

**CalFresh in Nevada County:
Leaving Food (and Money) on the Table**

2019-2020 Nevada County Grand Jury

Report Date: March 5, 2020

Public Release Date: June 25, 2020

CalFresh in Nevada County: Leaving Food (and Money) on the Table

Summary

Nevada County (County) reported that in 2016 it did not receive \$10,600,000 in federal funds due to its failure to enroll all potential residents eligible for CalFresh benefits. The County's Program Reach Index (PRI) or percentage of those potentially eligible for CalFresh who are enrolled was 48.7 %. Since it is estimated that every dollar of CalFresh benefits generates \$1.79 in the local economy, the loss to the County was approximately \$19,000,000.

CalFresh benefits are important for the health and well-being of the community. Better birth outcomes, better compliance with medical directions, better child development, better school performance, and better control of chronic disease all depend on better nutrition and food security, and therefore are improved with CalFresh benefits. CalFresh benefits, by allowing households more money to spend on items other than food, result in a significant decrease in the number of those in poverty.

In 2018 the County's PRI improved to 58% but was still the tenth lowest in the state. To increase its PRI the County must increase the number of eligible citizens enrolled. Outreach is critical, and in particular it is important to educate residents and to assist in enrollment. Lack of information about the program and eligibility rules and misconceptions (such as seniors' belief that if they receive benefits, they will be taking them from others) are barriers to enrollment. Frustrations with the application process and concerns about supplying the necessary financial information can also be a barrier.

The County has been working on these issues but must do more. Outreach could be directed to at a larger and more varied number of locales and events. Community organizations, businesses, and municipalities could be recruited to widen outreach. The County's CalFresh eligibility team could make improvements in its phone system and communication practices, in its case management and interview processes, in its efficiency in handling applications, and its error rate in handling applications. More intensive outreach using practices such as solicitation flyers or prepopulated CalFresh applications for Medi-Cal recipients could be used, as well as increased use of newer technologies such as call center systems, integrated voice response systems (IVRS), text messaging, access to application status by phone, electronic signature, and videoconferencing.

Glossary

Brighton Greens	Brighton Greens Resource Center
County	Nevada County
CalFresh	The Supplemental Nutrition Assistance Program in California
CalWORKS	Temporary Assistance to Needy Families in California
CDSS	California Department of Social Services
EBT	Electronic Benefit Transfer
HHSA	Nevada County Health and Human Services Agency
HS Specialists	Human Services Specialists
IVRS	Integrated Voice Response System
Jury	Nevada County Grand Jury
PRI	Program Reach Index
Rood Center	Eric Rood Administration Center
SNAP	Supplemental Nutrition Assistance Program

Background

The Supplemental Nutrition Assistance Program (SNAP) is the largest federal nutrition assistance program in the country. All United States citizens and legal permanent residents may qualify. SNAP provides benefits to eligible low-income individuals and families that can be used to buy most foods at many food stores and markets. These benefits are issued on Electronic Benefit Transfer (EBT) cards, which look like any other credit card. The program is administered by the US Department of Agriculture (USDA), which distributes the funds to individual states. According to the USDA in 2018 the program supplied benefits to 40 million Americans.

In California the SNAP program is called CalFresh. It is administered at the county level. Each county is responsible for the application process, reviewing applications for eligibility according to federal and state guidelines, and then authorizing the issuance of EBT cards.

The State of California distributes about \$500 million a month statewide and \$950,000 monthly to County eligible citizens. Federal funds for CalFresh not only provide greatly needed assistance to the individuals and families who receive them, but also boost the economies of communities where the recipients reside.

This assistance is important to the recipients and their health. According to Code for America (manager of the <http://www.getcalfresh.org> website) seven out of ten beneficiaries are part of a household with children. Studies consistently point out the importance of a proper diet for children's well-being and performance in school. CalFresh reduces food insecurity and helps improve birth outcomes, compliance with medical directions, child development, school performance, and chronic disease management. Thus, CalFresh benefits are important for the health and well-being of the entire community.

In California, Code for America reported that 2016 safety net programs kept 7.8% of the population out of poverty, and by far the largest program was CalFresh. One in three CalFresh

recipients are part of households with seniors or people with disabilities. Code for America also states that the average monthly CalFresh benefit for seniors is \$158 but in California only 18% of eligible seniors are enrolled.

CalFresh benefits also help local businesses and the general County economy. The USDA calculates that every CalFresh dollar spent in the economy generates \$1.79 of total economic benefit to the community. Research shows 80% of CalFresh dollars are spent in the first two weeks after issue and ripple through the economy locally. Recipients spend more money locally, thereby increasing business revenue.

CalFresh dollars spent on food allow families to use other income to increase their expenditures on taxable items. This increases the tax revenues to the state and county.

After hearing a presentation by local County officials on the CalFresh program, and becoming aware of the low rate of participation, the Jury decided to investigate.

Approach

The Jury conducted independent research and, among other things, reviewed the following documents:

- Data on compliance with application response requirements from the Nevada County Health and Human Services Agency (HHS)
- Data on Participation in Social Service Programs in Comparison to other Counties from HHS
- CalFresh Outreach Statistics from HHS
- HHS Budget Information 2018-2020
- CalFresh Data Dashboard, California Department of Social Services (CDSS) website
- Botts, Jackie (July 18, 2019) California's Struggle to get Food Stamps to the Hungry, *Cal Matters*
- Call, Jared and Jensen, Diana (July 18, 2019) Enrolling Medi-Cal Participants in CalFresh: What works? *Alliance to Transform CalFresh*
- Botts, Jackie and Mello, Felecia (November 6, 2019) "1.6 Million Californians Not Getting CalFresh Even Though Eligible", *Sacramento Bee*
- Hanson, Kenneth. United States Dept of Agriculture Economic Research Service, *Economic Research Report Number 103*, "The Food Assistance National Input-Output Multiplier (FANIOM) Model."

The Jury also followed the experience of one resident applying for expedited CalFresh coverage from initial application through the receipt of benefits.

The Jury interviewed and spoke to:

- County employees
- Individuals from community organizations contracted in CalFresh outreach programs

- CalFresh Administrators from other counties.

The Jury gathered information on the HHS phone system by making test calls.

Discussion

California has one of the lowest participation rates in SNAP, according to the USDA. The state enrolled only 72% of eligible residents in 2016 (the last year for which national data is available) and that was the fifth lowest rate in the nation.

California is one of only 10 states that manage the food assistance program at the county level. California counties utilize a wide range of application procedures, technology, and staffing levels. The CDSS collects data by county on the Program Reach Index (PRI), the estimated percentage of eligible residents who are actually enrolled in CalFresh. In 2017 the PRI by county varied from 42% to 100%. Nevada County's PRI was the eighth lowest at 52% and increased to 58% by 2018. The data shows that California has one of the lowest participation rates in the country and Nevada County has one of the lowest participation rates in California. Notably, nearby and similar counties had significantly higher participation rates in 2017 with Yuba and Sutter reporting 100%, Butte reporting 68%. The California state average PRI in 2017 was 71.8%.

Several anti-hunger groups have examined the reasons for California's low PRI rates and recommended actions to improve the situation. The CDSS has been working on improvements since 2005 and joined in a statewide program initiated in 2011 called Alliance to Transform CalFresh. This was begun by the California Association of Food Banks and includes food banks, community-based organizations and food advisory groups. The focus has been to increase applicants and decrease the loss of recipients through a continual mandatory recertification process occurring every six months. Increasing the number of applicants involves focusing on outreach, in particular on two processes - education about the program and assistance in making applications.

A 2014 statewide initiative identified groups upon which to focus. These included seniors, working low-income households, veterans and military families, minorities, and immigrants. Various barriers to success were identified:

- lack of knowledge about the program, especially eligibility rules
- frustration with the application process and the need to submit supporting financial information
- fears and misconceptions on the part of immigrants
- misconceptions among seniors including the belief that if accepted they would be taking money away from others.

The CDSS online dashboard reveals that the lowest number of households enrolled in CalFresh in the County was 4,004 in January 2014 while the highest was 4,876 in March 2020.

California Food Policy Advocates, in its 2016 report titled *Lost Dollars, Empty Plates* estimated

that the County would have received \$10.6 million more from the federal government in 2016 if it had enrolled all eligible individuals in CalFresh. It calculated that that shortfall resulted in a total loss to the County of \$19 million in economic benefits for that year.

HHSA administers the CalFresh program in the County. In reviewing County operations, the Jury learned that eligibility for CalFresh is handled by Eligibility Workers and Human Services Specialists (HSS), who also process Medi-Cal and CalWORKS applications. Applications may be filled out in-person, online, or mailed in. The CalFresh team is available Monday-Friday from 8:00 a.m. to 5:00 p.m. at two locations, the Eric Rood Government Center (Rood Center) and at Brighton Greens Resource Center (Brighton Greens), and, according to the County website, Monday – Friday from 8:00 am to 4:00 p.m. in the Town of Truckee. The Intake unit is located at the Rood Center but clients can register at Brighton Greens and that application will then be sent to the Intake Unit at the Rood Center. Located at Brighton Greens is the Continuing Unit, which monitors participants in the program and does mandatory recertifications.

The County department that manages assistance programs, including CalFresh, consists of Eligibility Workers, HS Specialists, Office Assistants, and team Supervisors. Formerly there were no higher education requirements for any positions, but this has been changed so that HS Specialists must have an AA degree and supervisors must have a four-year degree. Eligibility Workers positions are being upgraded over time to HS Specialist positions if or when the incumbent workers earn an AA degree. As of October, 2019 there were plans to eliminate the Office Assistant positions. All new HS Specialists are trained off-site through a University of California at Davis program, but there are plans to bring this training in-house. Eligibility Workers and HS Specialists are monitored until their work is 80% error-free. This usually takes 1-2 years because of the complexity and ever-changing nature of the eligibility rules and regulations.

In recent years the County CalFresh unit and the general eligibility area have not been fully staffed. Several factors have contributed to understaffing including difficulty in hiring staff, the length of time necessary to fully train them, and, primarily, a chronic problem of turnover. Department staff may leave for jobs in other counties or will transfer out of the department to other County positions. The staff continues to be under pressure. Turnover and ever-changing eligibility requirements have resulted in the staff being under considerable stress. The County eliminated three Eligibility Worker positions and one Office Assistant position in the FY 2020 budget.

Initial telephone access to the program is by one general telephone number answered by an auto attendant, which does not offer the opportunity to reach a live person. This single telephone number is used to apply for CalFresh, CalWORKS, Medi-Cal, and General Assistance. Whether calls are related to testing or interviews, they always go to voicemail. In some instances calls are not returned the same day or the mailbox was said to be “full,” meaning that no messages could be left. On other occasions, the auto-attendant is out of service. When a voicemail prompt is received, the applicant is asked to leave their contact information. Some applicants do not have either a telephone for call back or an address. Again, there is no option to reach a live person. A Spanish language option is said to be available but all prompts are in English.

Currently Office Assistants act as receptionists, check incoming applications for completeness, and link applications to an existing case file. If there is no case file, a new one must be created. Next, each applicant must have an interview. As of December 2019, most interviews conducted at the Rood Center and applicants participated in an 18-person group. There are no individually assigned case managers for applicants; management of a case is by the whole team and any communication with the applicant is by whichever team member is currently available. Weekend and evening hours are not available.

The *Application for CalFresh Benefits* states, “It may take up to 30 days to process your application. You may be able to get benefits within 3 calendar days, if you meet one of the Expedited Service criteria...” According to HHSA, as of January 31, 2020, there were 106 CalFresh applications out of compliance with these time limits and 630 Medi-Cal applications out of compliance. As stated above, the CalFresh eligibility staff are the same employees that determine eligibility for Medi-Cal. In addition, there were 1,005 overdue Medi-Cal renewals. Reviewing HHSA data for the last nine months showed that the backlog for CalFresh and Medi-Cal applications has not been decreasing but actually gradually increasing. The CDSS online data dashboard shows that the County compliance with the 30-day period for a regular review was at 82% in December 2019 and 77% in January 2020. The statewide average is 97%. The County’s three-day expedited review period was at 61% in December 2019 and 53% in January 2020, with the statewide average at 88%. The County’s active error rate in its application submissions was 15% for November 2019 while the statewide average was 8.25%.

One recent applicant’s experience with the application process was reviewed by the Jury. The applicant was eligible for an expedited review but only received approval after 5 weeks despite making repeated visits in person to the Eligibility Unit.

One way to improve the County’s PRI might be to improve outreach to eligible residents. There are a variety of outreach strategies used throughout the State. Los Angeles sends a CalFresh solicitation flyer to all Medi-Cal recipients. Alameda County goes one step further by prepopulating or filling in CalFresh applications with information that the county already has in its files about the applicant. San Francisco sends out a series of mailings with follow up phone call or texts. In addition, counties may be able to leverage new technology and business process improvements. Possibilities include: electronic signature by phone, flexible interview scheduling, interactive voice response systems, automatic call distribution, text messaging reminders and same day service models. For example, Contra Costa County uses an IVRS which allows participants to review their information and eligibility for CalFresh benefits 24 hours a day and which includes self-service oriented assistance such as replacement form requests and address changes. The Contra Costa County IVRS can also remind recipients of the need for recertification by automated phone calls and send text messages regarding appointments and other issues.

Some counties, including Contra Costa, have hired consultants to help them improve their PRIs. Butte County has subcontracted with the Center for Healthy Communities of the California Department of Public Health through Chico State University, which provides support with internships in community outreach. Neighboring Yuba County has developed an outreach plan where members of their CalFresh team routinely attend a large number of municipal and county

events. As stated earlier, both Butte and Yuba Counties have higher PRIs than the County.

The County spent over \$250,000 on outreach in FY 2019 and contracted with 10 community-based organizations to assist in providing outreach services. HHSA supplied the jury information with the list of organizations and the contract dollars but it was difficult to evaluate the performance success of those entities.

In addition, HHSA collaborated with three other county departments for CalFresh outreach, sometimes called “in-reach” reporting, paying a total of \$37,213 to:

- Public Health – WIC
- Child Support
- Veteran Services

HHSA was able to provide data that revealed that 153 applications were received from outreach/in-reach contracts totaling \$290,282. The data does not provide a complete picture of the results of non-HHSA outreach efforts because some contracts were awarded for more than CalFresh outreach and indirect influence on subsequent CalFresh applications are not included in the total.

HHSA claims that its employees provide some direct outreach in the community as well, though no details on this were provided. Independent Jury research was unable to verify this claim in part because of the recent stay-at-home order. But it should be noted that attempts at verification were made to schools and senior centers prior to the pandemic outbreak.

Findings

- F1** In 2017, the County was the eighth lowest in California in its CalFresh PRI, which results in more food insecurity and the loss of economic benefits to the County.
- F2** The failure to enroll all eligible County CalFresh residents results in direct loss of over ten million dollars and an even higher indirect loss to the County economy.
- F3** Other counties have higher participation rates and good outreach programs. They may provide helpful models for the County to use to improve local CalFresh participation.
- F4** Other counties are employing newer technology to assist in their outreach strategies, including text messaging, e-mail solicitation and prepopulated forms to all Medi-Cal recipients. Some also use IVRS systems, interactive call centers and electronic signatures to improve the customer experience.
- F5** The County’s 20-year-old telephone system used by HHSA is not configured properly, functions poorly, and is not attended to regularly. It limits and discourages access.
- F6** The lack of a one-on-one case management system and use of group rather than individual interviews negatively impacted the application process.

- F7** The County CalFresh team has not been staffed to its number of budgeted positions. In this budget year, three Eligibility Worker positions and one Office Assistant position have been eliminated. In addition, the active error rate in the application preparation was higher than many counties and the County is out of compliance (and well below statewide averages) with 30-day and three day expedited applications. All of these result in delayed benefits for recipients.
- F8** Nearby counties require their CalFresh employees to attend community events, which increases the visibility of the program and lowering the perceived stigma of assistance programs. The County has an opportunity to participate in many more community events.
- F9** HHSA outreach data makes it difficult to evaluate the performance success of outreach funds paid to other entities.

Recommendations

The Nevada County Grand Jury recommends that the County Board of Supervisors implement the following recommendations:

- R1** The County should set an interim goal to increase CalFresh rates to the statewide PRI average of 71.8% by the end of FY 2021.
- R2** The County should review operations of like counties, identifying practices that can be used to increase CalFresh participation rates.
- R3** The County should appoint a task force including community stakeholders, municipalities, and local businesses to provide recommendations to increase participation rates in CalFresh.
- R4** The County should set up and follow new protocols regarding the telephone system making sure that all the features (e.g. Spanish option and voicemail) are working all the time.
- R5** The County should expand IVRS capabilities to its communication system, and should make sure that during initial inquiries a live person can be reached.
- R6** The County should adopt a system that allows the same Eligibility Worker to follow individual clients all the way through the process.
- R7** The County should conduct individual client interviews instead of group sessions.
- R8** The County should fill all budgeted positions in HHSA.

- R9** The County should identify why the current applications are out of compliance with State response expectations and do whatever is necessary to reestablish and maintain compliance.
- R10** The County should use its current staffing to perform outreach functions at more public events and locations (e.g., farmers markets, senior centers and housing, etc.) in the County.
- R11** The County should review its outreach contracts with community organizations to determine if there are opportunities to improve coordination, training, metrics, and to achieve better results.
- R12** The County should explore and expand technology used by other counties such as electronic signature by phone or e-mail, IVRS, text messaging reminders, and video conferencing.

Request for Responses

Pursuant to Penal Code section 933.05, the Nevada County Grand Jury requests responses from the following.

Required Response:

- Nevada County Board of Supervisors for:
 - Findings F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11, F12, and F13.
 - Recommendations R1, R2, R3, R4, R5, R6, R7, R8, R9, R10, and R11.
 - Responses are due by September 23, 2020

Invited Response:

- HHSA Director for:
 - Findings F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11, F12, and F13.
 - Recommendations R1, R2, R3, R4, R5, R6, R7, R8, R9, R10, and R11.
 - Responses are due by September 23, 2020