Unemployed Parent Deprivation Number: 100-D1

Approved: Signature on file Date: 6/04

BACKGROUND

AB 444 requires the California Department of Social Services to replace the current Monthly Reporting/Retrospective Budgeting rules (MR/RB) with a Quarterly Reporting/Prospective Budgeting rules (QR/PB). New 4/04

The CalWORKs deprivation requirements outlined in MPP Section 41-400 remain unchanged under QR/PB. However, a CalWORKs recipient must demonstrate continued eligibility under the deprivation requirement only once each quarter based upon the information reported on the QR 7.

The unemployed parent rules apply to all principal earners (PE) who establish deprivation based on unemployment whether the individual is included or excluded from the assistance unit.

UNEMPLOYED PARENT

The natural or adoptive parent with whom a child is living and is: New 4/04

- Not employed, or
- Employed less then 100 hours during the four-week period prior to the date of eligibility for cash aid based on unemployment.

Under the QR rules the date of eligibility is:

1. The date of application for cash aid based on unemployment.

2. The first of the month following the month of the reported change if the reported change results in an **increase in benefits.**

Or

The first of the month of the following quarter, if the

reported change in AU results in a decrease in benefits.

NOTE: Sanctioned WTW individual will be added back to the grant the first of the following month once they comply or “cure” their sanction.

PRINCIPAL EARNER (PE) PARENT

The parent who has earned the greater amount of income in the 24-month period.

- For applicants, count starts the month immediately prior to the month of application.
- For the recipient, count starts with the month of change. *****

In order to determine which parent is the PE, the SAWS 2 must include current earnings information for both parents:

- If both parents earned the same amount, the worker shall designate which parent is the PE.
- Once designated, that parent continues to be the PE for each consecutive month in which the family receives CalWORKs based on unemployed parent deprivation.
- Since only the PE can establish unemployment deprivation, the 100-hour rule does not apply to the parent who is not the PE.

***EXCEPTION:** When the deprivation for a PE is changed from unemployed parent to incapacity and then he/she recovers from the incapacity and is again evaluated for unemployed parent deprivation, the worker shall use the original application date for determining PE.

- Therefore, the PE remains the same for the new unemployed parent evaluation.

HOURS OF EMPLOYMENT

The hours an individual spends providing a service or product, whether the individual is an employee or self-employed. Any hours spent working to obtain earned income, whether the individual receives the income or not shall be considered toward the 100-hour limit.

UNEMPLOYED PARENT DEPRIVATION REQUIREMENTS

APPLICANT CHILD:

The basis of deprivation for an applicant child who lives with both parents when:

1. One parent must qualifies as PE; **and**

2. Works less than 100 hours during the four-week period prior to the date of eligibility for cash aid based on unemployment deprivation; **and**

3. Meets all other requirements for the unemployed parent program.

RECIPIENT CHILD:

For recipient child who lives with both parents when:

1. Deprivation based on absence or incapacity ends; **and**

2. One parent qualifies as PE; **and**

3. Works less than 100 hours during the four-week period prior to the date of eligibility for cash aid based on unemployment deprivation; **and**

4. Meets all other requirements for the unemployed parent program.

UNEMPLOYED PARENT PROGRAM REQUIREMENTS

Apply these requirements only for Initial Services applications and changes in deprivation. The requirements do not apply to a child who continues to be aided on the basis of unemployed parent deprivation.

- The child's principal earner parent must be CalWORKs Welfare-to-Work (WTW) registered whether included or excluded from the AU.
- If the PE parent is listed on the SAWS 2, he/she is WTW registered (does not mean they have signed their WTW plan).
- If the child's PE parent has worked in the last 19 months and is apparently eligible, he/she must apply for UIB and provide proof of application. (See MPP 44-103.115 for definitions of those persons who are not apparently eligible.)

- The child's PE cannot be unemployed as a result of participation in a strike.
- A recipient family that continues to be aided under Unemployed Parent deprivation may continue to receive aid regardless of the number of hours the PE works provided the family does not exceed the recipient financial eligibility test.

100-HOUR LIMITATION

The PE parent shall be employed less than 100 hours during the four-week period prior to the date of eligibility for cash aid based on unemployment.

When the PE is employed less then 100 hours during the four-week period prior to the date of eligibility, he/she shall not be considered employed for the purposes of unemployment deprivation.

NEW APPLICATIONS

New 4/04

There is a four- week (28 day) waiting period for the PE and his/her family to be eligible for cash aid when:

- PE has worked 100 hours or more in the four-week period preceding the date of application or transfer from another basis of deprivation to unemployed parent deprivation; **and**
- PE is no longer employed or is working less than 100 hours at the time of application or transfer; **and**
- PE is expected to continue to work less than 100 hours.

The four-week period shall be adjusted daily to determine the four-week period in which the applicant PE worked less than 100 hours. See **Attachment 1** – New Application/28 day waiting period example.

ONGOING CASES

The 100-hour rule begins the day prior to the individual's date of eligibility when:

- A parent returns to the home
- A parent is no longer incapacitated.

See **Attachment 2-** Changes of Deprivation from

Absent Parent or Incapacitated Parent to Unemployed Parent Deprivation

See flowchart, **Attachment 3**, for more information on Change or loss of deprivation and 100-hour rule.

HOW TO DETERMINE THE FOUR-WEEK PERIOD

- Count back four weeks from the date of application.
- Do not count the date of application.
- The four-week period must end the day prior to the date of eligibility (beginning date of aid) based on unemployment.
- If the first four-week period does not contain less than 100 hours worked and the PE is not expected to work 100 hours in the next four weeks, continue to move both the four-week period and the date of eligibility forward by day, until there is less than 100 hours worked during the new four-week period.

Example:
An applicant PE was laid off on April 13 and worked a total of 40 hours in April and 40 hours per week in March. The family applied for aid on April 14.

The original four-week period would be from March 17 through April 13.

Since the PE worked 120 hour during this four-week period, a new four-week period would need to be identified.

- March 18th through April 14th = 112 hours
- March 19th through April 15th= 104 hours
- March 20th through April 16th= 96 hours

The first four-week period in which the PE worked less than 100 hours would be from March 20th through April 16th.

The beginning date of aid for this family would be April 17th, if otherwise eligible.

THERE IS NO UNEMPLOYMENT DEPRIVATION IF:

- PE worked 100 hours or more in the preceding

four-week period and expects to work 100 hours or more in the next four-week period.

- PE worked less than 100 hours in the preceding four-week period, but anticipates that he/she will work 100 hours or more in the next four-week period.

EXAMPLE 1:

- A CalWORKs application is received on July 15.
- The applicant PE parent worked 40 hours per week in the preceding four-week period (June 17 - July 14) and anticipates that he/she will continue to work 40 hours per week in the next four-week period (July 15- August 11).
- This application is to be denied because the PE was employed 100 hours or more in the preceding four-week period and anticipates that these hours will continue in the future four-week period.
- Use NOA 117 to deny case (PE not unemployed) **Attachment 4,** or NOA 187 Deny Case/IN (PE not unemployed) **Attachment 5.**

EXAMPLE 2:

- A CalWORKs application is received on July 20.
- The applicant PE parent worked 80 hours in the preceding four-week period (June 22-July 19), but anticipates that he/she will work 100 hours or more in the next four-week period (July 20-August 16).
- This application is to be denied per MPP 40-171.221(g) because ineligibility occurs after the beginning date of aid but before authorizing action was taken to grant aid.

EXAMPLE 3:

- A CalWORKs application is received on July 15. The applicant PE worked 80 hours in the preceding four-week period and expects to continue at 20 hours per week ongoing.

- The application is approved effective July 15; authorizing action is taken on July 29.
- On August 3, the PE reports that he/she started a second job on August 1, working 15 hour per week for a total of 35 hours per week for both jobs.
- Per MPP 89-105.2, the county shall not apply the 100-hour limitation after the date that aid is authorized.
- Contact the PE to confirm the date that he/she accepted the job offers on the second job.
- If the PE did not accept the job offer until after the aid was authorized on July 29, the 100-hour limitation is not applicable.
- Eligibility for the AU will continue until ineligibility occurs due to excess income, excess property or another reason.
- If the PE accepted the job offer prior to aid being authorized on July 29, the 100-hour limitation is applicable.
- The worker will issue a timely (10-day) notice of action to discontinue aid effective August 31.
- As ineligibility occurred prior to authorizing action, the family is overpaid for July and August.

TERMINATION OF DEPRIVATION / CONTINUED ELIGIBILITY	Quarterly Reporting (QR) requires the recipient to demonstrate the deprivation requirement only once each quarter. Benefits must continue unchanged for the current quarter when adding a new AU member would result in ineligibility due to loss of deprivation. Under QRPB rules, the readjustment period as defined in EAS Manual 41-405 has been eliminated. QRPB now provides for a period of readjustment by not allowing the worker to terminate aid to an AU when deprivation ceases until the end of the quarter.	New 4/04
ACTION BASED ON DEPRIVATION CHANGE	If deprivation for an assistance unit (AU) changes mid-quarter, the worker shall determine if the new person has income and if the income would cause an increase or decrease in benefits. To determine whether the mid-quarter change results in increased benefits, decrease or ineligibility to the AU, the worker must recalculate benefits for the current and remaining months of the quarter using the new income that the AU reasonably expects to receive and adding	

the new member.

IF BENEFITS:

- **Decrease/Ineligibility of the AU**. The worker will take no action until after the QR 7 with the reported information of the new member is submitted and processed. The change will be effective the first of the month of the following QR Payment Quarter.

Important: All voluntary mid-quarter reported information must be documented in the case file and reviewed when the next QR 7 following the reported change is received to ensure the information previously reported is consistent.

- **Increase:** The worker will take action to add the new person effective the first of the month following the month the change was reported, after verifications are received and all other eligibility factors are met. Change the aid type based on the new deprivation.

Exception: If adding the new person results in increased benefits, but (s) he does not meet other eligibility factors (deprivation, property limits) the worker cannot take action to add the person, or discontinue benefits to the existing AU/household in mid-quarter. The worker will wait to take action until the QR 7 is submitted, and processed for the following payment quarter.

ABSENT PARENT TO UNEMPLOYED PARENT

When the absent parent returns home, the worker shall determines eligibility based on unemployed parent deprivation unless the parent is incapacitated.

See **Attachment 2** for examples of conversion of absent parent deprivation to unemployed parent deprivation.

UNEMPLOYED PARENT TO ABSENT PARENT

When a parent leaves the home, the worker determines eligibility based on absent parent deprivation.

Example:

Ongoing case, the quarter established is:

- January/February/March
- The AU consists of mother, full time employed father and four children. Deprivation is unemployed parent. The father leaves the home January 6.

Case Example #1	Action
Mother voluntarily reports on January 7th that the father moved out of the home.	Action is taken to discontinue the father effective January 31 and delete his earnings for February. This will create an increase in benefits for February and March.
Mother reports the father moved out of the home on the February QR 7 submitted in March. This information was previously voluntarily reported.	No action is necessary if information on the QR 7 is consistent with what was previously voluntarily reported.

Same example, however, the mother did not report that the father moved out until she submitted the February QR 7 on March 5th:

Case Example #2	Action
Mother reports the father moved out of the home on the February QR 7 submitted in March 5th.	The worker discontinues the father effective March 31, and deletes his earnings for April. This will create an increase in benefits for April. The worker <u>will not</u> reevaluate benefits for February and March. No underpayment exists for these two months.

OVERPAYMENTS AND DEPRIVATION CHANGE

No overpayments shall be assessed based on AU size related to deprivation changes, that the recipient was not required to report. New 4/04

NOTE: Overpayment adjustment will start only at the beginning of the quarter.

EXAMPLE:

- The quarter is established as July/August/September.
- AU of two, mother and one child, with absent parent deprivation.
- The father returns to the home in July and is full-timed employed.

Action	Result
Father returns home mid-quarter	The worker takes no action to

(July 13th).	decrease/ discontinue the benefits, as mother is not required to report the father in the home until the August QR 7 is submitted in September. No overpayment will exist.
September 5th, the August QR 7 is received and the worker determines that no deprivation exists.	Cash aid is terminated effective the end of September. No overpayment exists for July, August and September as deprivation had already been established for these quarters. Evaluate for ongoing Food Stamp and Medi-Cal eligibility.

EXAMPLE:

- The quarter is established as April/May/June.
- AU of two, mother and one child, with absent parent deprivation.
- The father moves back into the home on April 16th and is full-time employed.
- The AU does not report his return on the May QR 7 that was submitted in June.

Action	Result
On August 5th the worker finds out that the father moved into the home in April 16th, but the AU did not report this on the May QR 7.	Since deprivation did not exists for the July/August/September quarter, an overpayment is established for these months.

DIVERSION

The applicant PE must meet the 100-hour limitation to be determined eligible for CalWORKs prior to being evaluated for Diversion.

However, if a Diversion payment is needed in order for the applicant PE to keep his/her current job or begin a new job, no hours of work are to be anticipated for the future four-week period.

EXAMPLE:

- CalWORKs application is received 7/22 for a two-parent family. The applicant PE parent has not worked since 7/10 due to transportation problems.
- PE was working 40 hours a week, Monday-Friday, through the week ending 7/10.
- The former employer would hire the PE full-

time beginning next week if the PE can get his/her car repaired.

- The PE is determined to be a good candidate for Diversion.
- The original four-week period is from June 24th through July 21st.
- The PE worked 13 days during this four-week period for a total of 104 hours.
- A new four-week period needs to be identified.
- The PE worked 96 hours during the four-week period from June 25th through July 22nd.
- The date of eligibility to CalWORKs is 7/23, if all other eligibility requirements are met.
- The Diversion payment may be issued on or after that date.
- No hours of work are to be anticipated for the next four-week period.
- The Diversion payment must be issued before the car can be repaired and the PE can return to work.

CASH LINKED MEDI-CAL EFFECTIVE DATE	Follow instructions given in CalWORKs Policy 100-C4.A "Action to Add a New AU Member to Cash-Linked Medi-Cal" section to approve or deny Medi-Cal for a new AU member. See **Attachments 6 and 7** on approval/denial NOA's for cash linked Medi-Cal. **Note:** TANF and CalWORKs time clock for months that an individual is approved for cash-linked Medi-Cal do not begin until the person has been added to the AU.	New 4/04
REMINDERS:	The client is still required to complete the work history section of the SAWS 2 in order for the county to determine the principal earner parent and evaluate for referral(s) to UIB. Narration of this information is to be completed in the county use section of the SAWS 2.	
ATTACHMENTS	**Attachment 1 -** 28 Day Waiting Period - Examples. **Attachment 2** - Changes of Deprivation from Absent Parent or Incapacitated Parent to Unemployed Parent Deprivation **Attachment 3 -** Change or Loss of Deprivation 100	

hours rules

Attachment 4 - NOA 117 - Deny Case. PE Not Unemployed

Attachment 5 - NOA 187 - Deny Case/I.N. PE. Not Unemployed CDS

Attachment 6 – NOA CW 1MA – Cash Linked Medi-Cal Approved for QR

Attachment 7 – NOA CW 11D – Cash Linked Medi-Cal Denial for QR