

1 **Memorandum of Understanding for**
2 **Low Income Verification Database Service**
3 **Between**
4 **The San Francisco Human Services Agency**
5 **And**
6 **The California Public Utilities Commission**
7

8 This MEMORANDUM OF UNDERSTANDING ("MOU" or "Agreement") is entered into on
9 this 14th day of March 2019 (the "Effective Date") by and between the San Francisco Human
10 Services Agency ("SFHSA"), and the California Public Utilities Commission ("CPUC")
11 (individually the "Party" and collectively the "Parties").
12

13 **RECITALS**

- 14
- 15 A. The CPUC and the SFHSA agree to take the following actions in order for the
16 SFHSA to provide the Income Verification Database service to the CPUC.
17
 - 18 B. The purpose of this MOU is to set forth the terms and conditions of the services to
19 be provided by the SFHSA to the CPUC, establish the terms and conditions, and
20 provide for review mechanisms for the services provided.
21
 - 22 C. This MOU will continue until terminated by either Party as set forth in paragraph
23 4 below.
24

25 **THEREFORE, THE CPUC AND THE SFHSA AGREE AS FOLLOWS:**

26 **GENERAL PROVISIONS**

27

28

29 **1. PURPOSE**

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31 The CPUC administers a discount program for low-income Californians, called California
32 LifeLine. SFHSA currently verifies the income of about 225,000 San Franciscans (25% of city
33 residents) to determine eligibility for means-tested benefits such as Medi-Cal, CalFresh, and
34 CalWORKs. The CPUC has requested limited client-level data from SFHSA in order to verify an
35 applicant's low-income status. The income verification database would allow CPUC to look up
36 whether the applicant has already been certified as low-income so the applicant does not need to
37 submit additional proof of low-income status to qualify for California LifeLine. In order to
38 protect client information and to ensure privacy, use of the database requires signed consent from
39 the applicant that permits CPUC to look up the applicant's income status in the database.
40

41 **2. Commitments.**

42 The CPUC will work collaboratively during the MOU for the SFHSA's services. SFHSA shall
43 provide the services described in paragraph 1 above and Attachment A.
44

45 **3. Term.** The term of this MOU shall commence on the Effective Date and shall continue

1 in effect, unless terminated by either party as set forth in paragraph 4 below.
2

3 **4. Termination.** This MOU may be terminated by either party effective at the end of a
4 fiscal year by giving 180 days prior written notice to the other party (by December 31 of that
5 fiscal year).
6

7 **5. Amendment.** The terms of this MOU may be modified or amended by written
8 agreement executed between both Parties.
9

10 **6. Designated Contact Person.** The SFHSA designated contact person is Nora Martin-
11 White, Nora.Martin-White@sfgov.org at (415) 557-6260. The CPUC designated contact person
12 is Clover Sellden, You-Young.Sellden@cpuc.ca.gov at (415) 703-1544. The SFHSA or CPUC
13 shall notify the other Party at least 30 days prior to changing the designated contact person.
14

15 **7. Dispute Resolution.**

16 **A.** CPUC shall indemnify and hold SFHSA, its officers, employees and agents, harmless from
17 and against any and all liability, loss, expense, attorney's fees, or claims for injury or damages,
18 arising out of the performance of this Agreement, but only in proportion to and to the extent such
19 liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result
20 from the negligent or intentional acts of omissions of CPUC, its officers, agents or employees.
21

22 **B.** The Parties agree to reasonably cooperate with each other in the investigation and disposition
23 of third-party liability claims arising out of any services provided under this Agreement. It is the
24 intention of the parties to reasonably cooperate in the disposition of all such claims. Such
25 cooperation may include joint investigation, defense and disposition of claims of third parties
26 arising from services performed under this Agreement. The Parties agree to promptly inform one
27 another whenever an incident report, claim, or complaint is filed or when an investigation is
28 initiated concerning any service performed under this Agreement.
29

30 **8. Entire Agreement.** This Agreement sets forth the entire Agreement between the CPUC
31 and the SFHSA and supersedes all other prior written or oral provisions.
32

33 **9. Governing Law.** All transactions described herein are subject to and must be conducted
34 in accordance with the applicable requirements of the City's Charter and codes and applicable
35 state and/or federal laws.
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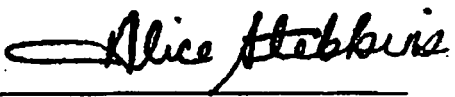
37 **10. Severability.** The invalidity or unenforceability of a particular provision of this MOU
38 shall not affect the other provisions hereof.
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1 IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the
2 Effective Date. This Agreement may be executed in counterparts. Facsimile or electronic
3 signatures are acceptable.

4

AGREED TO AS WRITTEN ABOVE:

CALIFORNIA PUBLIC UTILITIES
COMMISSION

By: 
Alice Stebbins
Executive Director

Date: 3/21/19

SAN FRANCISCO HUMAN SERVICES
AGENCY

By: 
Trent Rhorer
Executive Director

Date: 3/18/19

SFHSA - CPUC MOU FY2018-19
Low Income Verification Database Service
Attachment A

I. DEFINITIONS OF FEDERAL POVERTY LEVEL & LOW-INCOME VERIFICATION

The parties to this MOU define “federal poverty level” and “low-income verification” as follows:

- a) **“Federal Poverty Level”**: The Federal Poverty Level (“FPL”) refers to the poverty guidelines issued each year in the Federal Register by the Department of Health and Human Services. As an example, the table below represents the poverty guidelines for year 2018. The guidelines are a simplification of the poverty thresholds used for administrative purposes—for instance, determining financial eligibility for certain federal programs.

2018 POVERTY GUIDELINES	
PERSONS IN FAMILY/HOUSEHOLD	POVERTY GUIDELINE
<i>For families/households with more than 8 persons, add \$4,320 for each additional person.</i>	
1	\$12,140
2	\$16,460
3	\$20,780
4	\$25,100
5	\$29,420
6	\$33,740
7	\$38,060
8	\$42,380

- b) **“Low-Income Verification”**: The applicant has already been certified as low-income by one or more SFHSA safety net programs. As a result, the applicant does not need to submit additional proof of low-income status to qualify for California LifeLine. The database will not indicate what SFHSA benefits the applicant is receiving, but will only confirm the applicant’s low-income status, pegging the applicant’s income according to the Federal Poverty Level.

II. CLIENT RELEASE OF INFORMATION AND AUDIT REQUIREMENTS

When an applicant requests a low-income modification or discount, the applicant must submit a signed release of information form to CPUC, approved by the SFHSA, either as a separate document or as part of the existing low-income discount application. This release of information form will permit CPUC to verify the applicant’s low-income FPL status as determined by SFHSA. The applicant’s release of information giving permission to search their FPL information must be collected BEFORE using the database’s search function and a copy must be secured by CPUC in a readily-accessible location for the length of time that the release of information form is valid.

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2 SFHSA shall initiate a yearly audit with CPUC, comparing a random sample of consent
3 forms to the history of database lookups to ensure that the look up tool is used only for those
4 who have provided written consent. CPUC agrees to permit examination and on-site
5 inspections by SFHSA upon reasonable advance notice, no less than 30 days, to let SF-HSA
6 ascertain whether the CPUC is meeting the terms of this Agreement.
7

8 **III. SFHSA DATA INCLUDED IN THE INCOME VERIFICATION DATABASE**

9 Database results will only include the applicant's FPL status as estimated by SFHSA. No
10 specific public assistance program information shall be shared among the parties absent a
11 valid release of information signed by the applicant. SFHSA estimates an applicant's FPL
12 based on household income information kept by various programs administered by SFHSA.
13 The FPL calculated for each applicant is an approximation based on their participation in
14 any programs administered by SFHSA. Many of these programs are state and/or federally
15 regulated, and have different and highly complex formulas for calculating income (for
16 example, programs have different earned and unearned income exclusions and deductions
17 that can be highly case-specific). As a result, the database FPL results may have a small
18 chance of approximation error.
19

20 Search results will show the following:
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- 22 • If the applicant has had their income information verified by SF-SFHSA within the past
23 year from the search date, results will show low-income status according to the
24 following income brackets: "below 50% FPL", "below 100% FPL", "below 150% FPL",
25 "below 200% FPL".
- 26 • If the applicant has not had income information verified by SF-SFHSA, the result will
27 show: "No Results."
- 28 • If the applicant has previously had income information verified by SF-SFHSA, but more
29 than 1 year from the search date, the result will show: "Current Information Not
30 Available."
31

32 All parties acknowledge and agree that only FPL information, name, address, date of birth,
33 and last four digits of social security number will be included in the Income Verification
34 Database, and only after the applicant signs a valid release of information authorizing this
35 limited information may be shared among the parties. CPUC agrees to access the applicant's
36 potential FPL information by only entering the applicant's date of birth and last four digits
37 of his or her social security number. Searches conducted on applicants by using other
38 identifying information, e.g., by address, are not allowed.
39

40 **IV. APPLICANTS AUTHORIZED TO ACCESS THE INCOME VERIFICATION** 41 **DATABASE; CONFIDENTIALITY REQUIREMENTS; TRAINING** 42 **REQUIREMENTS**

43 Each party acknowledges that data collected from various public assistance programs is
44 confidential under federal, state, or local law, and each party shall protect such data from
45 unauthorized disclosures. Each party will use appropriate safeguards to prevent the use of
46 disclosure of the data other than as provided by this Agreement.

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2 The director of each agency shall designate the agency employees ("Designated
3 Employees") authorized to access information in the Income Verification Database. Each
4 agency shall be assigned a unique user name and password that must be entered into the
5 system before that agency can gain access to the information contained in the Income
6 Verification Database. The system on which the database is maintained will be set up so that
7 it generates a log establishing an audit trail of all users who have accessed the data,
8 including the date, time, and length of duration of access.

- 9 • The information maintained in the Income Verification Database will not be accessible
10 without the entry of a user name and password assigned to the Agency, and no agency
11 employees other than Designated Employees shall be allowed to access information
12 contained in the Income Verification Database.
- 13 • All Designated Employees shall be required to sign a written acknowledgement that they
14 agree to keep the information on the Income Verification Database confidential; that
15 they will use this information solely for the determination of potential eligibility for their
16 agency's low-income programs, including California LifeLine; and that they will not
17 disclose their user name or password to any other person for the purpose of allowing that
18 person to access information from the Income Verification Database.
- 19 • All parties agree that the database shall not be used for fraud detection or punitive
20 purposes by Designated Employees or by CPUC; it shall only be used to assist the
21 income verification process for low-income discount or payment programs, including
22 California LifeLine.
- 23 • Designated Employees shall attend a training facilitated by SFHSA about the
24 confidential nature of information obtained from public assistance programs, usage of
25 the income verification database, and responsibilities regarding confidentiality of client
26 information.
- 27 • CPUC agrees to report to SFHSA within 24 hours any unauthorized use or disclosure of
28 the confidential data other than as expressly allowed by this Agreement.

29
30 **V. CPUC AGENTS AND SUBCONTRACTORS**

31 CPUC agrees to enter into written agreements with any agents, including subcontractors
32 and vendors, to whom CPUC provides access to the Income Verification Database in
33 performing functions or activities related to the administration of California LifeLine that
34 impose the same restrictions and conditions on such agents, subcontractors and vendors
35 that apply to CPUC with respect to the Income Verification Database, including all privacy
36 rules and restrictions on the disclosure of Income Verification Database information and
37 the use of appropriate administrative, physical, and technical safeguards to protect such
38 information. CPUC shall incorporate, when applicable, the relevant provisions of this
39 Agreement into each subcontract or subaward to such agents, subcontractors and vendors,
40 including the requirement that any breach, security incident, intrusion, or unauthorized
41 access, use, or disclosure of Income Verification Database information be reported to
42 CPUC.

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44 **VI. REQUIREMENT FOR LOW-INCOME VERIFICATION ALTERNATIVES**

45 In order to use the database, CPUC agrees that they will continue to offer an alternative
46 method for applicants to prove low-income status if applicants are: a) not found in the

1 database; b) current information is not available for the applicants; or c) applicants disagree
2 with the database results.
3

4 **VII. COMPLIANCE WITH STATE OR FEDERAL REQUIREMENTS**

5 Each Party to this MOU will continue to be individually responsible to assure compliance
6 with all State or Federal statutory or regulatory requirements, specific to programs or
7 services administered, managed or provided by each Party. This MOU is not intended to
8 affect any applicable privilege or immunity that would otherwise apply under governing
9 laws, not is it intended to create any rights of any kind in any individual or entity that is not
10 a Party to this MOU.
11

12 **VIII. STORAGE OF DATA**

13 The CPUC will not use or further disclose the information accessed or received other than
14 as permitted by this MOU or as otherwise required by law. The CPUC agrees to keep all
15 data furnished by the SF-SFHSA in a space physically and electronically secure from
16 unauthorized access. Information and data shall be stored and processed in a way that
17 unauthorized persons cannot retrieve nor alter the information by means of a computer or
18 other means. No data shall be stored on laptop computers or other portable computing
19 devices or media, e.g., flash drives, etc. At the termination or expiration of this MOU, the
20 CPUC shall delete all FPL data provided by the SFHSA Income Verification Database.