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**Publisher:** CCWRO**Reporters:** Kevin Aslanian and Grace Galligher**Contributors:** Steve Goldberg and Diane Aslanian***In Brief***

✓ **CalWIN Does It Again** – According to our advocate friends in Alameda County, a corrective action notice is being drafted by the county to inform 3,612 CalWORKs participants, who were impacted by six erroneous notices in the mail, that the notices will not impact eligibility for CalWORKs, Food Stamps or Medi-Cal. The corrective action notices to participants will be identified in a letter by NOA title and number. We are targeting June 6, 2007 as the mailing date for the corrective action NOA.

✓ **Free Medi-Cal for SSI?** – Participants living in County Organized Health System (COHS) Counties – Napa, Orange, San Mateo, Santa Barbara, Santa Cruz and Solano, are forcibly enrolled in the local HMO program. If they move to a neighboring county, they will be able to receive free Medi-Cal which means they can see a doctor or a service provider of their choice. So far, there is no law against moving, but you never know what tomorrow will bring.

✓ **Solano County Won't Let Applicant Complete the SAWS 1 In Full** – The regulations are very clear, applicants shall be given an opportunity to complete the SAWS 1. An applicant was required to go through what is called an "interactive" process. This means the welfare worker asks questions and completes the SAWS-1. After the county worker completes the SAWS-1, the applicant is instructed to sign it. If the applicant does not sign the SAWS-1, the application is denied.

“.32 At the time of application, every applicant shall be given the opportunity to request an Immediate Need payment by completing the Immediate Need section of the application.

.321 The county shall encourage applicants who indicate that they are in an emergency situation to complete the Immediate Need section of the application.

.322 If an applicant indicates verbally or in writing that he/she has an emergency situation, after the application has been submitted, the county shall provide the applicant with the Immediate Need Payment Request (CA 4, 9/90).”

Additionally, subsection 321 provides that the county shall encourage the applicant to complete the Immediate Need section of the SAWS-1. In this case, the applicant was not allowed to complete the form. Completing the Immediate Need section of the SAWS-1 was never an option for this applicant - **a violation of 40-129.321.**

✓ **San Bernardino County Violates CFR Title 7, Section 274.12(g)(6)(i)**

– On 2/28/07 San Bernardino County mailed a notice of action to Mr. T.A., terminating his food stamp benefits because he used his EBT card in neighboring Nevada, which he is entitled to do under 7 CFR §274.12(g)(6)(i). San Bernardino County, as a practice, monitors San Bernardino County food stamp recipients’ usage of their EBT cards. If anyone uses the EBT card outside of San Bernardino, while living in San Bernardino County, swift action is taken – food stamp benefits are terminated. The county alleges that the person who uses the EBT card in another state *must be living* outside of San Bernardino County. Prior to terminating benefits, there is no inquiry to find out why the food stamp program participant is using his/her food stamps in another county or state. In fact, San Bernardino County mails the terminating benefits letter to the recipient’s San Bernardino address and not an address in another county or state.

7 CFR §274.12(g)(6)(i) states:

**"§ 274.12 Electronic Benefit Transfer issuance system approval standards.**

\* \* \* \* \*

(g) \* \* \*

(6) \* \* \*

(i) \* \* \* States must provide a means for a client to be able to use their benefits upon relocation. A State agency may convert electronic benefits to paper coupons if a household is relocating to a State that is not interoperable and where electronic benefits are not portable from the household's current State of residence, or assist clients in finding an authorized retail location where out-of-State electronic benefits can be used."

"This requirement is in accordance with the Electronic Benefit Transfer Interoperability and Portability Act of 2000, Pub. L. 106-171, (hereinafter "Pub. L. 106 171") which amended Section 7(k) of the Food Stamp Act of 1977, 7 U.S.C. 2016(k), to mandate nationwide interoperability of FSP EBT systems and portability of electronically issued benefits and directs the Secretary to establish standards to accomplish this. In accordance with the regulations promulgated by the Secretary, the Department will pay one hundred percent of the costs incurred by a State agency for switching and settling transactions."

On June 25, 2003, the final rule implementing legislation requiring interoperability of Food Stamp Program EBT systems and portability of electronically-issued benefits nationwide was published in the Federal Register (vol. 69; no. 122; pp. 37693-37697).

✓ **EBT Card Users Losing Food Stamp Benefits While Unlawfully Being Charged With Overpayments** – A food stamp recipient in San Bernardino County informs us that the county regularly monitors the usage of food stamp recipients' EBT cards. Recipients who use their EBT cards out of the county or out of state are terminated from the program and charged with an over issuance. People living in Red Rock or Porona would rather shop in Rich Crest or Kern County, but San Bernardino County tells recipients they cannot do that. The City of Baker in San Bernardino County, has two stores that do not have a Quest machine, thus, food stamp recipients in Baker cannot use their EBT cards. They must travel 60 miles to Barstow and pay over \$3 for gasoline in order to use their EBT card. People in Needles are not allowed to shop in Bull Head, Arizona, even though it is cheaper in Arizona. EBT has been a terror to some people living in rural America.

**Quest®Mark** - The Quest®Mark is the sign seen on store doors, check-out

lanes, and POS machines that tells recipients that EBT Cards can be used at that store.

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## **Contract Dispute May Be Prelude To County Department Budget Battle**

By ROGER H. AYLWORTH - Staff Writer

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OROVILLE -- In what may be a prelude to a heated budget session, Butte County's District Attorney and the director of the Department of Employment and Social Services squared off Tuesday in a battle over office security.

Cathi Grams, director of DESS, went before the Board of Supervisors seeking approval for \$212,000 contract with Elite Universal Security of Marysville to provide unarmed, uniformed guards at the department's offices in Chico and Oroville. Previously, security in the two facilities was provided by District Attorney's Office investigators who are sworn peace officers and armed. Grams told the board unarmed private security guards are the norm in the vast majority of facilities like hers.

However, District Attorney Mike Ramsey said security guards weren't the real issue at Tuesday's meeting. He said the key point was whether Butte County was going to be fighting welfare fraud or not. In the hard-to-explain logic of government funding, while welfare fraud investigators answer to Ramsey, their positions are funded through the DESS budget.

Up until a few years ago, there were 12 people in the welfare fraud unit. Currently there are seven. Ramsey said, besides investigating fraud, the officers also provided an armed, law-enforcement presence in the offices. Ramsey said investigators are scheduled so there is always one in each building. However, Grams' budget calls for cutting those seven positions to 2.5 in the 2007-2008 budget, and moving all of the remaining investigators to Oroville. She explained having the private guards in place would increase security because there would always be three guards at each facility.

Ramsey scoffed at the suggestion private guards could provide better security than his investigators. While saying he didn't want to show any disrespect to anybody, Ramsey said, "The people on this contract are rent-a-cops. They are hired. They are \$7.50-a-hour people." He said there are genuine law enforcement problems that crop up every week at the welfare facilities.

Ramsey said guns and knives had been brought into the buildings, and recently one of his investigators had been stabbed with a sharpened pencil before the problem subject was subdued. Bad guys don't respect private security, claimed

Ramsey. "It is a matter of safety for your employees and that is personal for all of us. We have friends in all of the departments," he said.

Then he asked the supervisors to delay any action on the contract until the panel's June 26 meeting when the whole county budget will be up for review. Michael Hahn, operations manager for Elite Universal, clearly took umbrage at Ramsey's suggestion his firm couldn't do the job. "My people are not minimum wage," he said. He explained, under state law, security guards have to undergo a minimum of 40 hours of training and must have continuing training.

He also told the board his staff are uniformed and wear badges, and they are currently providing this same sort of security for the Yuba City welfare office. Grams said her plan will relieve the investigators from guard duty. She also said she had been in contact with the Chico and Oroville police departments and both agencies assured her, if there was a serious problem, they could respond expeditiously.

Ramsey said both departments are understaffed and speedy responses are not going to happen. County Chief Administrative Officer Paul McIntosh said safety is not an issue. "If we had any concern about employee safety we wouldn't have brought this issue to you," he said. Ramsey said the vote on the guard contract was about more than building security.

"What we see in this situation is the first step to saying there will be no further welfare fraud investigations in Butte County," he said. He told the board Grams's request was actually a policy decision that should be put off for the full budget consideration. Gram said if the security contract was approved Tuesday it could take a month after the June 26 meeting to get things back in line. That could cost the county more than \$100,000 out of the general fund.

Chico Supervisor Maureen Kirk moved to approve the contract. It passed 4-1, with Oroville Supervisor Bill Connelly saying he was uncomfortable voting for the contract in the absence of more detail about the budget.

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**Editor's Note:** In a subsequent Board meeting the Butte County Board of Supervisors voted in favor of the County's Welfare Department.

## **CalWORKs is a Goldmine for Counties and the State**

The poor are the means for counties to get money from the state and federal government that can be used for operating expenses, salaries and other county employee needs. "County needs" includes using state and federal welfare funds to pay for county costs. For example, when state and federal dollars are used to

set up a computer system for the federal and state programs, that same system is often used to run the county general assistance program, which is solely a county funded program. Counties do not contribute their fair share for the development and operation of the system. They also often use food stamp administrative dollars to pay for General Assistance administrative costs. It's just a regular county business practice, "using state and federal money to cover county costs". County employees who master the art of using state and federal funds to cover county costs are often promoted.

Counties have never promoted the cost-of-living adjustment (COLA) for the poor because it will mean less money for counties. They understand the hardship that families and kids suffer as a result of no COLA, it causes irreversible harm to children (it may very well be **child abuse**) and reduces their plight to self-sufficiency, but COLA means less money for counties, thus, no COLA for 2005-2006, 2006-2007 and now 2007-2008.

The State has been using TANF federal dollars as a contribution to the General Fund since 1989. To date, CalWORKs has contributed \$9.5 billion to the General Fund. In 2007-2008, CalWORKs will contribute \$1.9 billion, according to the Schwarzenegger Administration; yet, they can't spare a mere \$124 million for the 07-08 COLA for the poor.

**Flexibility for Counties-Zero Flexibility for Customers** - County welfare officials want to do their job in a way that suits their needs, which are often at odds with the needs of our clients. County welfare officials insist that they shall have flexibility in operating the welfare program because one size does not fit all, but they offer little flexibility to welfare recipients. Little flexibility is one of the reasons for the high sanction rates in the Welfare-to-Work program. During March of 2007, out of 112,748 unduplicated participants, 41,985 individuals were being sanctioned and 27,378 were being considered for sanction.

**CalWORKs Violating Recipient Rights By Taking Money Away From the Poor to Pay for the Bureaucracy** - The gross violation of welfare recipients' basic human rights are clearly illustrated in the number of persons not getting transportation assistance for participating in welfare-to-work activities. The law is clear, the county shall issue advance transportation money to participants in need thereof to assure that they do not use their welfare check money to cover welfare-to-work related transportation expenses. Yet, 50% of recipients do not receive transportation money. With the gasoline prices rising up to \$4 a gallon, one would assume that this would be a big cost item for families. Yes, theoretically there could a few families getting free transportation from neighbors or friends, but 50%? Paying regional transportation rates to those who need it would mean less money for county salaries, benefits, and travel to Sacramento, Washington, DC, etc.

State and county welfare bureaucrats have created a system where WtW participants do not even have a form to ask for transportation. According to one county welfare official from San Joaquin County, "It would cost us over a million dollars to increase the payment to 44.5¢ per mile". Participants are paid 17.5¢/mile while counties pay 44.5¢/mile to themselves. Poor families want to be self-sufficient and the law requires that counties use the regional market rates for setting travel reimbursements.

## **County Welfare Department Client Abuse Report**

• **A parent living in Riverside County applied for IHSS benefits in early 2007.** She has three severely disabled children. Initially, the applications were denied because the county did not have "evidence" that the children were disabled even though they received Medi-Cal, which made them automatically eligible for the IHSS-Plus program. The second round of applications were denied by Riverside County because, according to the county "You have not provided sufficient information to establish eligibility or need for services." The notice of action fails to identify the information that the applicant needed to provide. The applicant provided all of the county requested verification. This notice is either a fraudulent statement or an intentional county denial of benefits to an eligible person.

It is not a crime for the county to fraudulently deny benefits to an eligible person, but it is a crime if the person fraudulently receive IHSS benefits, a felony if the benefits received exceeds \$400. It appears that Riverside County does not want to authorize IHSS, thus, has decided to employ unlawful means to deny benefits to applicants who are eligible.

• **Mr. L. from San Bernardino County called San Bernardino welfare department to apply for CAPI on March 1, 2007.** The county mailed him an application packet and gave him until March 12 to turn it in. On March 16, 2007, before the application was received, San Bernardino County issued a notice of action denying Mr. L.'s CAPI application. On March 19, 2007, after San Bernardino County received the application, they refused to process it because it was denied. The notice of action was mailed to a wrong address. As of May 25, 2007, San Bernardino County still sits on Mr. L's application and refuses to process it. It seems San Bernardino County is a place where applications are denied even when they are not received.

• **Notice of Action from Sacramento County.** Mr. A.C. received a notice of action (NOA) from Sacramento County on July 13, 2007 stating that her CAPI benefits were changed from \$741 to \$375. "Here's why: Your income, or the income of your spouse, parent or sponsor changed. Your income, or the income of your spouse, parent or sponsor changed. This is a NA 692 (9/98) Benefit Change-CAPI-Various reasons Rules: Welfare and Institutions Code: 18937-18944. "

Why does the NOA have the same sentence twice? Whose income is it? How much was the income? What kind of income? Earned income? In-kind income? Unearned income? This notice may meet the due process standards in the year 1599 but not in 2007.



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