

MEMORANDUM

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To: – Family and Human Services Committee
– Contra Costa County Board of Supervisors Date: December 3, 2018

From: • Kathy Gallagher, Department Director
• Wendy Therrian, Workforce Services Director
• Rebecca Darnell, Workforce Services Deputy Director
• Kathi Kelly, CalFresh Policy Manager

Subject: **FOLLOW-UP: CALFRESH PROGRAM UPDATE**

I. Overview – Inquiries/Requests and Responses

For your Committee meeting on September 24, 2018, a comprehensive report on our CalFresh program had been submitted for review and discussion. During the September 24th discussion your Committee and Community Partners raised the following primary issues, concerns, and questions on which to report back.

A. Committee Members

1. Community Outreach especially with the Re-entry population

Response:

We continually endeavor to expand and strengthen outreach to potential CalFresh recipients especially to more disenfranchised groups such as the re-entry population. Our community partners regularly conduct outreach at County Parolee Education meetings as well as partner with several “No Wrong Door” reentry services. Conversations are planned to be held with the West County Reentry Services Center through the Food Bank of Contra Costa and Solano to provide for this coordination.

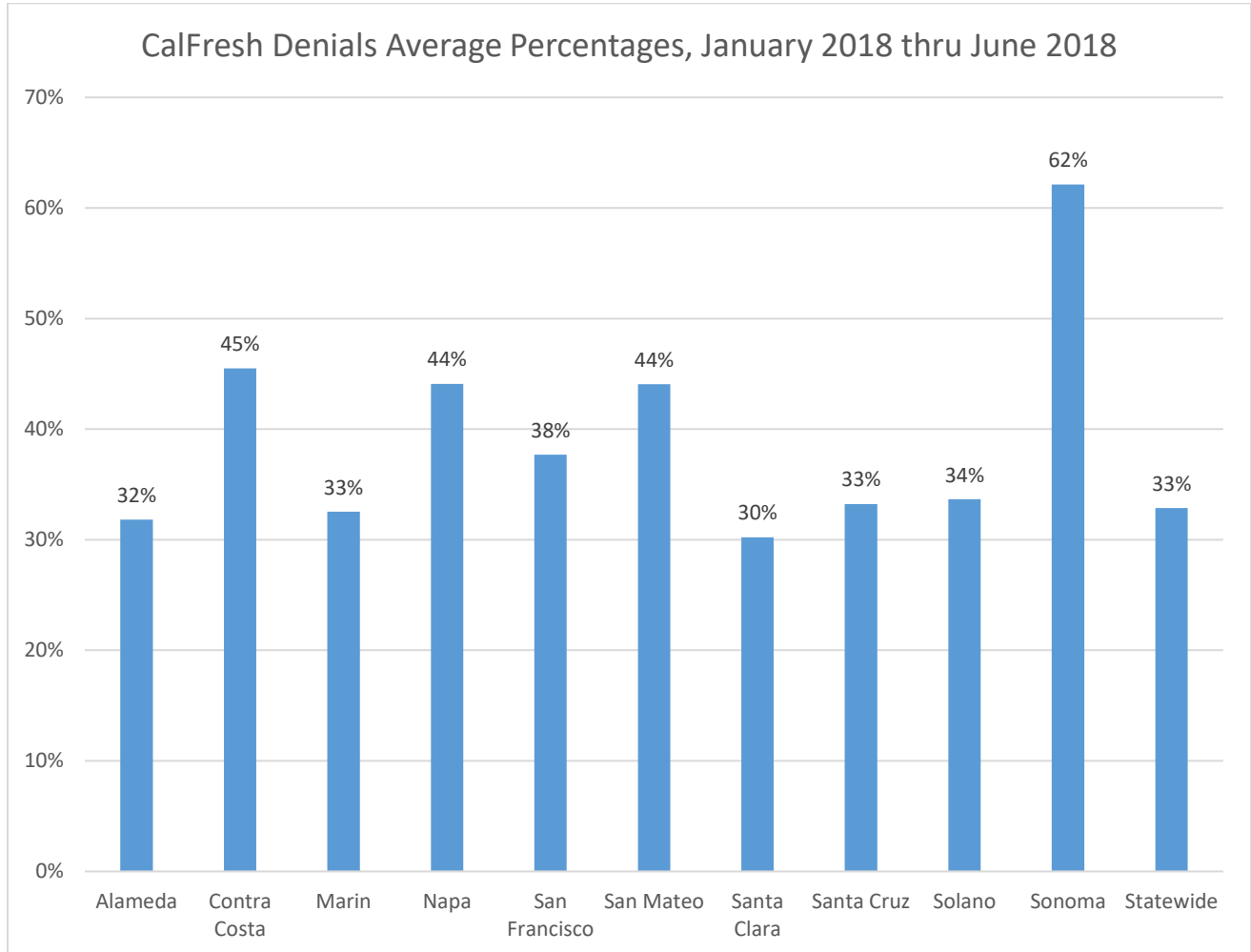
In addition, we are hopeful to have funded through AB 109 a Re-Entry Coordinator position which will increase access and services coordination for all EHSD programs targeting the County’s reentry population.

The WFS Bureau is also currently planning to have an Eligibility Worker assigned on a rotational, part-time basis to the West County Reentry Services Center. This is planned similarly to the assignment and connection planned with Lovonya Dejean Middle School.

2. The denial rate and reasons for denials of CalFresh applications

Response:

Our current denial rate is 45% (from January 1 through June 2018). The chart below compares our denial rates with those of other counties in the Bay Area.



The top two reasons for denials are participants not keeping scheduled interview appointments, and failure to provide verifications. These are the same primary two reasons the Food Bank of Contra Costa and Solano experiences.

Additionally, applicants (particularly those making on-line applications) have reported not being aware interviews are required and then do not follow through with the entire application process. Other applicants generally feel we are “too much in their business” and decide not to continue with the eligibility process.

Currently the Department is exploring ways to better ensure CalFresh recipients are aware of interview requirements. We are also planning for new and continuous CalFresh verification training to ensure our workers understand necessary verifications to grant

eligibility. Additionally, and in conjunction with other counties, we are exploring other best practices to minimize denials. For example, we know of one county who has a dedicated clerical pool which continually reaches out to applicants to explain what is needed to determinate eligibility and then provides for direct, “warm hand-offs” to Eligibility Workers.

3. The number of those eligible, but not participating in the CalFresh program

Response:

According to the California Department of Social Services website and using their most current information for 2016 under the Program Reach Index (PRI) (which estimates the CalFresh utilization among those individuals estimated to meet CalFresh eligibility requirements based on the U.S. Census), there are an estimated 40,000 persons who are not being served in the County.

However, these estimates are frequently questioned given the population counted in the Census who are not necessarily eligible, or who are known to be reluctant to apply even if they are under the income threshold (130% FPL). The reasons for this are listed below.

- **Ineligible:**
 - a. Undocumented immigrants
 - b. Residents receiving federal Supplement Security Income (SSI) benefits (approximately 26,000 in Contra Costa County) are ineligible for CalFresh benefits and are typically under the income threshold. These individuals will become CalFresh eligible on June 1, 2019 with the implementation of the new SSI Cash-Out policy change.
- **Eligible, but report the following reasons for not applying:**
 - a. Seniors who feel they are taking the benefit away from others who may need it more
 - b. Perceived stigma of being a Food Stamp (CalFresh) recipient
 - c. Students and Seniors report the benefit amount is so small (\$10.00 to \$25.00) that it is not worth their time to apply
 - d. Students report the process of maintaining their benefits is confusing and cumbersome.

However, with the implementation of the new SSI Cash-Out program we expect additional County residents to be reached. And, under the new Able-Bodied Adults without Dependents (ABAWD) program, our objective and that of our CalFresh community partners is to preserve the eligibility of those existing CalFresh households through the use of exemption criteria as well as assistance with meeting the work requirements.

4. A copy of the Department's Public Charge announcement

Response:

A link to the text of the proposed Public Charge rules and the accompanying press release was sent to the FHS Committee on September 24, 2018. The Department's Public Briefing document on Public Charge can be found at <https://ehsd.org/2018/10/09/proposed-public-charge-rule-changes-signal-chilling-effect-on-benefit-programs/>.

And, as your Committee is aware, your Board took action on October 23, 2018 to amend the County's 2018 Federal Legislative Platform to include your opposition to proposed regulatory changes on public charge.

At the September 24, 2018 FHS meeting the following three recommendations were offered by the CalFresh Partnership Group to be brought back at a later FHS meeting.

B. Community Partners

1. "Lift the hiring freeze on the Workforce Services Bureau so they can hire more frontline CalFresh staff."

Response:

Given our existing budget constraints, the Department is unable to lift the existing two (2) year hiring freeze for the WFS Bureau particularly given new employee costs which will be required to be incorporated and paid from existing and future allocations including CalFresh. However, in order to align our individual allocations for Medi-Cal, CalFresh, and CalWORKs in the current program year, we are planning to move fifteen (15) Eligibility Workers (EWs) from CalWORKs to our Medi-Cal CalFresh Service Center (MCSC). This staff movement will contribute to decreasing the wait times at the MCSC thereby improving our services to the public in both CalFresh and Medi-Cal.

Additionally, we are expecting to receive an augmented CalFresh allocation by the end of the calendar year which is provided for the expected influx of SSI recipients who will become eligible to CalFresh under the new SSI Cash-Out rule. We are planning to operationalize this new requirement effective June 1, 2019.

Once we know the amount of the augmented CalFresh allocation, we will more specifically determine the number of additional eligibility staff needed to process and carry these special cases.

In the meantime, we are estimating the number of SSI recipients who are likely to apply for CalFresh to make the initial determination of how many additional CalFresh workers we

will need come June 1, 2019. This number will then be concretized at the time our augmented CalFresh allocation is known.

2. “Commit any augmented allocation this year to fund additional front-line staff so that people can receive the customer service they need to navigate the benefits process. This request especially related to the newly eligible Supplemental Security Income (SSI) population as well as the Able Bodied Adults Without Dependents (ABAWD) waiver roll out effective September 1, 2019”.

Response:

Because of the new SSI Cash-Out rule to be implemented June 1, 2019 and the new ABAWD program to be implemented September 1, 2019, it is the Department’s goal to commit as many front-line and support staff as may be necessary to provide efficient and timely services to these new applicants and clients many of which are expected to be elderly and/or disabled. The staffing level will be based on both the existing and augmented CalFresh allocations the latter of which is not yet known (as of the writing of this report).

We are currently planning to provide easy access and coordination amongst our two primary Bureaus – Workforce Services, and Adult and Aging Services to serve the existing and new CalFresh population.

3. “In reference to customer service, access to benefits, and fighting hunger; create transparency about where the resources for the CalFresh allocation are being used within the County to ensure the best use of taxpayer dollars. To do so, engage an independent contractor to conduct an impartial analysis of how CalFresh and other public benefits administrative dollars are allocated, and share CalFresh and other public benefits administrative dollars are allocated, and share the results with the public.”

Response:

The CalFresh program locally administered by the County Employment and Human Services Department (EHSD) is subject to and included under the County’s Single Audit financial reviews. The outcome of these reviews are included in the Comprehensive Annual Financial Reports (CAFRs) and are available on-line via the County Auditor’s website. The responsibility for these financial reviews fall under the auspices of the Office of the County Auditor-Controller and are conducted by independent CPA firms.

The manner in which these financial reviews are conducted and published allow for maximum transparency into the Department’s operation and use of all allocations and funding sources.

Typically, twelve (12) to fifteen (15) percent of all primary EHSD funding allocations (including CalFresh) are earmarked for both administrative and operational support with the remainder supporting direct operations and services.

For the above reasons, we believe an additional and outside audit expenditure related to this suggestion is unnecessary with the financial review being duplicative.

II. Updated Review of Major Upcoming Legislation affecting CalFresh

A. Able Bodied without Dependents (ABAWD) Program

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) limits the receipt of CalFresh benefits to three months in a 36-month period for the Able Bodied without Dependents (ABAWD) CalFresh population if they are not working; participating at least 80 hours per month in a qualifying education or training activity; participating in a workfare program or exempt due to age; caring for a child or incapacitated household member; or certified as medically unfit for employment.

Previously, there was a waiver to this requirement which was expected to end August 31, 2018, and with the exception of three (3) counties (San Francisco, San Mateo, and Santa Clara) was extended to August 31, 2019 for the remainder of California counties including Contra Costa. However, we recently were notified by the California Department of Social Services (CDSS) that we are now one of three additional counties who will be subject to this requirement with the end of the waiver for us on August 31, 2019. Consequently, we will be required to implement effective September 1, 2019. When this occurs, ABAWDs who do not meet exemption criteria will be required to participate in work activities in order to continue to receive benefits.

The implementation of ABAWD exemptions and work requirements is a major emphasis of the Bureau and Community Partners at this time.

In partnership with EHSD, the Food Bank of Contra Costa and Solano has secured significant private funding from four local foundations to tackle this issue. EHSD has engaged in this new partnership, specifically focused on mitigating the negative effects of the ABAWD roll-out and ensuring adequate supports for work in the community. This project has involved contracting with the Glen Price Group consulting firm to convene necessary stakeholders and to leverage partnerships to create a community-wide response to this impending challenge.

B. Supplemental Security Income and/or California State Supplementary Payment (SSI/SSP) Cash-Out Policy

Effective June 1, 2019 individuals receiving or authorized to receive SSI/SSP are now eligible for CalFresh, providing all other eligibility criteria are met.

This policy changes California's "Cash-Out" policy that began in 1974 when it opted to increase the monthly SSP allotment by \$10 instead of administering food benefits to SSI/SSP recipients. Two state funded programs will also be created to provide benefits to continuing households that will have their monthly benefits reduced or discontinued due to

adding a previously excluded SSI/SSP individual.

This is another primary planning and implementation project for the Department and our Community Partners.

III. Important Next Steps

The Department remains committed to providing timely and ready access to CalFresh benefits for those with unmet food needs, and in continuing to serve our CalFresh customers in a timely and accurate manner. We have a continual improvement objective in the areas of outreach, access, enrollment, and services delivery.

Part of this objective is to continue our community outreach efforts and to work even more closely with our community partners to expand access to CalFresh benefits. Expanding access includes our continued rollout of electronic and other alternative means for applying for benefits despite our staffing reductions. We will also continue our efforts to further streamline our CalFresh application and benefits renewal process, and will continue to work on increasing knowledge and awareness of the CalFresh program and the application process throughout and to targeted areas within the County.

In coordination with our CalFresh Partners, this awareness campaign will include the impacts and implementation of the new SSI Cash-Out and ABAWD programs which will be closely monitored to ensure ready access, efficient services, and continued eligibility.