

Date of Hearing: March 12, 2019

ASSEMBLY COMMITTEE ON HUMAN SERVICES
Eloise Gómez Reyes, Chair
AB 341 (Maienschein) – As Introduced January 31, 2019

SUBJECT: CalHEERS: application for CalFresh

SUMMARY: Requires, if an individual is potentially eligible and wants to apply for CalFresh, the Office of Systems Integration (OSI) to ensure that the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) transfers that individual's health care benefits application to the applicant's county of residence and requires the county to treat the application as a CalFresh application. Specifically, **this bill:**

- 1) Requires OSI to ensure that CalHEERS transfers an individual's application for health care benefits processed by CalHEERS to a person's county of residence, if it is determined that the applicant is potentially eligible for CalFresh benefits, and the individual opts into applying for CalFresh.
- 2) Requires the CalHEERS system to include a step in the application process that includes:
 - a) An option for an individual [to] apply for CalFresh by providing a statement that affirms the individual's intent [to] apply for CalFresh, and which includes the applicant's name and address; and,
 - b) A button that the individual may click to apply for CalFresh benefits.
- 3) Deems an individual who opts into applying for CalFresh benefits pursuant to the provisions of this bill as having applied for CalFresh, as specified.
- 4) Requires a county, upon receipt of an application transferred by the CalHEERS system, to treat the application as an application for CalFresh benefits, and further requires the county to process the application in accordance with the provisions of current law, as specified.
- 5) Requires the California Department of Social Services (CDSS) to issue guidance to county human services agencies regarding the process by which a county human services agency must consider a CalHEERS application as a CalFresh application.

EXISTING LAW:

- 1) Establishes under federal law the Supplemental Nutrition Assistance Program (SNAP) pursuant to the Food Stamp Act of 1964 and establishes, in California statute, the CalFresh program to administer the provision of federal SNAP benefits to families and individuals meeting certain criteria, as specified. (7 United States Code Section 2011 *et seq.*, Welfare and Institutions Code Section [WIC] 18900 *et seq.*)
- 2) Requires, in federal regulations, a state agency to schedule an interview for all SNAP applicant households, within 30 days after the application is filed, who are not interviewed on the day they submit their applications in order to gather additional information necessary to determine eligibility for benefits. (7 CFR 273.2 (e)(3))

- 3) Establishes in state government the California Health Benefit Exchange, an independent public entity not affiliated with an agency or department, which is also known as Covered California. (Government Code Section 100500)
- 4) Establishes the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) as the system through which an individual may fill out a single, accessible, standardized application for insurance affordability programs. (WIC 15926 *et seq.*)
- 5) Requires the Office of Systems Integration (OSI) to implement a statewide automated system for California Work Opportunity and Responsibility to Kids program (CalWORKs), CalFresh, Medi-Cal, foster care, refugee program, and county medical services programs. The system that was eventually developed is now known as Statewide Automated Welfare System, SAWS. (WIC 10823)

FISCAL EFFECT: Unknown

COMMENTS:

Public assistance programs: The State of California administers a number of programs aimed at alleviating poverty for low-income individuals, including programs related to food access, healthcare, employment and training, and housing access, among others. Two such programs include:

CalFresh: The federal Supplemental Nutrition Assistance Program (SNAP) provides food access to low-income individuals who meet certain eligibility criteria; in California, this program is known as CalFresh. CalFresh benefits are entirely federally funded, and administration at the federal level lies with the United States Department of Agriculture (USDA). The USDA is tasked with setting specific eligibility requirements for SNAP programs across the country, as well as a gross and net income tests, work requirements, and other documentation requirements. Currently, the maximum allowable gross income is 200% of the Federal Poverty Level (FPL), although households with elderly or disabled members are not subject to gross income criteria, but must have a net monthly income at or below 100% of the FPL. In California, CalFresh is administered at the local level by county human services agencies, with federal, state, and county governments sharing the costs of program administration. Nearly 4 million individuals in California receive CalFresh benefits; on average, an individual receives approximately \$135 per month in benefits.

Medi-Cal: Medi-Cal is California's federal Medicaid program and is responsible for serving low-income individuals, including seniors, foster youth, pregnant women, families, individuals with disabilities, and certain eligible adults without children. Under Medi-Cal, these individuals receive dental, vision, long term care, and mental health and substance use disorder treatments, among others. Under the Affordable Care Act (ACA), the number of people eligible for Medi-Cal increased and included individuals who: are between the ages of 19 and 64, do not receive Medicare, and are not pregnant. In order to be eligible, Medi-Cal benefits recipients must have a modified adjusted gross income (MAGI) that is below 138% of the FPL. According to data from the Department of Health Care Services (the state department responsible for administering Medi-Cal), as of August 2018, just over 13 million Californians were certified eligible for Medi-Cal benefits.

Data sharing through technology: Technological advances have allowed individuals to quickly send and receive data for some time; at the state level, these advances have been utilized to facilitate greater access to public assistance benefits for individuals who may meet eligibility criteria for multiple programs.

CalHEERS: Under the ACA, states were required to establish Health Benefit Exchanges (in California, this exchange is known as Covered California) in order for eligible individuals and businesses to obtain affordable health care coverage. The CalHEERS project first began in 2012, and, since going live in October 2013, has provided applicants with a “no wrong door” avenue to applying for health insurance, either through Covered California or Medi-Cal. CalHEERS enables individuals and small businesses to research, compare, and purchase health care coverage by consolidating eligibility criteria and enrollment information for Covered California, Medi-Cal, and the Healthy Families Program all in one place. The Office of Systems Integration (OSI) is the state entity tasked with overseeing and ensuring the accessibility of the CalHEERS system.

Statewide Automated Welfare System (SAWS): SAWS is used by counties to determine whether applicants are eligible to receive certain public benefits, including CalFresh, Medi-Cal, and CalWORKs, among others. Currently, SAWS and CalHEERS have interface capabilities to determine whether individuals who are eligible to receive Medi-Cal benefits may also be eligible for other public benefits programs.

Medi-Cal and its intersection with CalFresh: Individuals who are eligible for Medi-Cal are often eligible for other public assistance programs by virtue of similar eligibility criteria among programs. AB 191 (Bocanegra), Chapter 669, Statutes of 2013, required CDSS to design and implement a program of categorical eligibility for CalFresh for any household that includes a member who receives, or is eligible to receive, assistance through the Medi-Cal program. Under the provisions of AB 191, an household applying for or receiving CalFresh benefits with an income at or below 200% of the FPL that contains a household member who receives, or is eligible to receive, Medi-Cal would also be categorically eligible for CalFresh (so long as the household meets other CalFresh eligibility requirements). Legislation like AB 191, as well as the provisions of this bill, seek to further facilitate access to public benefits for low-income individuals.

Currently, when an individual who is not insured applies for healthcare coverage through CalHEERS, and it is determined that they are eligible for Medi-Cal, the individual is given the opportunity to also apply for CalFresh. If the individual chooses to apply for CalFresh, they are redirected to the SAWS system where they may fill out a separate application for CalFresh benefits. The provisions of this bill would eliminate the step in the process that redirects the individual from CalHEERS to SAWS, and would instead establish the CalHEERS application as a CalFresh application.

Medi-Cal and CalFresh however are two separate programs operated by two different entities; as such, eligibility criteria differ between the programs and certain information on one’s Medi-Cal application may not be relevant to determining CalFresh eligibility. For example, eligibility for Medi-Cal is determined based on an applicant’s adjusted income as reported to the Internal Revenue Service, whereas CalFresh eligibility is based on an applicant’s last 30 days of income. Federal law, however, requires an interview for all CalFresh applicant households in order to familiarize applicants with the CalFresh program, to answer any questions the applicant may

have, and to allow a case worker to obtain additional information necessary to determine eligibility for benefits. As it relates to the provisions of this bill, the initial CalFresh interview may enable county workers to gather information not otherwise collected on a Medi-Cal application.

Need for this bill: The provisions of this bill seek to facilitate greater access to CalFresh benefits for individuals who apply for healthcare benefits and who may be eligible for CalFresh benefits, but who may not otherwise apply for those benefits due in part to potentially redundant application processes.

According to the author, “This bill streamlines the CalFresh application process by allowing Medi-Cal applicants who also wish to apply for CalFresh to have their Medi-Cal application qualify as an application for CalFresh benefits. All CalFresh applicants are required to be interviewed. Any information needed for CalFresh not included in the Medi-Cal application would be revealed during the mandatory CalFresh application interview.”

Recommended amendments: In order to ensure compliance with all state and federal requirements related to CalFresh applications, and to ensure clarity related to the bill’s intent, ***committee staff recommend the following amendments:***

1) Beginning on line 5 on page 3 of the bill, make the following amendments:

**~~5 (b) The CalHEERS system shall include a step in the application
6 process that includes an option for the individual described in
7 subdivision (a) apply for CalFresh benefits by providing a
8 statement, which includes the individual’s name and address, that
9 the individual agrees apply for CalFresh benefits, and a button
10 which the individual may click to apply, or another effective and
11 efficient process that meets the federal requirements to receive
12 CalFresh benefits. An individual who opts into applying for
13 CalFresh benefits pursuant to this subdivision shall be deemed to
14 have applied for CalFresh.~~**

(b) The CalHEERS system shall include the following:

(1) Means for an applicant to opt in to applying for CalFresh while applying for healthcare benefits.

(2) An option for an applicant to provide an electronic signature, using the click of a button, in order to facilitate the use of a CalHEERS application as a CalFresh application.

(c) The Office of Systems Integration shall collaborate with the Department of Social Services to ensure that the application transferred via CalHEERS to a county for purposes of treatment as a CalFresh application meets all state and federal requirements necessary to qualify as a CalFresh application.

PRIOR LEGISLATION:

AB 3033 (Maienschein) of 2018 was substantially similar to this bill and would have required OSI to ensure that CalHEERS transfers an individual’s health care benefits application, if an individual opts to apply for CalFresh benefits, to the individual’s county of residence. AB 3033 was held on the Assembly Appropriations Committee suspense file.

SB 1341 (Mitchell), Chapter 846, Statutes of 2014, required SAWS to be the system of record for Medi-Cal and to contain all Medi-Cal eligibility rules and case management functionality.

AB 191 (Bocanegra), Chapter 669, Statutes of 2013, required DSS to design and implement a program of categorical eligibility for CalFresh for any categorically eligible household that includes a member who receives, or is eligible to receive, assistance under the Medi-Cal program.

AB 402 (Skinner), Chapter 504, Statutes of 2011, authorized a school district or a county office of education to incorporate CalFresh program information in the School Lunch Program application.

REGISTERED SUPPORT / OPPOSITION:

Support

Coalition of California Welfare Rights Organizations (Sponsor)
American Academy of Pediatrics, California
Californiahealth+ Advocates
Empower Family California
Kaiser Foundation Health Plan, Inc.
San Diego Hunger Coalition

Opposition

None on file

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