

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

Social Security Administration (SSA) Cost of Living Adjustment (COLA) Effective January 1, 2020

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Effective Date:

January 1, 2020

Background:

Per All County Information Notice (ACIN) I-67-19, the COLA for SSA benefits is 1.6 percent beginning with the December 2019 benefits payable in January 2020.

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 2020.

As the COLA impacting Supplemental Security Income (SSI) payments can vary based on other income received by the individual, it is not considered a "Known-to-County" change.

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 2020.

If the application was taken in November or December 2019 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 1.016.

Example:

An individual received an SSA Title II benefit amount of \$385.00 in the month of December 2019. To determine the amount the applicant will receive in January 2020:

- Multiply \$385.00 by 1.016 = \$391.16
- Round down to the next lower dollar = \$391.00
- New anticipated SSA benefit amount = \$391.00

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, 2020, 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.

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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 2019 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 2020 CalWORKs grant and/or CalFresh allotment amount (as a result of the increased January 2020 SSA benefit), take the appropriate action to decrease benefits the first of the following month after timely adequate notice can be provided. Recalculate January 2020 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 14 and 15, 2019 automatically adjusted CalWORKs and CalFresh benefits to reflect the increased SSA COLA effective January 2020. The automatic adjustment of the SSA COLA did **not** occur on cases where there was a discrepancy or where the application was received after the COLA run.

Following further instruction from CDSS, the SSI benefits of CalFresh applicants and recipients were **not** updated with the COLA Mass Update. Additional guidance regarding the SSI 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 2020 folder:

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- Mass Update COLA Exception Report – CalWORKs/CalFresh cases that did not convert successfully during the COLA update process
Worker 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
Worker 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 I-67-19

Sunset Date:

This policy will be reviewed for continuance by December 31, 2020.

Approval for Release:



RICK WANNE, Director
Eligibility Operations