

ADMINISTRATION OF THE FOOD STAMP PROGRAM BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES

Solano County Grand Jury 2010-11

I. SUMMARY

The Grand Jury was provided a chart in August of 2010, developed by the Department of Health and Social Services, that showed a 33 percent increase in the number of people receiving food stamps during fiscal years 2008 through 2010 (See Attachment A). This increase, coupled with numerous budget cuts which affect program management and staffing, prompted this investigation. Although application and verification procedures have remained the same, there appears to be a greater opportunity for a non-eligible person to receive on-going benefits.

II. INTRODUCTION

The Employment and Eligibility Services Division of the Department of Health and Social Services (HSS) processes both new and ongoing food stamp benefits along with benefits for other programs. Part of the process for receiving food stamps is completing the “Application for Cash Aid, Food Stamps, and/or Medi-Cal/34-County Medical Service Program.” When this application is completed it is reviewed with food stamp eligibility staff during a one-on-one interview. At this time the applicant must furnish proof of identification and income. The interviewee may request an interpreter who will be provided at no charge. The approved application is then signed and witnessed. The personal interview may be waived under special circumstances such as transportation problems, illness or needing to care for another household member.

People applying for food stamp benefits have both rights and responsibilities. Rights include courteous treatment, translation, and assistance with filling out the application. Responsibilities include required fingerprinting and photo imaging, providing Social Security numbers for all members of their household, and cooperating with all staff members.

The Solano County HSS offers a wide variety of temporary services to those in need. These services include Food Stamps, Medi-Cal, General Assistance, CalWORKS and Welfare-to-Work. The focus of this inquiry was limited to the qualification, verification and administration of the food stamp program.

III. METHODOLOGY

- Toured Department of HSS facility on Beck Avenue with the Director of HSS
- Interviewed Deputy Director-Employment and Eligibility Services
- Interviewed Chief Investigator-Special Investigations Bureau
- Reviewed Solano County HSS policies and procedures regarding the Food Stamp program
- Attended Solano County Board of Supervisors' budget workshop

IV. STATEMENT OF FACTS

The policies and procedures used by Solano County are dictated by state and federal regulations. Applicants undergo a thorough interview to verify eligibility. Each applicant is instructed by the eligibility case manager as to the documents required for each household member. These may include items such as:

- Birth certificate or other proof of age and family relationship
- Social Security Number or proof of application
- Copy of driver's license or other official picture identification
- Proof of residency – rent/mortgage receipt, utility bill, etc.
- Immigration status

These documents, along with an application, are submitted for review, and an interview will then be scheduled. Once applicants are qualified, they will receive an Electronic Benefit Transfer card commonly known as an EBT card. This card works similarly to any bank debit card; however, there are limitations. Authorized purchases using the EBT card are limited to food items only.

No product such as tobacco or alcohol may be purchased with the EBT card, nor can cash-back transactions be made. However, there have been reports of trading food purchases for cash, tobacco or alcohol, which is a violation. These, or any other suspected violations, are referred to the Special Investigations Bureau for further investigation and possible referral to the U.S. Department of Agriculture.

According to Attachment A, the number of people receiving Food Stamps during fiscal years 2008 through 2010 increased 33 percent. Attachment B shows 12,000 people received Food Stamps in 2003 and approximately 35,000 people received Food Stamps in 2010. This three-fold increase in EBT recipients has been accompanied by severe budget cuts, which translates into

reduced personnel with heavier workloads and less time available for each interview. These limitations increase the risk of incorrect issuances of the Food Stamp program.

There are state-mandated initial wage verifications and state-mandated wage re-verifications for each recipient. The re-verification is currently required each quarter and was formerly required each month. It is the applicant's responsibility to report to an HSS case manager any increase or decrease in income within ten days. If the recipients' income increases early in the quarter, benefits will continue unchanged until the next quarterly wage verification. When the recipient reports an income increase within the required ten-day period, there is no recoupment by the County of the extra benefits received during that quarter. Intentional under-reporting of income may be referred to the Special Investigations Bureau for recoupment. According to HSS department heads there is a high possibility that in the near future the State may change the re-verification of income reporting period from quarterly to semi-annually.

V. FINDINGS AND RECOMMENDATIONS

Finding 1—Between fiscal years 2008 and 2010, there has been a 33 percent increase in the number of people receiving food stamps in Solano County causing an increased workload for the employees staffing the program.

Recommendation 1--The Health and Social Services Department should continue to monitor the adequacy of the staff to administer the Food Stamp program.

Finding 2--The income re-verification is currently being performed quarterly, but discussion is underway to expand the time period to six months.

Recommendation 2--Solano County Department of Health and Social Services should express to State officials the necessity of continuing the income re-verification at the three-month level. They should stress the potential financial risk involved, whether intentional or unintentional, with changing the income re-verification process to six months.

COMMENTS

According to the Director of County Health and Social Services, the Food Stamp Program is now called "CalFresh" by the State of California.

AFFECTED AND RESPONDING PARTIES

Solano County Director of Health and Social Services

COURTESY COPIES

Solano County Board of Supervisors

Senator Lois Wolk

Assemblyperson Mariko Yamada

ATTACHMENT A



Needed Services for Clients



	2008	2010	
Food Stamps	26,275	34,869	+33%
CalWORKs	14,011	15,489	+11%
General Assistance	1,102	1,207	+9.5%
Medi-Cal (Enrolled)	60,151	67,288	+12%
WIC Nutrition Vouchers	10,317	10,806	No change
Foster Children in Supervised Care	393	386	-1.8%
In Home Supportive Service Cases	2,841	2,976	+4.8%
Mental Health Clients	8,663	9,282	+7%
County Medical/Dental Clinic Patient Visits	39,145	43,039	+10%
H&SS Employees	1,216	1,084	-11%
GENERAL POPULATION	426,729	428,477	+0.4%

⁸
Generally October or Fall 2008 compared to June 2010. FY '08 vs FY '10 for Clinic Visits.

ATTACHMENT B



Anticipate trends: Food Stamps for example

