[CIV-104159] Stop benefit offsets on CalFresh Administrative Error Recovery Accounts

Team Responsible:	**Fiscal**	Assignee:	**Kapil Santosh**	SPG Status:	**Approved**
Fix Version/s:	**[19.11]**	Designer Contact:	**Kapil Santosh**	Change Type (SCR):	**Policy Re-Design**
Minor Version:		Expedite Changes:	**Start Build**	Estimate:	**288**
Reporter:	**Sheryl E. Eppler**	Regulation Reference:	**Food Stamp Regulations Corrective Action Section 63-801.313 (Manual Letter No. FS-04-07 Dated 7/1/2004 - Page 445.1)**	Created:	**05/16/2019 11:29 AM**
Status:	**System Test**	Impact Analysis:	**[N/A]**	Outreach Required:	**No**
Consortium Contact:	**Sheryl E. Eppler**	Training Impacted:	**[N/A]**	Funding Source:	**C-IV M&O**
Project Phase (SCR):	**Production**	Migration Impact:	**No**	Funding Source ID:	
Committee:	**[Collections]**	Approved by Committee:		Other Agency Cross Reference:	**CA-202330**

Non-Committee Review:

Expedite Approval:
   Expedite approval to start build from JoAnne on 8/7/2019

Current Design:
1.   The system allows benefit offsets to CalFresh State agency error recovery accounts; however, the CalFresh quarterly State FNS-209 – The Status of Claims Against Households and as a result of the Lopez v. Espy case, the offset of outstanding State Agency Error claims against restored benefits has been prohibited in California.

2.   For EDBC OP/OI grand adjustment collections, LRS posted transaction type as "Offset" instead of "Benefit Reduction" for posted recovery account transactions for current and future month benefits. "Offset" transactions should be applied for prior month benefit.

Request:
1.   Stop allowing benefit offsets to CalFresh State agency error recovery accounts regardless of the recovery account status.

2.   For EDBC OP/OI grand adjustment collections, if posted transaction month is prior or same as transaction effective month, the transaction type should be "Benefit Reduction".

Recommendation:
1.   Stop allowing benefit offsets to CalFresh State agency error recovery accounts regardless of the recovery account status.

2.   To include any EDBC calculate OP/OI collections apply to recovery accounts as "Benefit Reduction" for transactions that have effective month not prior to the transaction month.

Outreach Description:

Migration Impact Description:
   Joint design has been approved through the Collections Committee. LRS will implement this Change with SCR CIV-202330 in the 19.11 release

Migration Impact Analysis:

Alternative Procedure Description:
   N/A

Operational Impact:
Estimate: **288**

Automated Test :	0	Batch/Interfaces :	0	CalHEERS :	0
CalHEERS Test :	0	Client Correspondence :	0	DBA :	0
DBA :	0	Eligibility :	0	Fiscal :	187
Imaging :	0	IVR/CC :	0	Online :	0
Performance :	0	Reports :	0	Security :	0
System Test Support :	76	Tech Arch :	0	Tech Ops :	0
Training :	0				

[CIV-104217] ACL 19-50 - Increase Threshold For CalFresh Overissuances

Team Responsible:	**Fiscal**	Assignee:	**Eric Wu**	SPG Status:	**Approved**
Fix Version/s:	**[19.11]**	Designer Contact:	**Eric Wu**	Change Type (SCR):	**New Policy**
Minor Version:		Expedite Changes:	**Start Build**	Estimate:	**727**
Reporter:	**Sheryl E. Eppler**	Regulation Reference:	**ACL 19-50**	Created:	**05/30/2019 10:30 AM**
Status:	**System Test**	Impact Analysis:	**[N/A]**	Outreach Required:	**Yes**
Consortium Contact:	**Sheryl E. Eppler**	Training Impacted:	**[N/A]**	Funding Source:	**C-IV M&O**
Project Phase (SCR):	**Production**	Migration Impact:	**No**	Funding Source ID:	
Committee:	**[Collections, State/ Fiscal Reports]**	Approved by Committee:	**09/04/2019**	Other Agency Cross Reference:	**CA-208685**

Non-Committee Review: **Expedite Approval:**	JoAnne Osborn - Approved - 05/31/2019
Current Design:	For Admin Error CalFresh Recovery Accounts $35 or less, whether the Responsible Party is currently receiving CalFresh aid or not, the system establishes a claim but does not demand collection. For Admin Error CalFresh Recovery Accounts over $35 but $125 or less, if the Responsible Party is no longer receiving CalFresh aid, the system establishes a claim but does not demand collection. The FNS 209 report only excludes Recovery Accounts with a pending status and no posted transaction for the quarter and Recovery Accounts created and made void in the same quarter with a zero balance. The Outstanding Collection Balance Report Provides a listing of all recovery accounts with outstanding balances and the account status of not closed, void, terminated, and transferred out.
Request:	Update the system to not establish a claim, by setting the recovery account status to pending while over issued months are calculated then update the pending status to 'discharged', when at discovery on or after June 1, 2019 the total amount of CalFresh benefits over issued to the closed CF case is $400 or less due to an AE or IHE error (and is not a result of IPV or was not found in a QC review). As a claim was not established for the over issued amount, as indicted by the account status of discharged, update the system to not allow transactions to be posted to a discharged account and take no collection actions for repayment. Introduce a new recovery account status 'Discharged' and update the system to find CalFresh Recovery Accounts with a discovered date on or after June 1, 2019 with Original Balance $400 or less caused by Admin Error (AE) or Inadvertent Household Error (IHE), not a result of IPV or QC findings, and there is no active CalFresh program under the same case for the month of discovery of the Recovery Account, update the Status of the Recovery Account to 'Discharged' and Status Reason to 'Policy Threshold Limit'. Update the FNS 209 to exclude Recovery Accounts that have a status of 'Discharged'. Update the Outstanding Collection Balance Report to exclude Recovery Accounts in 'Discharged' status.

Recommendation:	1) Introduce a new drop-down field 'QC Findings' on the Recovery Account Detail page to track a CalFresh recovery account is established by QC findings. When over issued benefits and the associated recovery account are the result of QC findings, set this field to 'Yes'. 2) Introduce a new recovery account status 'Discharged' on Recovery Account Detail Page. 3) Add validation on Recovery Account Detail page to prevent a CalFresh recovery account from becoming active if the account is under the policy threshold and meets the criteria for a discharge. 4) Add validation on Recovery Account Detail page to prevent a CalFresh recovery account from becoming discharged when it is the result of QC findings. 5) Disable activation function on Recovery Account Detail page when account status is 'Discharged'. 6) Update the Uncollectable Recovery Account Batch to update the CalFresh Recovery Accounts based on the conditions below: a. When original balance is $35 or less and the cause code is 'CalFresh - Admin Caused (prior to 3/2000)' or 'CalFresh - Admin Caused (after 3/2000)', regardless the case status, update status to 'Discharged' and status reason to 'CF - Under $35 - AE'. b. When Discovery Date is before June 1st, 2019, original balance is over $35 and $125 or less, cause code is 'CalFresh - Admin Caused (prior to 3/2000)' or 'CalFresh - Admin Caused (after 3/2000)', and there is no
	active CalFresh program on the Discovery Date under the same case of the Recovery Account, update status to 'Discharged' and status reason to 'CF - $125 or Less – AE'. c. When Discovery Date is on or after June 1st, 2019, original balance is $400 or less, cause code is 'CalFresh - Admin Caused (prior to 3/2000)', 'CalFresh - Admin Caused (after 3/2000)' or 'CalFresh - IHE (Customer Caused)', and the account is not a result of QC findings, and there is no active CalFresh program on the Discovery Date under the same case of the recovery account, update status to 'Discharged' and status reason to 'Policy Threshold Limit'. 7) Update Overpayment Adjustment Logic to exclude recovery accounts with status 'Discharged' when suggesting a benefit reduction. 8) Update Grant Expungement Reader to not apply any expungements to the discharged recovery accounts. 9) Provide a list to the Counties of CalFresh recovery accounts (Admin Error or IHE) discovered on or after 6/1/2019 with an original over issued amount of $400 or less and the account status is not currently voided, and the CF program is not 'Active' for the month of discovery of the Recovery Account. This list may be reviewed to determine which accounts should be made void as the account meets the criteria for discharge (not established) or if the account should be established as the Overissuance is from a QC review or referral for IPV. 10) Update the FNS 209 report logic to not report any Recovery Accounts with a status of 'Discharged'. 11) Update the Outstanding Collection Balance Report to exclude Recovery Accounts with a status of 'Discharged'.
Outreach Description:	Provide a list to the Counties of CalFresh recovery accounts (Admin Error or IHE) discovered on or after 6/1/2019 with an original over issued amount of $400 or less and the account status is not currently voided, and the CF program is not 'Active' for the date of discovery of the Recovery Account. This list may be reviewed to determine which accounts should be made void as the account meets the criteria for discharge (not established) or if the account should be established as the Overissuance is from a QC review or referral for IPV.
Migration Impact Description:	Joint design has been approved through the Collections and State/Fiscal Reports Committee. LRS will implement this change change with SCR CA-208685 in the 19.11 release.
Migration Impact Analysis:	
Alternative Procedure Description:	N/A
Operational Impact:	
Estimate:	**727**

Automated Test :	0	Batch/Interfaces :	0	CalHEERS :	0
CalHEERS Test :	0	Client Correspondence :	0	DBA :	0
DBA :	0	Eligibility :	0	Fiscal :	443
Imaging :	0	IVR/CC :	0	Online :	0

Performance :	0	Reports :	126	Security :	0
System Test Support :	158	Tech Arch :	0	Tech Ops :	0
Training :	0				

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