

## **SUMMARY**

The actions of San Deigo County determining the claimant is eligible for CalFresh benefits of \$146 for December 2024 and \$137 per month effective January 2025 are sustained. Based on the claimant's countable income and deductible expenses, the claimant's household is not entitled to more CalFresh benefits.

[265-2]

## **FACTS**

By a notice of action dated November 5, 2024, San Diego County (county) notified the claimant that her monthly CalFresh benefits would be \$146 effective December 2024.

By a notice of action dated December 14, 2024, the county notified the claimant that her monthly CalFresh benefits would be \$137 effective January 2024.

On December 3, 2024, the claimant filed a request for hearing to dispute the county action.

On January 28, 2025, the claimant, an interpreter, and the county representative appeared by telephone at the hearing. The county submitted statements of position setting forth the county's factual allegations and legal arguments.

In the statement of position and at the hearing, the county representative stated in relevant part:

1. The claimant's household consists of the claimant and her minor grandchild.
2. On October 9, 2024, the claimant submitted a CF 285 application for November 2024. The claimant reported monthly income of \$839 from social security, her CalWORKs grant, monthly rent of \$220, and she reported paying utilities separately.
3. On November 5, 2024, the claimant utilized the Income Eligibility Verification System (IEVS) to determine the claimant had \$839 per month from Social Security Disability.
4. For December 2024, the claimant was eligible for \$146 in CalFresh benefits. The county applied \$10 recoupment for a prior overissuance, and the county issued the claimant \$136 for December 2024.
5. On December 8, 2024, the cost-of-living adjustment was applied through an automated process. The claimant's income from Social Security had increased to \$859, the claimant's CalWORKs benefits remained the same, the claimant was entitled to \$137 in CalFresh benefits effective January 2025, the county applied

\$10 recoupment for a prior overissuance, and the county issued the claimant \$137 per month effective January 2025.

The county submitted its calculations for the CalFresh benefits as part of its position statement and was taken into evidence. The calculations are incorporated herein.

The county submitted the following documents in relevant part:

1. Journal Print dated November 5, 2024. A review of this document shows in relevant part that the claimant reported income from the Social Security Administration (SSA) of \$839, CalWORKs benefits, and rent expense of \$223 per month.
2. CF 285 signed by the claimant and dated October 7, 2024. A review of this form shows the claimant reported \$839 per month in social security income and \$220 in monthly rent.
3. A document titled IEVS Applicant Detail with a report date of October 21, 2024. A review of this document shows the claimant was eligible for \$839 per month in SSA Title II benefits.

At the hearing, the county representative also testified in relevant part that:

1. The county does not have an IEVS report to show the claimant's increased income from SSA effective January 2025.
2. The county can request that a report be run to establish the claimant's increased income from SSA effective January 2025.

At the hearing, the claimant testified in relevant part that:

1. Her income from the SSA was \$839 in December 2024.
2. She is not sure how much her income from the SSA is effective January 2025.
3. She receives monthly CalWORKs benefits of \$809.
4. Her rent is \$223.
5. She has no out-of-pocket medical expenses.

The record was left open at the end of the hearing. The State sent the following notice to the parties:

By February 4, 2025, county to submit CW Issuance and income verification for January 2025 from social security. County to send copies of submitted documents to claimant. By February 11, 2025, claimant may submit income

verification from Social Security for January and February 2025. Claimant waived 28 days.

After the hearing, the county submitted the following documents in relevant part:

1. An IEVS Applicant Detail report with a report date of January 31, 2025. A review of this document shows the claimant's current entitlement is \$860.
2. The claimant's issuance history. A review of this document shows in relevant part that the claimant receives monthly CalWORKs benefits of \$809.

The claimant did not submit any documents.

### **LAW**

All the regulations cited refer to the Manual of Policies and Procedures (MPP), unless otherwise noted.

#### Semi-Annual Reporting

In the CalWORKs and CalFresh programs, the Semi-Annual Reporting/Prospective Budgeting (SAR/PB) system uses anticipated income/prospective budgeting to determine a recipient's benefits. Prospective budgeting requires the county to use income that the recipient reasonably anticipates it will receive during the payment period.

(§ 44-313; All County Letter (ACL) 12-25, May 17, 2012.)

A SAR cycle consists of six consecutive months. The SAR data month is the fifth month of the semi-annual period. It is the month for which the recipient reports all information necessary for eligibility determination. The SAR submit month is the sixth month of the semi-annual period and is the month in which the recipient must submit the SAR 7 form to the county. The SAR payment period is the six-month period in which benefits are issued based on the information from the data month. The SAR payment period begins after the submit month of the previous semi-annual reporting cycle.

(ACL 12-25, May 17, 2012.)

Income is "reasonably anticipated" when the recipient and the county welfare department determine that it is reasonably certain that the recipient will receive a specified amount of monthly income in the SAR payment period. If the amount of income that will be received or when it will be received is uncertain, the portion of the assistance unit/household's income that is uncertain shall not be counted. This definition applies to earned and unearned income.

(§ 44-315.311; ACL 12-25, May 17, 2012.)

Under SAR, recipients are no longer required to report an exact amount of anticipated monthly income for each month of the SAR period. Instead, recipients are required to provide information for the data month and any anticipated changes in the six months following the submit month. The income received in the data month will be considered reasonably anticipated and will be used in the budget calculation unless the recipient reports that they anticipate a change in the upcoming SAR period.

(§ 40-181.241; ACL 12-25, May 17, 2012.)

If the AU/household's monthly income fluctuates or they expect the income received in the Data Month to change in the upcoming SAR Payment Period, the county must attempt to find out the amount of income the AU/household reasonably expects to receive, in order to determine what income, if any, can be reasonably anticipated and used in the next SAR Payment Period's benefit calculation. Only that portion of income that the AU/household reasonably anticipates it will receive can be used in the benefit calculation. If, for example, a recipient has fluctuating income, but agrees that she usually makes at least a minimum of \$200 a month, the minimum anticipated income can be anticipated. If however, a recipient can't anticipate an amount or if she will get paid in the upcoming semi-annual period, then no income can be reasonably anticipated.

(ACL 12-25, May 17, 2012.)

If a recipient submits bi-weekly income verification, and the county establishes that the income is bi-weekly and it is reasonably anticipated that it will continue to be paid bi-weekly throughout the payment period, the county shall add income amounts together, divide by the number of pay periods, and then factor the resultant amount by 2.167 to arrive at the monthly income amount for the next SAR payment period.

(§ 44-315.315; ACL 12-25, May 17, 2012.)

If a recipient submits weekly income verification, and the county establishes that income is weekly and it is reasonably anticipated that it will continue to be paid weekly throughout the payment period, the county shall add the weeks of income together, divide by the number of weeks, and then factor the resultant amount by 4.33 to arrive at the monthly income amount for the next SAR payment period.

(§ 44-315.315; ACL 12-25, May 17, 2012.)

#### CalFresh Allotment Calculation

A CalFresh household's net monthly income is determined as follows:

1. Add the gross monthly income earned by all household members minus earned income exclusions, to determine the household's total gross earned income.
2. Apply the 20% earned income deduction to the total gross earned income.

3. Add to net monthly earned income the total monthly unearned income of all household members, minus income exclusions.
4. Subtract the standard deduction.
5. Subtract monthly dependent care expenses, if any.
6. Subtract the homeless shelter deduction, if applicable.
7. Subtract the medical expenses in excess of \$35 (for households with an elderly or disabled member).
8. Total the allowable shelter expenses, including the Standard Utility Allowance (SUA), if applicable, to determine shelter costs. Subtract from the total shelter costs 50% of the household's monthly income after all the above deductions have been subtracted. The remaining amount, if any, is the excess shelter cost. If there is no excess shelter cost, the net monthly income has been determined.
9. Subtract the excess shelter cost (up to the current maximum shelter allowance, for households without an elderly or disabled member) from the household's monthly income after all other deductions. The household's net monthly income has been determined.

(§ 63-503.311-312.)

Effective October 2024, for a household of one, two, or three people, the Standard Deduction is \$204.00, the SUA is \$645.00, and the Maximum Excess Shelter Deduction is \$712.00.

(ACIN I-45-24, September 23, 2024)

Effective October 2024, a household of two with net monthly income of \$1298 is eligible for a monthly allotment is \$146. Effective October 2024, a household of two with net monthly income of \$1330 is eligible for a monthly allotment is \$137.

(§63-503.324, ACIN I-45-24, September 23, 2024)

#### Utility Allowances

A Standard Utility Allowance (SUA) is used in calculating shelter costs of those households which incur heating or cooling costs separate and apart from their rent or mortgage payments. When the SUA is used, the household is not required to document the amount of the actual utility costs once the existence of the cost is established.

(§ 63-502.363(b).)

A household that is not eligible for the SUA, but incurs expenses for at least two separate types of utilities (other than heating and cooling) is eligible for a Limited Utility Allowance (LUA). Allowable utilities include telephone, water, sewerage, and garbage or trash collection.

(§ 63-502.363(d).)

A household that is not eligible for either the SUA or LUA, but incurs telephone costs only, is entitled to a Telephone Utility Allowance (TUA).

(§ 63-502.363(e).)

#### CalFresh 20% Deduction

When determining the amount of benefits the household should have received, the county shall not apply the 20 percent earned income deduction to that portion of earned income which the household failed to report.

(§ 63-801.312(c).)

#### SUAS

The county shall provide a State Utility Assistance Subsidy (SUAS) payment to those households who will actually receive additional CalFresh benefits or become eligible for CalFresh as a result of receiving the payment. These are households who:

- Are otherwise not eligible for the SUA,
- Are not already receiving the maximum CalFresh allotment for their household size, and
- Are not already receiving the maximum shelter deduction (for those households which contain no elderly or disabled members).

The receipt of a SUAS payment during the certification period entitles households to have the SUA deduction used in the computation of their CalFresh allotment.

(ACL 14-66, Sept. 19, 2014.)

## **CONCLUSION**

By a notice of action dated November 5, 2024, San Diego County (county) notified the claimant that her monthly CalFresh benefits would be \$146 effective December 2024.

By a notice of action dated December 14, 2024, the county notified the claimant that her monthly CalFresh benefits would be \$137 effective January 2024.

On December 3, 2024, the claimant filed a request for hearing to dispute the county action.

### Reasonably Anticipated Income

Income is “reasonably anticipated” when the recipient and the county welfare department determine that it is reasonably certain that the recipient will receive a specified amount of monthly income in the SAR payment period. If the amount of income that will be received or when it will be received is uncertain, the portion of the assistance unit/household’s income that is uncertain shall not be counted. This definition applies to earned and unearned income.

Here, the county submitted the following documents in relevant part:

1. Journal Print dated November 5, 2024. A review of this document shows in relevant part that the claimant reported income from the Social Security Administration (SSA) of \$839, CalWORKs benefits, and rent expense of \$223 per month.
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3. A document titled IEVS Applicant Detail with a report date of October 21, 2024. A review of this document shows the claimant was eligible for \$839 per month in SSA Title II benefits.
4. An IEVS Applicant Detail report with a report date of January 31, 2025. A review of this document shows the claimant’s current entitlement is \$860.
5. The claimant’s issuance history. A review of this document shows in relevant part that the claimant receives monthly CalWORKs benefits of \$809.

At the hearing, the claimant testified in relevant part that:

1. Her income from the SSA was \$839 in December 2024.
2. She is not sure how much her income from the SSA is effective January 2025.

3. She receives monthly CalWORKs benefits of \$809.
4. Her rent is \$223.
5. She has no out-of-pocket medical expenses.

Based on the evidence, it is determined that the claimant has CalWORKs benefits of \$809 per month. Based on the evidence, it is determined the claimant had monthly SSA benefits of \$839 in December 2024 and \$860 effective January 2025.

Benefits Calculation

The claimant pays monthly rent of \$223 and pays utilities separately. The claimant's CalFresh eligibility is as follows:

December 2024

Unearned Income (SSA)	839
Unearned Income (CW)	809
Minus Standard Deduction	<u>- 204</u>
Adjusted Net Income	= 1444

Rent	\$223
SUA	<u>+ 645</u>
Total Shelter Cost	= 868
Minus 50% of Adjusted Net Income	<u>- 722</u>
Excess Shelter Cost	= 146
Maximum Shelter Cost	N/A

Adjusted Net Income	1444
Allowable Shelter Deduction	<u>- 146</u>
Net Monthly Income (rounded)	1298.00

CalFresh benefit for Two	\$146
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Effective January 2025

Unearned Income (SSA)	860
Unearned Income (CW)	+ 809
Minus Standard Deduction	<u>- 204</u>
Adjusted Net Income	= 1465

Rent	\$223
SUA	<u>+ 645</u>
Total Shelter Cost	= 868
Minus 50% of Adjusted Net Income	<u>- 732.5</u>
Excess Shelter Cost	= 135.5
Maximum Shelter Cost	N/A



Adjusted Net Income	1465
Allowable Shelter Deduction	<u>- 135.5</u>
Net Monthly Income (rounded)	1330.00

CalFresh benefit for Two	\$137
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Based on her income and deductible expenses, the claimant is eligible for CalFresh benefits of \$146 for December 2024 and \$137 per month effective January 2025. The county actions are sustained. The claim is denied.

**ORDER**

The claim is denied.