



February 28, 2020

To: The Honorable Dr. Richard Pan
Chair, Senate Budget Subcommittee No. 3

Honorable Members
Senate Budget Subcommittee No. 3

From: Frank J. Mecca, Executive Director

**RE: REQUEST SUPPORT FOR CALFRESH IMPROVEMENTS
TO INCREASE ENROLLMENT AND REDUCE CHURN**

The County Welfare Directors Association of California (CWDA) respectfully requests an augmentation of \$28 million General Fund (GF) in 2020-21 and \$9 million GF in 2021-22 and ongoing, in order to fund policy and practice improvements aimed at increasing new entrants to the CalFresh program and keeping more individuals and families on the program by reducing paperwork and churn.

The CalFresh program provides critical nutritional support for individuals, families and children throughout the state. Hunger is a pervasive problem that makes it more difficult for children to learn in school and parents to concentrate at work. Maximizing the availability of benefits for which many hungry Californians are eligible, but not enrolled, is critical to improving the overall health and well-being of our residents while supporting work and learning.

CWDA is sponsoring the More CalFresh, Less Hunger Act (AB 2413, Ting/Wiener), which will help battle food insecurity across California. The significant policy and practice changes promoted by the Act will increase the food and economic security of an estimated 200,000 additional CalFresh households in California when fully realized, while helping the 2.17 million households already receiving benefits stay on the program instead of dropping off for purely administrative and paperwork-related reasons as happens too often today.

These changes would bring in hundreds of millions of federal dollars by ensuring the state is taking advantage of available federal administrative flexibility and improving business practices. In particular, these statewide practice requirements would help to ensure individuals enrolling in Medi-Cal can also receive CalFresh at the same time without delay, expand the use of text messaging, and bring to scale the use of flexible interview scheduling techniques.

Specifically, our request includes the following components:

- Requiring the state to implement maximum federal flexibility to improve current administrative policies and minimize the paperwork burden for both applicants and recipients to the greatest possible extent.
- Establishing the use of text messaging statewide as well as ensuring counties are employing flexible interview scheduling techniques to speed approval for new applicants.
- Leveraging the opportunity that Medi-Cal eligibility provides to promote and streamline enrollment into CalFresh for those that appear likely eligible.
- Investing in greater program outreach to local Medi-Cal assisters in order to increase dual enrollment between Medi-Cal and CalFresh.

Our multi-year goal with this effort is to increase the CalFresh participation rate by 10 percentage points in the next five years. If an additional 200,000 households enroll or retain coverage instead of dropping off the program due to churn, this will ultimately result in increased federal benefits of \$566 million per year, stimulating an additional \$243 million in economic activity beyond the value of the nutrition benefits, due to the multiplier effect of these benefits. Additionally, the state can anticipate about \$11 million a year in increased tax revenue due to the caseload increase and concomitant spending.

These relatively modest state investments in proven, meaningful practice and policy changes will return many times over to the State of California and its lowest-income residents, many of whom are working but struggling to make ends meet due to the high cost of living in our state. For these reasons, we urge your support for this augmentation proposal.

cc: Mareva Brown, Office of the Senate President Pro Tempore
Chris Woods, Office of the Senate President Pro Tempore
Renita Polk, Senate Budget and Fiscal Review Subcommittee No. 3
Rebecca Hamilton, Senate Republican Fiscal Office
Luan Huynh, Office of Senator Holly Mitchell
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