amount of \$385.00 in the month of December 2020. To determine the amount the applicant will receive in January 2021:

- Multiply \$385.00 by 1.013 = \$390.01
- Round down to the next lower dollar = \$390.00
- New anticipated SSA benefit amount = \$390.00

**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, 2021, 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

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by the AU, the Human Services Specialist (HSS) is required to determine if cash aid should be discontinued. If cash aid is discontinued, the CalFresh household will continue to receive benefits through Transitional CalFresh.

**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 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 2020 redetermination. For those cases, include the updated SSA COLA amount in budgeting for the upcoming AR/CO period.

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 2021 CalWORKs grant and/or CalFresh allotment amount (as a result of the increased January 2021 SSA benefit), take the appropriate action to decrease benefits the first of the following month after timely adequate notice can be provided. Recalculate January 2021 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.

*(During the pandemic, for any month in which an Emergency Allotment (EA) was issued, do not establish an overissuance unless the household is found to be completely ineligible for CalFresh or there is evidence of benefit trafficking. [CalFresh Program Memo 20-15](#))*

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 will run on December 12 and 13, 2020 and automatically adjusts CalWORKs and CalFresh benefits to reflect the increased SSA COLA effective January 2021. The automatic adjustment of the SSA COLA will **not** occur on cases where there was a discrepancy or where the application was received after the COLA run. The SSI/SSP benefits of CalFresh applicants and

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recipients will **not** be updated with the COLA Mass Update. Additional guidance regarding the SSI/SSP COLA will be issued when available.

**Management Reporting**

The reports below require action and can be found on the SharePoint site, under the EOA/EO Tracking/SSA COLA 2021 folder:

- Mass Update COLA Exception Report - CalWORKs/CalFresh cases that did not convert successfully during the COLA update process  
HSS Action Required:
  - Review case and authorize
- Client Correspondence Details Report – List of Correspondence Remaining Online after the SSA COLA was run that remains in the Print Queue for review  
HSS Action Required:
  - Review all correspondence that is held in the Print Queue
  - Delete unnecessary correspondence
  - Mail out remaining correspondence after completing any manual variables

**Program Impacts:**

Instructions for other programs are distributed separately.

**References:**

ACIN No. I-73-20 and I-88-20

**Sunset Date:**

This policy will be reviewed for continuance by December 31, 2021.

**Approval for Release:**



RICK WANNE, Director  
Eligibility Operations