



California Statewide Automated Welfare System

Design Document

CA-219676 | CIV-107936

Treatment of Unemployment Benefits under
LWA and DUA

CalSAWS	DOCUMENT APPROVAL HISTORY	
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1 OVERVIEW

Pursuant to the Presidential Memorandum issued on August 8, 2020, the President authorized the Lost Wage Assistance (LWA) Program, in accordance with section 408(e)(2) and 408(f) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, "Stafford Act." The California Employment Development Department (EDD) will begin issuing LWA supplemental payments of \$300 per week for claimants who:

1. Are currently eligible to receive at least \$100 per week in unemployment benefits; and
2. Have provided a self-certification that they are unemployed or partially unemployed due to disruptions caused by COVID-19.

Stafford Act funded benefits, including LWA are exempt from consideration as income for the purposes of determining eligibility and allotment/grant amounts for CalFresh, CalWORKs, RCA/ECA and TCVAP.

Per ACWDL 20-16, DHCS stated: According to Title 22 California Code of Regulations § 50535.5, Disaster and Emergency assistance payments received from federal, state, and local government agencies, or disaster assistance organizations are exempt for both MAGI and all Non-MAGI Medi-Cal programs. LWA supplemental payments are disaster and emergency payments received from a state agency. Therefore, the \$300 weekly LWA supplemental payment shall be disregarded and will not be counted in the income eligibility determination for both MAGI and all Non-MAGI programs. Additionally, for all Non-MAGI Medi-Cal eligibility determinations, the \$300 LWA supplemental payment is exempt as property, if retained after the month of receipt. For Covered California programs, the payments will count as taxable income for APTC/state subsidies in the eligibility determination.

Federal Disaster Unemployment Assistance (DUA) benefits have been approved for individuals who have been directly affected by recent wildfires in selected counties. The federal disaster declaration on August 22, 2020, provides DUA benefits for individuals who do not qualify for regular state unemployment insurance, Pandemic Emergency Unemployment Compensation (PEUC), Federal-State Extended Duration (FED-ED) extensions, or Pandemic Unemployment Assistance (PUA) benefits. DUA benefits are issued in accordance with the Stafford Act. Like LWA benefits, DUA benefits are exempt for the purposes of determining eligibility and allotment/grant amounts for CalFresh, CalWORKs, RCA/ECA and TVCAP.

Per MEDIL I 20-28, DHCS clarified for Medi-Cal and Covered California Programs: In accordance with Title 42 United States Code § 1382a(a)(2)(B), unemployment benefits are considered income. DUA benefits are a form of unemployment benefits that are based on disaster relief and emergency assistance, and therefore treated as income. DUA is countable income for both the MAGI as outlined in the MAGI Income and Deductions Types table and Non-MAGI Medi-Cal, as well as for Covered California. DUA benefits are not exempt and must be counted in the income eligibility determination for both MAGI and Non-MAGI programs. For

Covered California programs, DUA will count as taxable income for Advanced Premium Tax Credit/state subsidies in the eligibility determination.

1.1 Current Design

Disaster Unemployment Assistance-DUA is currently available in the system as an Unemployment income type. This income is exempt for Medi-Cal and mapped in eHIT outbound as Unemployment Insurance Benefits (UIB). UIB is counted in CalHEERS as unearned income for MAGI Medi-Cal and as taxable income for Covered California Programs.

Lost Wage Assistance (LWA) is not available in the system as an income type.

1.2 Requests

Disaster Unemployment Assistance-DUA income is not exempt for MAGI and Non-MAGI Medi-Cal and should be considered as unearned income.

Add Lost Wage Assistance (LWA) as an income type and update EDBC logic to calculate it properly.

With CalHEERS Change Request CH-168469 in CH release 20.11 on 11/23/2020, CalHEERS project will add new eHIT Income Sources for LWA and DUA.

Since CalHEERS CH-168469 implementation is delayed, update The Systems to map LWA to PUC outbound for eHIT in the interim. This will allow LWA to be exempt for all programs except Covered California Programs.

Note: The Systems eHIT inbound and outbound mappings for LWA and DUA will be updated at the same time as CH-168469 with CA-219991 and CIV-107987.

1.3 Overview of Recommendations

1. Update Disaster Unemployment Assistance-DUA to be counted as unearned income for MAGI and Non-MAGI Medi-Cal.
2. Add Lost Wage Assistance as an available income type in the income pages, under the Unemployment category. Specify how EDBC will treat this income type for each program and how it will be communicated with CalHEERS in eHIT and eICT.

1.4 Assumptions

1. The income pages will not restrict Begin and End Dates related to LWA income. Workers are responsible for accurately entering these dates.
2. eICT will not be updated to add granularity for LWA, which will have the same mapping as UIB.
3. No update to the IEVS interface is necessary. If LWA income records are reported via the PVS Abstract prior to the LWA income reported to CalSAWS, there may be an increase in PVS Abstracts that are not automatically closed by the System. These abstracts will require worker review.
4. There is no change to the CA 253 report to individually track the LWA income. Discontinuances will be included in the detailed backup worksheets of the report for the county to identify, review, and categorize as they like, before submitting the report to CDSS.
5. No update to OCAT interface will be made at this time to map the LWA income type to the Unemployment Benefit type in OCAT. OCAT functionality will not be implemented until November 2020.
6. The user determines if property is exempt if it includes the \$300 LWA supplemental payment, if retained after the month of receipt.
7. C-IV – Regression test the CW 215 form.
8. LRS – Regression test the CSD1 form and the following fragments for the income types LWA and DUA. The below denial or discontinuance fragments list the verifications the participant failed to provide. The fragment MC_DN_RETRO_FAIL_DETER_VERIF_M411 is only available in English currently, the rest of the below mentioned fragments are available in threshold languages.
 - MC_DN_FAIL_DETER_VERIF_M410 - Failure for Verification
 - MC_DN_RETRO_FAIL_DETER_VERIF_M411 - Failure for Verification
 - MC_TN_FAIL_VERIF_DETERM_M410 - Retro Failure for Verification
 - MC_TN_FAIL_REDETER_VERIF_M401 – Failure to complete Redetermination

2 RECOMMENDATIONS

2.1 Update Disaster Unemployment Assistance-DUA Income Type for Medi-Cal

2.1.1 Overview

'Disaster Unemployment Assistance-DUA' income is currently exempt for the Non-MAGI Medi-Cal programs. Update the income type to be unearned for Medi-Cal.

2.1.2 Description of Changes

1. Update the existing 'Disaster Unemployment Assistance-DUA' (CT 186 - B9) income type to be Unearned for Medi-Cal programs. There will be no new CTCR entry for effective dating tracking because the current record is not effective dated and the DUA should have always been counted as Unearned for Medi-Cal.

Note: If EDBC is run for a benefit month prior to the implementation date of this change, the 'Disaster Unemployment Assistance-DUA' income will be counted as unearned and the budget will be adjusted; however, benefits will not be removed for beneficiaries already determined with more beneficial Medi-Cal due to 10-day noticing requirements.

2.1.3 Programs Impacted

Medi-Cal

2.1.4 Performance Impacts

No impact

2.2 Add a New Lost Wage Assistance Income Type

2.2.1 Overview

Add 'Lost Wage Assistance' as an available income type in the income pages, under the 'Unemployment' category. Specify how EDBC will treat this income type for each program and how it will be communicated with CalHEERS in eHIT and eICT.

2.2.2 Description of Changes

1. Add a new Income Type of 'Lost Wage Assistance' to Codes Table 186:
 - a. Set the details as follows:

CalSAWS and C-IV:

Field	Value
Adjustable Income	N
CW Disability Disregard	N
CW Classification	Exempt
MC Disability Disregard	N
MC Classification	Exempt
CF Classification	Exempt
CF Considered Permanent Disability Based	N
Income Category	19
Adjustable	N
FC Classification	Exempt
CMIPS Income-In-Kind Types	
EICT Inbound	LED
EICT Outbound	LED
CalHEERS Outbound	UC
CalHEERS Inbound	

Note: EICT Income Source 'LED' is for 'EDD' income included on the EICT interface. LWA income will be classified as 'EDD' income for the purposes of ICT.

Note: eHIT will be updated with a new LWA income source mapping later, through SCRs CA-219991/CIV-107987. In the interim, CalHEERS Income Source Code 'UC' is for 'Enhanced Federal Assistance'. This Income Source Code is not countable for MAGI Medi-Cal/MCAP/CCHIP programs and is countable for Covered California Programs.

CalSAWS Only:

Field	PUC
GA Classification	Exempt
YBN Inbound	UD
CP Classification	Exempt
Spanish	See Supporting Documents
Armenian	See Supporting Documents
Cambodian	See Supporting Documents
Chinese	See Supporting Documents
Tagalog	See Supporting Documents
Korean	See Supporting Documents

Russian	See Supporting Documents
Vietnamese	See Supporting Documents
Arabic	See Supporting Documents
Farsi	See Supporting Documents

C-IV Only:

Field	Value
WINS Proxy	N





2.2.3 Programs Impacted

CW, RCA, IN, CF, MC, FC, GA/GR, CP

2.2.4 Performance Impacts

No impact

3 SUPPORTING DOCUMENTS

Number	Functional Area	Description	Attachment
1	Medi-Cal	ACWDL 20-16 Information Regarding the Lost Wages Assistance Program	 ACWDL 20-16.pdf
2	Medi-Cal	MEDIL I 20-28 Information Regarding the Disaster Unemployment Assistance Program	 MEDIL I 20-28.pdf
3	CalFresh, CalWORKs, RCA/ECA and TCVAP	ACWDL 9-10-20 Treatment of Unemployment Benefits Under The Lost Wages Assistance Program and Disaster Unemployment Assistance for Those Impacted by Widespread Fires in Multiple California Counties For CF, CW, RCA/ECA and TCVAP.	 ACWDL 9-10-20.pdf
4	Client Correspondence	Threshold translations for Lost Wages Assistance	 Threshold translations for LWA i

4 REQUIREMENTS

4.1 Project Requirements

REQ #	REQUIREMENT TEXT	How Requirement Met
2.8.1.1	The LRS shall fully automate and perform all aspects of the eligibility determination process and benefit level calculations for all categories of public assistance in a single pass without manual intervention.	New income type added to track and apply income per program policy.