

CalSAWS

California Statewide Automated Welfare System

Design Document

CA-212912 | CIV-106461

CalWORKs Change in Earned Income Disregard (EID) and Income Reporting Threshold (IRT) Tier 2

CalSAWS	DOCUMENT APPROVAL HISTORY	
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11/18/2020	1.0	Initial Draft of the artifact	Josias Caveto

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1 OVERVIEW

Per ACL 19-76 effective on June 1, 2021, the Earned Income Disregard (EID) for CalWORKs (CW) applicant and recipients will increase from \$500 to \$550. Under current system functionality, the net non-exempt income (NNI) used to determine the Assistance Unit's (AU) Maximum Aid Payment (MAP) is calculated by disregarding the first \$500 of disability-based unearned income (DBI).

Per Consortium Request for Policy Clarification (CRPC) #2225, the Tier 2 Income Reporting Threshold (IRT) is based on the Assistance Unit Size rather than the Family Unit Size.

1.1 Current Design

1. The CW Disability Based Earned Income Disregard is \$500.
2. The CW Disability Based Unearned Income Disregard is \$500.
3. The NNI that is used to determine the AU's MAP is calculated by disregarding the first \$500 of the Disability Based Income (DBI) and/or any earned income and 50 percent of any remaining earned income.
4. When calculating the MAP, if the AU has earned income only, the first \$500 and 50 percent of the remaining earned income is disregarded.
5. The CW Tier 2 IRT is calculated based on 130% of the Federal Poverty Level (FPL) values for current year, using the Family Unit Size, which includes both active assistance and non-assistance household members.

1.2 Requests

1. Effective June 1, 2021, update the disregard amounts from \$500 to \$550.
2. Regression test the forms/NOAs which populate Disability Based Unearned Income Disregard, Disability Based Earned Income Disregard values.
3. Update the Tier 2 Income Reporting Threshold (IRT) based on the Assistance Unit Size rather than the Family Unit Size.
4. The CW Tier 2 IRT is calculated per the 130% of FPL, based on the Assistance Unit Size, which includes only active assistance household members.

1.3 Overview of Recommendations

1. Effective June 1, 2021, update the CW Disability Based Earned Income Disregard (CT 335 – AI) from \$500 to \$550.
2. Effective June 1, 2021 update CW Disability Based Unearned Income Disregard (CT 335 – 53) from \$500 to \$550.
3. Regression test the forms/NOAs which populate Disability Based Unearned Income Disregard, Disability Based Earned Income Disregard values.
4. Update the Tier 2 IRT based on the Assistance Unit Size rather than the Family Unit Size.

1.4 Assumptions

1. The impacted cases in which the user has not yet run EDBC with the new EID will be updated through a batch EDBC process, refer to SCR CA 213719/CIV-106463.

2 RECOMMENDATIONS

2.1 Update the CW Disability Based Earned Income Disregard (CT 335 – AI) and CW Disability Based Unearned Income Disregard (CT 335 – 53) to \$550, effective June 1, 2021.

2.1.1 Overview

The Disability Based Earned and Unearned Income shall reflect the new policy (ACL 19-76). The Disability Based Earned Income and Disability Based Unearned income disregard amounts will be updated from \$500 to \$550. the NNI that is used to determine the AU's MAP is calculated by disregarding the first \$550 of DBI and/or any earned income and 50 percent of any remaining earned income

2.1.2 Description of Changes

1. Effective June 1, 2021, update the values from \$500 to \$550 for the following disregard records,
 - a. CW Disability Based Unearned Income Disregard (CT 335 – 53)
 - b. CW Disability Based Earned Income Disregard (CT 335 – AI)

Note: Per ACL 19-76 effective June 1, 2022, the EID values will be increased \$600, this change will be implemented through SCR CA-212913.

2.1.3 Programs Impacted

1. CW, RCA, DV, IN, KG, HP, HT

2.2 Regression test the Forms/NOAs

2.2.1 Overview

The SCR CA-209033, CIV-104383 updated the EID value to \$500 effective June 1st, 2020. This effort is to regression test the forms/NOAs which populate the EID/DBI values.

2.2.2 Description of changes

1. Following is the list of C-IV NOAs to regression test.
 - a. BUDGT_CW_APPROVAL_AR
 - b. BUDGT_CW_APPROVAL_SAR
 - c. BUDGT_CW_RCA_APPROVAL
 - d. BUDGT_CW_RCA_SUPPLEMENT
 - e. BUDGT_CW_SUPPLEMENT_AR

- f. BUDGT_CW_SUPPLEMENT_SAR
 - g. BUDGT_IN_INCOME_DENIAL
 - h. RSN_INCOMEDISREGARD_CHANGE
 - i. RSN_INCOMEDISREGARD_DISC
 - j. RSN_MAP_INCOMEDISREGARD_CHANGE
 - k. RSN_MAP_INCOMEDISREGARD_DISC
2. Following is the list of forms to regression test in CIV
- a. M44-316E
 - b. M44-316SAR
 - c. NA1239AR
 - d. NA1242
 - e. NA200
 - f. NA274_E
 - g. NA281
 - h. NA281A
 - i. NA301_02
 - j. NA301_04
 - k. NA301_06
 - l. NA301_08
 - m. NA301_10
 - n. NA301_12
 - o. NA303_02
 - p. NA303_04
 - q. NA303_06
 - r. NA303_08
 - s. NA303_10
 - t. NA303_12
 - u. SAWS2ASAR
 - v. NA816
 - w. NA817
 - x. NA840
 - y. NA845
3. Following is the list of CalSAWS Fragments to test.
- a. BUDGT_CW_APPROVAL_SAR_EN
 - b. BUDGT_CW_NA274G_EN
 - c. NA 1242
 - d. NA200
4. Following is the list of forms to regression test in CalSAWS
- a. M44-316E
 - b. SAWS2ASAR
 - c. NA840
 - d. NOA290
 - e. OPCALCULATION
 - f. WFPI274

2.3 Update the CW Tier 2 IRT based on the Assistance Unit Size rather than the Family Unit Size.

2.3.1 Overview

The CW Tier 2 IRT is calculated based on 130% of Federal Poverty Level (FPL) values for current year. This lookup is based on the Family Unit Size, which includes both active assistance and non-assistance household members.

2.3.2 Description of Changes

1. Update the CW EDBC to determine the Tier 2 IRT by applying the FPL based on the Assistance Unit Size.

Note: The IRT Tier 2 calculation effective prior to 6/2020 (ACL 19-76) is unaffected.

2.3.3 Programs Impacted

CW, RCA

2.4 Automated Regression Test

2.4.1 Overview


Create and update regression test scripts to validate the new Disability Based Earned and Unearned Income Disregard values for the CalWORKs and RCA programs.

2.4.2 Description of Changes

1. Create a new test script(s) to verify the updated values for the CalWORKs program.
 - a. **Scenario Details:** Create a new CalWORKs case with an aged or disabled applicant, add a significant amount of earned income and unearned income, run EDBC, and verify that the Disability Based Earned and Unearned Income Disregards reflect the new values.
2. Create or update the existing test script(s) to verify the updated values for the RCA program.
 - a. **Scenario Details:** Create a new RCA case with an aged or disabled applicant, add a significant amount of earned income and unearned income, run EDBC, and verify that the Disability Based Earned and Unearned Income Disregards reflect the new values.

b. Existing script scope reference: "RCA - IRT Tier 2"

3 SUPPORTING DOCUMENTS

Number	Functional Area	Description	Attachment
1	Eligibility	CRPC #2225	 CRPC 2225 - ACL 19-76 and ACL 19-76i

4 REQUIREMENTS

The following requirements will be resolved in order to resolve and achieve the desired outcome

4.1 Project Requirements

REQ #	REQUIREMENT TEXT	How Requirement Met
2.16.1.2	The LRS shall include an automated method for implementing mass updates triggered by policy changes or mass participant financial changes, including Social Security or Veterans benefits cost of living adjustments (COLAs)	EID will be updated from \$500 to \$550