

STRATEGIES TO INCREASE FOOD STAMP PARTICIPATION (and Other Food and Nutrition Programs)

by April Kaplan November 2007

Editor's Note: This Sagamore Policy Paper is the eighth in a series of essays in support of Sagamore's project on the Benefits Access Learning Cluster, an effort funded by the Charles Stewart Mott Foundation and managed by Senior Fellow April Kaplan. This particular paper examines the issue of food security and the use of food and nutrition programs.

Contents

- 1. Introduction
- 2. Why Should States and Localities Focus on Food and Nutrition Programs?
- 3. Strategies to Increase Participation in Food and Nutrition Programs
- 4. Conclusion
- 5. Attachments

INTRODUCTION

Food security is a basic right for all Americans. Sadly, however, amid our great wealth and abundance, there are still many who go hungry or who are malnourished. This is true despite the large number of national programs that are specifically targeted to alleviate hunger and improve nutrition. Most of these programs are 100 percent funded for benefits with administrative funding split 50/50 with the states. The U.S. Department of Agriculture - Food and Nutrition Service (FNS) is charged with managing these programs while states are responsible for administering them locally. These programs include food stamps, the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), food distribution, and school meals.

FNS estimated that nationwide in federal fiscal year 2005, only 65 percent of people who were eligible for food stamps actually received them.¹ This varied from a high of 95 percent in Missouri to a low of 49 percent in Nevada and Wyoming. These rates are about 5 percent higher than in 2004, which is good evidence that progress can be made. (See Attachment A)

These programs are meant to be a universal support or entitlement for low income families and individuals. Furthermore, they focus on our most vulnerable and dependent citizens: children, pregnant mothers, newborn, developmentally disabled individuals,

¹ USDA – Food and Nutrition Service, "Reaching Those in Need: State Food Stamp Participation Rate in 2005, <u>http://www.fns.usda.gov/oane/MENU/Published/</u> FSP/FILES/Participation/Reaching2005.pdf

and elderly. The programs should be viewed and used without a "welfare" stigma since, more often than not, they are a work support, an education support, and an independence support.

It is unclear why participation in the food stamp program is not higher both from an individual perspective and from a state perspective. States sometimes view the administrative costs as burdensome while ignoring the impact of the millions of dollars of federally funded benefits. Individuals sometime view food stamps and related programs as a hand-out or as welfare and do not apply for them when they really should.

Food security and nutrition are important issues for everyone. They directly affect the ability of individuals to work. They directly impact the ability of children to learn in school and eventually to become productive workers themselves. They affect the ability of parents to care for their children. They affect the ability of the elderly and developmentally disabled to remain healthy and independent.

- Lack of adequate food and nutrition can lead to poor health. Many studies have shown this can lead to chronic health problems and extremely high health care costs.
- Lack of adequate food and nutrition can affect children's growth and ability to learn, thus significantly impacting their productivity as adults.
- Lack of adequate food and nutrition can limit the ability of the elderly and developmentally disabled to function independently. As a result many end up in

expensive nursing homes and assisted care living.

For many individuals, food stamp and related programs are critical to meeting these needs.

WHY SHOULD STATES AND LOCALITIES FOCUS ON FOOD AND NUTRITION PROGRAMS?

There are several reasons. These programs meet a basic need which, if not met, will interfere with almost everything else. These programs can become a part of and support other important initiatives. Such efforts do not in any way conflict or interfere with the goals of welfare reform.

Meeting a Basic Need

These programs should not be viewed negatively in any way. They are good for individuals and good for the country as are many other programs, such as the home ownership mortgage support programs for the middle class. Such programs address suffering, hardship, and negative consequences to individuals. They seek to prevent problems for the nation that could be far worse and very expensive. They offer a safety net but also an investment. Children benefit as they grow and learn. Low income individuals benefit as they struggle to make ends meet and struggle to progress to higher paying jobs. The elderly and disabled benefit as they try to maintain their independence.

Why is the Time Right?

Over the past decade, FNS has taken great strides to simplify the program, make it less error prone, and make it easier for individuals to apply and remain on food stamps. This is in great contrast to the period when the food stamp program was administratively burdensome to states and risky because of financial penalties. FNS has transformed itself from an agency that appeared to have been focused on errors to one which is now committed to extending benefits to everyone who is eligible to receive them.

Several of the key changes in focus by FNS include:

- 1. Becoming a national leader in allowing alternative ways for making applications.
- 2. Providing states with options for simplifying error-prone eligibility calculations.
- 3. Publishing a set of options that any state can implement.
- 4. Creating a waiver process that states can use to implement cost-neutral innovations.
- 5. Becoming more responsive to the needs of different groups of recipients, such as the working elderly or disabled.
- 6. Increasing outreach efforts.

Despite these important changes, further expansion is highly dependent upon the actions of states and individuals. This paper will focus primarily on actions that states can take within this new federal context.

How are Food and Nutrition Programs Part of Other Initiatives?

One of the weaknesses of most social programs, as commonly operated, is that they are too often operated in a stove pipe manner. They do not have to be operated that way and can be more effective when operated in combination with other programs. The example of how the food stamp program can be integrated with offender reentry programs is described below.

Offender Reentry

States, counties, and cities operate programs for reintegrating returning offenders into the community. Since virtually all returning offenders are eligible for food stamps, these individuals can be placed on food stamps upon release and enrolled in the Food Stamp Employment and Training Program (FSET). Non-federal funds spent on employment and training activities can then be matched with federal FSET funds. The net result is an increase in participation in the food stamp program and more resources to ensure that returning offenders get a job.

Is There a Business Case for Food and Nutrition Programs?

FNS has made a strong case that, in addition to being the cornerstone of the nation's nutrition safety net, it also delivers economic benefits to the nation's communities.²

FNS estimated that a five percent increase would add 1.9 million people. This would add an additional \$1.3 billion in benefits to purchase healthy food and result in a total of \$2.5 billion in newly generated economic activity.

² USDS – Food and Nutrition Service, "The Business Case for Increasing Food Stamp Program Participation," http://www.fns.usda.gov/fsp/outreach/businesscase.htm

There is No Conflict with Welfare Reform

As described above, food stamps are an important work support for many low income individuals and families. The food stamp program also has a work requirement for all work eligible individuals. FNS supports this requirement with limited 100 percent funding and an unlimited 50 percent reimbursement program. While it can be argued that the work requirement may discourage some individuals from participating in the food stamp program, it also can be used to expand food stamp participation. Food stamp policies and state options can also be brought in line with TANF cash assistance policies for exemptions, sanctions, and the requirement to cooperate with child support.

What Can be Done?

Ultimately, enrollment in the food stamp program is an individual decision. However, there is much that can be done at the state, county, and city levels to better inform citizens about food and nutrition programs and to make it easier for them to access and participate in those programs. The next section will describe practical and effective steps that can be implemented anywhere. When reviewing these ideas and approaches it is important to keep in mind that FNS is actively encouraging states and local agencies to do whatever they can to expand participation in food and nutrition programs. This truly is an opportunity to try new approaches and be creative with very little risk and few federal hoops and hurdles. Given that the benefits are 100 percent federally funded, there is little downside to fully utilizing these programs. The upside is

that they are very beneficial to individuals; they have a positive effect on a state's economy because of the multiplier effect; and they can be used in combination with other programs to help meet other societal goals.

STRATEGIES TO INCREASE PARTICIPATION IN FOOD AND NUTRITION PROGRAMS

Listed below are a series of strategies that states and, in some instances, local agencies can use to raise participation rates to the national average and beyond. These strategies are designed to do one of two things: (1) they will reach people who are not now being reached; or (2) they will make the program simpler and less burdensome for program participants and for agencies administering the program. When used together, they can be even more effective. None of these strategies will put the state or local agency at risk of higher food stamp error rates. Many will reduce administrative costs and thus make it possible to serve more participants without increasing state administrative dollars. Some of the strategies presented below are well publicized and widely utilized. Others are not well known but offer great potential.

Become Data Driven

States that are serious about increasing participation in nutrition programs should use data and information as a tool. A first step for states is a review of data published by FNS.³ This data provides a picture of each state's program and how each state compares with other states. Each state should

³ Program Data, USDA – Food and Nutrition Service, <u>http://www.fns.usda.gov/pd/default.htm</u>

make similar data available at the county and city level. State and local data also will provide a way of measuring progress over time.

Review and Use Best Practices From Around the Country

FNS provides a wonderful service by publishing and updating best practices from around the country.⁴ This is an excellent source of ideas for states and local agencies. It should be reviewed frequently to identify innovative approaches for increasing participation. State and local agencies also should send their best practices to FNS so that they can be shared with others.

One way of reducing the stove pipe effect of social programs is to build off of the best practices of other programs. For instance, outreach efforts can often be combined to include TANF, Medicaid, and food stamps and other nutrition programs. Much can be learned from TANF best practices⁵ and Medicaid Outreach and Education.⁶

By reviewing these practices, it is highly likely that there will be new ideas that no one had ever considered before in a particular state or locality. Sharing and adapting ideas is one of the most useful tools that government has in its tool kit.

⁴ USDA – Food and Nutrition Service, "Promising Practices,"

http://www.fns.usda.gov/fsp/outreach/promising/ Default.htm

Data Matching

By matching state eligibility files, it is possible to identify all individuals who are receiving Medicaid, SCHIP, General Assistance or Low Income Energy Assistance (LIEAP) who are not receiving food stamps. Many of these individuals, depending on program and income levels, will most likely be eligible for food stamps.

With this information, it is then possible to do targeted outreach rather than just general outreach to the general population. For instance, at the time the individuals come in for a Medicaid recertification, they could be scheduled for a food stamp application interview.

Align Recertification Dates and Eligibility Workers

Align recertification dates across programs. Where possible, arrange for the same eligibility worker to handle eligibility for multiple programs (i.e. TANF/FS/Medicaid, Medicaid/FS/ FS/GA/Medicaid, etc.). This can help to minimize the number of times recipients have to come into the agency. With data from the matches described above, it will be easier to do targeted outreach for families that are not receiving food stamps. With eligibility workers combined, it becomes possible for individuals to take care of multiple programs in one application visit or one recertification visit or one change report.

Make SSI Recipients Eligible for Food Stamps

SSI-Combined Application Project

Elderly or disabled households with SSI recipients can be made automatically eligible for food stamps and the eligibility determination can be entirely

⁵ US-DHSS Administration for Children and Families, Welfare Peer Technical Assistance Network, "Innovative Programs,"

http://peerta.acf.hhs.gov/inn_prog/index.cfm ⁶ US-DHHS, Centers for Medicare & Medicaid Services, "Outreach and Education."

based off of the information from the federal SDX monthly data file. The process can be entirely automated without the recipients having to come into the county eligibility agency. This has been successfully implemented in New York State as part of the SSI-Combined Application Project (SSI-CAP).

FNS describes the Combined Application Projects as follows: "Combined Application Projects (CAP) are a Government partnership among States, the Food and Nutrition Service and the Social Security Administration (SSA) to test streamlined procedures for providing food stamp benefits to elderly and disabled individuals. Benefits are processed for recipients of Supplemental Security Income (SSI) using increased automation, simplified calculation of allotments and by eliminating the need for face-to face interviews with Food Stamp Program staff. Two types of projects are in operation. The "standard" model includes simplified joint application processing by SSA as individuals apply for or are recertified for SSI. The "modified" model does not require coordination with SSA. Both models use information already provided to the State via the automated State Data Exchange system to identify and enroll SSI individuals using a streamlined application process."

Even where CAP programs are not in place, SSI applicants have the right to complete a food stamp application and have the SSA agency submit the application to the county food stamp eligibility agency. An additional interview is not required.

SSI Cash-out

As of 1 October 2003, the only cash-out state is California. Currently, SSI recipients in California are not legally eligible to receive food stamp benefits because they receive cash instead.

This policy should be reconsidered. The cash-out is now paid for by state dollars. California could end the cash out and replace it with a Combined Application Project.

Doing this will have essentially little or no administrative cost and the amount of the food stamp benefits will be several times the amount of the current cash-out.

Note: For any state with SSI supplement payments, there are also potential huge savings related to SSI supplement payments to the feds. These payments to the feds probably amount to millions of dollars annually and can be eliminated if the state takes over the process of creating the SSI supplement payments.

<u>SSI – Food Stamp Applications Prior to</u> <u>Release</u>

It is a well know problem that mentally ill prisoners leave prison with limited medication and no way to continue that medication. The subsequent end of medication often results in behavioral issues, which lead to parole revocations, new crimes, and the possibility of a return to prison. Many of these individuals were either eligible for SSI before incarceration or would be eligible.

Residents of public institutions may apply for SSI prior to their release under the SSA Prerelease Program. SSA staff will accept a FS application from the person at the same time they apply for SSI under this program. It is encouraged that states enter into formal agreements with the SSA to do this, both for returning adult offenders and returning juvenile offenders. While the primary focus is on SSI benefits, it can also include food stamps and other nutrition programs. (This also can be expanded to include VA benefits, TANF, and General Relief.) This is a good example of how cross-system integration can be more effective than a stove pipe approach.

FNS-allowed State Options Program

Food stamp statutes, regulations, and waivers provide states with many policy options that they can use to improve how the program works in meeting nutritional needs of low income people.⁷ The summary table lists the options and the number of states that have selected each option. (The marked items were from the 2002 Farm Bill)

⁷ USDA – Food and Nutrition Service, "State Options Report," <u>http://www.fns.usda.gov/fsp/rules/Memo/Support/</u> <u>State_Options/sixth/default.htm</u>

| SUMMARY | | |
|---|------------------|--|
| Option | Number of States | |
| Sim plified (Reduced) Reporting - Earned Incom e Households Only | 4 | |
| Simplified (Reduced) Reporting – Expanded to Other Households | 43 | |
| Quarterly Reporting | 1 | |
| Monthly Reporting | 3 | |
| Status Reporting | 8 | |
| \$100 Reporting - Earned Income | 30 | |
| \$100 Reporting - Unearned Income | 8 | |
| Transitional Benefits | 17 | |
| Simplified Definition of Income | 40 | |
| Simplified Definition of Resources | 34 | |
| V ehicle Rules: FSP | 2 | |
| V ehicle Rules: TANF Assistance | 33 | |
| Vehicle Rules: Child Care or Foster Care | 11 | |
| V ehicle Rules: TANF-MOE Categorical Eligibility | 7 | |
| V ehicle Rules: Excludes All V ehicles | 26 | |
| V ehicle Rules: N ot All – But At L east One V ehicle Excluded | 16 | |
| Expanded Categorical Eligibility | 37 | |
| Simplified Homeless Housing Costs | 25 | |
| Standard Utility Allowance | 52 | |
| Mandatory Standard Utility Allowance | 40 | |
| Simplified Utility Allowance | 40 | |
| Simplified Deductions | 6 | |
| Child Support Expense Income Exclusion | 14 | |
| Nutrition Education Program | 52 | |
| Outreach Program | 22 | |
| State Option Food Stamp Program — Purchase of FNS Benefits | 4 | |
| Independent State Food Stamp Program | 4 | |
| Limited Simplified Food Stamp Program | 28 | |
| Wage Supplementation | 3 | |
| E&T Pledge State | 11 | |
| Extended E&T Sanction Periods | 14 | |
| E&T Permanent Disqualification | 2 | |
| E&T Household Disqualification | 11 | |
| Comparable Disqualification | 15 | |
| Child Support Disqualification: Failure to Cooperate Only | 3 | |
| Child Support Disqualification: Arrearage Only | 0 | |
| Child Support Disqualification: Both Failure to Cooperate & Arrearage | 2 | |
| Drug Felony Disqualification: Lifetime Ban | 16 | |
| Drug Felony Disqualification Modified Ban | 21 | |
| Drug Felony Disqualification: No Ban | 16 | |
| Electronic Application Filing | 14 | |
| Waiver of Face-to-Face Interview at Recertification | 19 | |
| Call Centers Processing Reported Changes | 18 | |

These options can be used to do the following:

- Facilitate program design goals such as removing or reducing barriers to access and sustained participation for low-income families and individuals
- Provide better support for those working or looking for work

- Target benefits to those most in need
- Streamline administration and field operations
- Coordinate food stamp program activities with those of other programs.

Most states, but not all, have selected options that simplify eligibility such as simplified reporting, \$100 reporting, simplified definitions, and standard utility allowance. These are understandable because they will reduce errors and thus reduce the possibility of federal sanctions.

These options can provide much more than error reduction. The above suggestions are for states to consider, and states should take the time to review and consider <u>all</u> of the options. Many of these options will expand eligibility and reduce reporting and administrative requirements. These changes can result in increased food stamp participation and should be part of a state's strategy to achieve that goal.

Transitional Benefits

Transitional benefits can be very helpful for families moving off of TANF. This can result in a higher benefit for the period of transition to work. It reduces the burden on recipients to come into the county eligibility agency at the time that they are most focused on work. It can truly function as a work support.

A recent study by the Urban Institute assessed the role of work support programs (specifically, food stamps and Medicaid) and other factors in reducing welfare reentry and promoting stable employment among women exiting the TANF program.⁸ Using data from the 1996 and 2001 panels of the Survey of Income and Program Participation, the study found that those leaving welfare who use food stamps as a transitional support when they leave TANF were less likely to return to TANF and more likely to be stably employed (for the year after exit) than women who did not receive food stamps when they exited welfare.

Also note that with work

supplementation (see description below) a TANF participant can be placed into a subsidized job using grant diversion and work supplementation and then at the end of the subsidy period can be provided transitional benefits.

Expanded Categorical Eligibility

Expanded categorical eligibility for food stamp benefits can simplify eligibility determination by eliminating the requirement for other asset valuation and application of the resource test. This applies to household where all members benefit from means-tested programs or non-cash with over 50 percent funding by TANF or MOE money. Non-cash programs with less than 50 percent funding by TANF or MOE are included if the household's gross income does not include 200 percent of the poverty level.

Simplified Determination of Deductions

These allow states to disregard changes in certain deduction amounts during the certification periods. Included are child care expenses, child support payments made, medical expenses, and shelter costs.

Note that states have noticed that many elderly and disabled household food stamp recipients often do not bother to report medical expenses because of the difficulty of tracking down the information. As a result, they receive a

⁸ Gregory Acs and Pamela Loprest, "Helping Women Stay Off Welfare: The Role of Post-Exit Receipt of Work Supports," The Urban Institute, July 2004.

smaller food stamp allotment than they should. Several states have submitted waiver requests to FNS to create a medical expense deduction standard that many would be able to take instead of reporting the actual expense. The New Hampshire Department of Health and Human Services (DHHS) has been operating a simplified medical deduction project since December 2003. The project was granted through 1 December 2008.⁹ The state applies a standard medical deduction of \$83 a month to cases in which the monthly medical expenses exceed \$35. If a household can verify that its monthly medical expense equals \$35, a deduction of \$83 is given. If the household can verify that its monthly medical expense is more than \$83, the actual amount of the expenses is used for the deduction. To obtain approval for the project, the state was required by the Food and Nutrition Service to demonstrate that it would be cost neutral. This was accomplished by lowering the Standard Utility Allowance by \$6.

This is a good example of how states can be creative and, in the process, provide better service to individuals and families.

Outreach Initiatives

Outreach initiatives have been implemented as formal programs in some states rather than just as informal activities. This can increase focus and priority for outreach activities.

Wage Supplementation

Wage supplementation can be used as a very powerful tool to use the food stamp benefit prior to starting work as a wage subsidy for the employer. It is a wage subsidy program and also can be used in combination with TANF grant diversion.

The purpose of a wage subsidy program is to provide economic development stimulus for employers while providing TANF, FSET, and UI work program participants with a better connection to work than they now receive through standard activities such as job search and Community Work Experience (CWE). The work subsidy program will do this by furnishing employers a wage subsidy to offset their labor costs. In addition, they will receive tax credits while they offer real wage paying jobs for eligible individuals. CWE simulates work. Work subsidy jobs are work. Participants are in a real job setting for an employer, which permits participants to gain skills and build a job history. They also become eligible for the earned income tax credit (EITC) which can be added monthly to their wages. Work subsidy jobs are typically three to six months in duration and are meant to be of high quality so that successful participants can quickly move into unsubsidized jobs. The wage subsidy program is an integral component of the employment continuum.

Usually wage subsidy jobs have a subsidy amount and an employer amount. With wage supplementation, the food stamp allotment will be calculated and frozen at the level received before the participant started the wage subsidy job. If the food stamp allotment does not cover the monthly subsidy amount, then the remainder of

⁹ USDA – Food and Nutrition Service, "Promising Practices, Excellent Service for All," Issue 9, November 2005, <u>http://www.fns.usda.gov/fsp/outreach/promising/</u> <u>Default.htm</u>

the monthly subsidy amount can be paid with TANF funds or UI funds. If the food stamp allotment exceeds the monthly subsidy amount, then the excess will go to the participant.

Wage supplementation is very flexible and does not have to require significant system modifications. All eligibility systems have a "protective payee" feature, which can be used to assign the subsidy amount back to the state.

Only a handful of states have tried to use wage supplementation. It can provide an important stepping stone to unsubsidized employment that is now often missing.

Employment and Training Pledge States

Pledge states receive additional funding by "pledging" to offer every applicant or recipient Able-Bodied Adult without Dependents (ABAWD), subject to the three-month time limit on participation, a qualifying education, training, or workfare opportunity. Participants cooperating with their education, training, or workfare component, can continue to receive benefits. Each pledge state receives a share of the \$20 million set aside in the Farm Bill for this population. States should consider using one-stop centers where needed to provide services since one-stops already have to serve this population.

Comparable Disqualification

State agencies may disqualify food stamp applicants or recipients who fail to perform actions required by other means-tested programs, primarily TANF. This is important because it makes the sanction policies more consistent across programs. It also helps to emphasize that, for some, food stamps is a work support. With this option, states can close the entire food stamp case for failure to participate in TANF. In spite if its severity, this will likely result in fewer sanctions being imposed and increased participation in TANF.

Child Support Disqualification

States have the option to disqualify individuals who fail to cooperate with child support enforcement agencies, who are in arrears in court-ordered child support payments, or both. This helps to maintain consistency with the TANF programs. It also helps to ensure that the food stamp program is not stove piped, but is integrated with other programs.

Waiver of Face-to-face Interview

Waiver of the face-to-face interview at re-determination can be an important part of modernization (see below). This can be particularly important for working participants. It can save the county eligibility agency work and congestion.

The state of New York received federal approval for a waiver that will allow people who are working to apply for food stamps online and bypass a face-toface interview, which had previously been required to qualify. New York argued that the interview had been a roadblock for many people who could not afford to take time off from work. The state estimates that this change will extend food stamps to as many as 100,000 families. This is another good example of how waivers can be used to expand food stamps and to become a more effective work support for low income working families.

Call Centers

Call centers are another important modernization effort (see below). They can make it less burdensome for applicants and recipients and reduce workload for the county eligibility agency.

The Family Success Centers

Family Success Centers, a new statewide initiative in New Jersey, are designed to make a difference in the lives of fragile families by bringing coordinated government services to fragile low income families. By October 2007 there were scheduled to be 11 in Newark and 35 statewide. Other states should consider piloting a similar initiative.

One of the most effective means of engaging and supporting families is through the establishment of family support centers. These centers can ensure access to needed services since they are strategically located within the neighborhood where the family resides. They are staffed by members of the family's own community and are supported by the presence of street level government and community organization workers who facilitate access to entitlement and other services for the family. Neighborhood based family support centers provide access to complex government systems via community coordinators who have no problem in relating to the social condition of the families whom they serve.

The enrollment of family members in entitlement services, such as Medicaid, Family Care, Food Stamps, TANF, General Assistance, Preschool, and WIC, can be managed through the family support center.

With the data matches described above, the Family Success Centers can reach out to families and individuals who are probably eligible for food stamps. They can help the applicants to fill out an application, schedule an interview at the Family Success Center with an eligibility worker, and help make sure the applicant has all needed documentation for the interview.

Family Success Centers are an effective approach for achieving cross-system integration and minimizing the stove pipe approach.

EITC Initiatives

EITC initiatives can also help to increase participation in food stamp programs. Initiatives, such as those being implemented in Essex County, New Jersey, should be implemented in other states. Three year-round Volunteer Income Tax Assistance (VITA) sites are now located at two Essex County Welfare offices and the Essex/ Newark One Stop Center. These VITA sites help families to file their taxes and to apply for tax credits. They also provide education on pertinent financial issues, including food stamps and other benefits. They can help families with the food stamp application and get them scheduled for an interview with an eligibility worker.

Modernization efforts

Modernization efforts can increase participation in the food stamp program by making it easier for individuals to apply for and be on food stamps. They can also reduce the workload on eligibility works which will also have a positive affect on food stamp applicants and recipients.

Call Centers

Call Centers combined with Interactive Voice Response (IVR) and imaging technology can be used in many different ways. They can be used for providing information (benefits and eligibility) without needing to talk with a person. They can simplify change reporting. They can reduce the need for participants to come into the county eligibility office and thus reduce waiting and congestion. They are very flexible and can be organized in many different ways. For instance, all eligibility workers can be organized in groups with each group, in essence, a call center. Or, a call center could be established to handle routine changes and have a dedicated group of eligibility workers who only do that work.

Options for Applications

Options for Applications, such as those implemented by several states, can expand food stamp participation by allowing applicants to apply over the internet, through a call center, and by using community organizations to take the information needed for the application. When combined with a waiver of the face-to-face review, the reviews can be done over the phone with an eligibility worker or with a call center. In several states the Robin Hood Foundation is setting up "Single Stop" centers, which collect all of the information and documentation needed for food stamp eligibility and forward the information electronically to the state for the eligibility determination to be completed by an eligibility worker.¹⁰

(See Attachment B - federally approved plan for New York State which allows people who are working to apply on-line and bypass a face-to-face interview)

Options for Recertification

Options for Recertification, such as implemented by several states, can greatly simplify the process for recipients and thus make it more likely that they will continue to receive food stamps. When combined with a waiver of the face-to-face review, the reviews can be done over the phone with an eligibility worker or with a call center.

(See Attachment C - federally approved waivers for Massachusetts)

Interactive Voice Response

This process can be enhanced through the use of Interactive Voice Response (IVR) technology that conducts the interviews using multiple languages so that it is possible to minimize staff involvement and to complete the process through automated means. This was originally done in New York City for LIEAP and SCHIP re-certifications and could be expanded to other food and nutrition programs.

Electronic Document Imaging

Document imaging can be an effective tool for reducing administrative costs, particularly in an integrated setting where multiple programs can access imaged information. Paper handling and storage is staff intensive and requires

¹⁰ Robin Hood Foundation, "Single Stop Centers – New York City," http://www.singlestop.org/index.html

expensive space. Document imaging is client-friendly since once imaged, the same documents will not need to be produced time after time. When combined with call centers, imaged documents can be available instantaneously to supplement a phone transaction. With such an operation, documents do not need to be hand carried to an eligibility worker but can simply be mailed to the call center where they are immediately imaged.

Food Stamp Employment and Training Program (FSET)

FSET, which is greatly underutilized, can be used to match state and local dollars that are already being spent on special populations to help them get connected to the work force. Strategies to increase the use of FSET can increase federal funding for employment and training but also can serve as food stamp outreach since often many of the affected individuals are eligible for, but are not receiving, food stamps.

The FSET program can be used to support employment and training programs for a variety of different groups, including returning offenders, foster kids who are aging out, homeless, substance abusers, and the elderly. This focus will increase food stamp participation but usually requires a coordinated effort to help them to apply for food stamps and then get them enrolled in FSET.

The Social Security Administration is becoming more flexible about work. For some individuals on SSI, the FSET program can be used to help get them into part time and, in some cases, full time work. When there are successful placements in to jobs, then Ticket to Work can be used. With vendors, FSET can be used for the up-front costs and Ticket to Work as a payment for outcomes. Individuals who have some capability for work can benefit in many ways and the additional work quarters may qualify them for SSDI and Medicare.

(See Attachment D - FSET Paper)

Special Supplemental Nutrition Program for Women, Infants and Children (WIC)

The WIC Program Eligibility is completely duplicative of the eligibility for food stamps. Combining the two can save the state the administrative funds required to do the WIC eligibility.

Child Support Eligibility Waiver

States need to request a waiver to determine automatically the food stamp eligibility for custodial and noncustodial individuals who are not working. Eligibility could be determined using data from the state's child support data base. This would be an outreach to individuals who are eligible for food stamps but not receiving them. Child support systems have extensive and accurate sources of information.

School Lunch

School Lunch Certification can be done by matching with Food Stamps, Medicaid, TANF, and other low income program files. This is much easier than asking for parental declaration and will result in higher levels. Title I funding is tied to school lunch certifications. FNS is mandating matching with Food Stamp files by 2008.

Special Supports

Food stamps can be used in a variety of innovative ways that will expand participation. They can be used for meals on wheels, for meal expenses at soup kitchens, for the homeless, and for the developmentally disabled in group homes.

Agencies often have difficulty with recruiting and retaining foster care parents, child care workers, and home health aides. These individuals and their families often are eligible for food stamps and other benefits. Providing them information and helping them with the application process can both help the individuals and affect retention.

Prenatal and Infant Care

Communities can integrate programs to provide a continuum of care. Visiting nurse, WIC, and food stamps can be used from pregnancy through birth. The New Jersey TANF program allows new mothers to participate in a visiting nurse, parenting, and nutrition program in lieu of participating in regular work activities.

Outreach

The state of Minnesota has an innovative approach to outreach, which is described in the first volume of "Connections," an FNS publication for outreach sharing for the Midwest region.¹¹ Minnesota has engaged over 400 community agencies to do outreach and have seen a 10 percent increase in food stamp participation. The community agencies agree to one of three levels of outreach. The minimum level involves providing information (brochures, fact sheets, etc.). The medium level involves educating, screening, and referring (use of screening tool and screening guidebook). At the maximum level the agencies assist with completing the application. The most recent initiative is one in which Community Action Agencies submit an outreach plan along with Minnesota's state outreach plan to receive the 50 percent federal reimbursement.

CONCLUSION

This paper has shown that there is a pressing need to expand participation in food and nutrition programs, particularly food stamps. It has demonstrated that expansion is not contrary to welfare reform but supports it. We have demonstrated that the programs are a work support, an education support, and an independence support. Many people need these programs in order to work, learn, and stay independent. Expansion of the program not only helps individuals and families but also produces a positive economic impact since benefits are federally funded. We should think of these programs in the same positive way that we think of government supports for the middle class, such as home ownership mortgage deductions.

The highlights of this paper are as follows:

1. All states should develop strategies to expand food and nutrition

¹¹USDA – Food and Nutrition Service,

[&]quot;Connections, Food Stamp Program Midwest Region,"

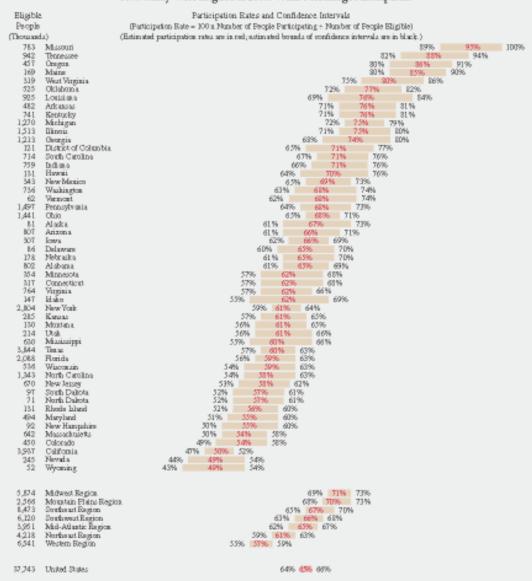
http://www.fns.usda.gov/fsp/outreach/coalition/r esources/Conn-1.pdf

programs. States should consider best practices from around the country.

- 2. The timing is right with more federal incentives and flexibility.
- 3. There are many strategies and approaches that will both expand the programs and result in lower administrative costs. This is particularly true of modernization strategies, which ultimately reduce administrative costs while making it easier for people to apply for benefits and retain them.
- 4. Food and nutrition programs function best when operated in a coordinated fashion with other programs rather than in a stove pipe manner.
- 5. The Food and Nutrition Service is helpful in many ways. It offers states many options. It allows waivers. Through its web site, it shares best practices and innovations from around the country.
- 6. The following areas need additional attention in most state. Attention to these areas will increase expansion of use:
 - SSI-food stamps
 - Food Stamp Employment and Training
 - Modernization
 - Application and review process
 - Use of data and technology
- 7. Many functions, like outreach and assistance with the application process, can be devolved to other community groups that want to help. This can reduce costs and allow expansion.

We are confident that most states can expand their food and nutrition programs and make them more effective. We recommend that states sit down with this paper and discuss how these options might work in their own state. Efforts to increase participation will have a positive affect on individuals, families, and communities.

ATTACHMENT A



How Many Were Eligible in 2005? What Percentage Participated?

A confidence interval expresses our uncertainty about the true value of a participation rate. Each interval displayed here is a 90-percent confidence interval. One interpretation of such an interval is that there is a 90-percent chance that the true participation rate falls within the estimated bound. For example, while our best estimate is that Arizona's participation rate was 66 percent in 2005, the true rate may have been higher or lower. However, the chances are 90 in 100 that the true rate was between 61 and 71 percent.

ATTACHMENT B

New York State Office of Temporary and Disability Assistance

THE

NEW YORK STATE WORKING FAMILIES INITIATIVE DEMONSTRATION PROJECT

A PROPOSAL TO INCREASE FOOD STAMP PROGRAM PARTICIPATION IN NEW YORK STATE'S LOW-INCOME WORKING POPULATION

August 1, 2007

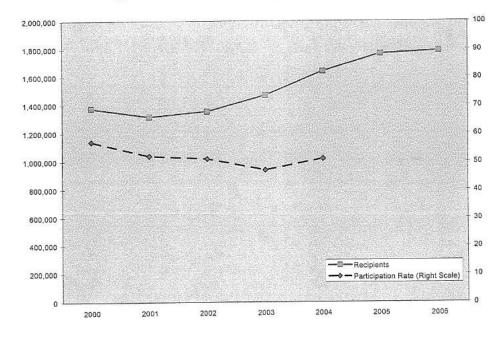


Figure 1: New York State Food Stamp Recipients and Participation Rates

II. PROGRAM RATIONALE

Having now exhausted most federally allowable program simplification possibilities, New York, like other states, has turned to information and outreach programs. New York also funds an extensive network of not-for-profit food pantries. Expenditures for media and community outreach are significant and far exceed outlays made by any other state. Despite this considerable investment in information and outreach, the State's caseload has reached a plateau. We believe that this result reflects a fundamental flaw in program logic.

The justification for information outreach programs is that the main reason for low FSP enrollment is lack of knowledge on the part of potential applicants. Outreach programs broadcast the message to working families that they may in fact be eligible for Food Stamp benefits even though earnings are present. Clearly this message is important, but it may not be enough merely to inform. A recent study commissioned by USDA "cast doubt on the view that a lack of knowledge is primarily responsible for nonparticipation."² Instead, the authors conclude that potential applicants weigh the "cost" of applying (e.g., lost work time) against the probable benefit.

We now believe that the key to improving Food Stamp participation is changing the trade-off between program benefits and the transaction costs inherent in application and recertification processes. For families that would receive modest benefits, like working families between 100% and 130% of the poverty level, reducing the transaction costs through waiver of certain federal requirements may be essential.

There is ample data concerning the benefit side of the Food Stamp application trade-off. For many years, published data has firmly established that workers do not apply when the Food Stamp allotment that they would receive would be small. FNS reports that, nationally, 21 percent of households eligible for the FSP would receive only \$10 per month. This group is four times less likely to be enrolled in the FSP.³ Clearly, the size of the benefit matters.

Transaction costs also matter. Robert Lerman and Michael Wiseman explored issues related to the transaction costs in a recent paper. As they performed their research, they noted that families regarded the FSP as a generic income supplement. This observation has important implications. As Lerman and Wiseman concluded, "When viewed as simply a modest supplement to income, FSP's short accounting periods (and associated asset tests), work requirements, and extensive documentation and auditing of income appear unnecessarily costly, both in terms of expense of program administration and in terms of the transaction costs borne by eligible families."⁴

Families can be expected to gravitate to programs that are the easiest to negotiate. Welfare, earned income tax credits (EITC) and food pantries are alternatives to Food Stamps that may be attractive to working families who, by using these resources, can avoid a lengthy application process and still meet their family's nutritional needs. For this reason, federal requirements for face-to-face interviews, month-to-month monitoring of income by the household, documentation requirements and complex asset tests imposing high relative transaction costs that outweigh the benefits that many families would receive.

III. DEMONSTRATION DESIGN IN BRIEF

New York will eventually implement all program components described in this proposal throughout the State. During the demonstration period, OTDA will identify up to five local districts for the project.

New York has already implemented many initiatives that make it easier for working families and individuals to apply and remain eligible for Food Stamps. The State plans to take additional actions that are currently allowable under federal rules. These are noted below along with features for which we seek federal waivers (in boldface):

B3

- The demonstration project would target households that have at least one adult member working 30 or more hours per week or two adults each working at least 20 hours per week or earning the federal minimum wage equivalent for those hours. Eligibility to participate in the project will be assessed initially at application and re-assessed at recertification and when filing a periodic report.
- New York will be exercising its ability under categorical eligibility provisions to eliminate the resource test for all Food Stamp Program recipients by providing a TANF funded service.
- Eliminate reporting requirements for participating households, except at recertification and periodic report. Currently, the households that would qualify for this initiative would be subject to so-called "simplified" reporting rules, that release recipients from reporting other than at recertification, six-month report or when household income during a given month exceeds 130% of the poverty limit. Our experience suggests that even this 130% of poverty reporting requirement is confusing and onerous for working households.
- Under the demonstration, the application and recertification processes would be streamlined and simplified in other ways, including the following:
 - Develop electronic application filing and change reporting capability. Explore the expanded use of Interactive Voice Recognition System (IVRS) recertification support capability and other technology-based enhancements to program access.
 - Review the current shortened New York State FSP application (LDSS-4826) and accompanying reference documents to see if further abbreviation is currently possible, or would be possible, if federal waivers are approved.
 - Waive the face-to-face interview requirement for households that qualify for the initiative.
- The Working Families Initiative will include a plan for outreach to eligible non-citizens and low English fluency and literacy working households. USDA data show that many of the eligible, low-income working households not participating in the FSP may be immigrants and language and literacy barriers may be an issue. We expect to continue information and outreach activities currently underway.
- Waive or compromise the collection of outstanding food stamp overpayment claims, other than those incurred due to fraud, for qualifying households. Any claims due to overpayments made while participating in the demonstration project would be subject to collection.

IV. WHY NEW YORK?

The centerpiece of New York's antipoverty strategy has been to help and reward working families. New York State rewards working families by having the nation's most generous state EITC in the aggregate. The State also provides a safety net by funding an extensive network of not-for-profit food pantries and setting welfare benefits above the levels found in many states. The existence of these programs, and a programmatic infrastructure that favors work, make New York an ideal environment for testing a new work-oriented approach to Food Stamps. These same features, which can represent functional alternatives to FSP enrollment, may make New York the state that most needs USDA to support a new approach.

A study conducted by the Institute for Research on Poverty found that the presence of antipoverty programs reduced Food Stamp participation. In particular, the presence of publicly funded food pantries and state-funded tax credits for low income households were found to reduce participation.⁵ Lerman and Wiseman found Food Stamp participation to be related to the size of state welfare benefit levels: "...high welfare benefits generally reduced food stamp participation, especially for single heads-of-households, but also for married parents."⁶

USDA's official participation rate measures do not account for New York's unique programmatic environment. In fact, New York could achieve higher marks on USDA participation measures if State programs, like food pantries, were abandoned, even though the number of families experiencing hunger would probably increase. Of course, this approach is unacceptable. Instead, the State would like the opportunity to advance its vision in a way that answers criticism and benefits working New Yorkers.

V. SPECIFIC WAIVER REQUESTS, JUSTIFICATIONS AND PROPOSED ALTERNATIVE PROCEDURES

See attached waiver requests.

VI. FOOD STAMP QUALITY CONTROL ERRORS

As stated in the attached waiver requests, the food stamp cases participating in this project will have unique identifying codes that will enable OTDA to track and report the impact of such cases on New York State's quality control error rate. Food Stamp cases that include households participating in this project will be included as part of the state's review sample, and will be assessed according to the waivers pertaining to households participating in this project. Assessment of any negative impact on New York's error rate will be done as part of the normal quality control review process. OTDA is not proposing a separate review of the cases of

5

households participating in this project. Because of the lessened reporting requirements and experience gained in conducting recertification interviews by telephone, we anticipate that there will be no negative impact on the state's error rate if the attached waiver requests are approved.

VII. OUTREACH

New York State, through its extensive network of community partners, is already engaged in substantial outreach efforts targeted at reaching working families. Information specific to this project will be added to these efforts.

The Working Families Initiative also is one component of a broader endeavor undertaken at the direction of Governor Spitzer to better coordinate services and programs in support of working families. As these efforts progress, we expect additional Food Stamp outreach efforts will be made.

VIII. PROJECT EVALUATION

New York State will provide USDA with the following in fulfillment of the evaluation requirements of this project:

- a report and analysis of trends in FSP participation in New York State,
- reports generated from automated systems containing data on the income and demographic statistics of participating households, and
- an assessment of the project's cost neutrality (provided at project conclusion).

To assess cost neutrality, State staff will review a representative sample of cases comparing the amount of benefits received under the project with the amount of benefits the household would have received under existing FSP rules. The state will provide USDA with detailed data related to the income and resources of the households subject to the review.

¹ Data for participation rates in figure 1 from Caster, Laura A. and Shrimm, Allen L., Mathematica Policy Research Institute, Empirical Bayes Shrinkage Estimates of State Food Stamp Participation Rates in 2000 and 2004 for All Eligible People and the Working Poor: Final Report, July 2006, Washington D. C. and Caster, Laura A. and Shrimm, Allen L., Mathematica Policy Research Institute, Empirical Bayes Shrinkage Estimates of State Food Stamp Participation Rates in 2002 and 2004 for All Eligible People and the Working Poor: Final Report, July 2006, Washington D. C.

² Lerman, Robert I. and Wiseman, Michael, Restructuring Food Stamps for Working Families, USDA grant number 43-3AEM-9-80107, Washington D. C. August, 2002.

³ Caster, Laura A. and Shrimm, Allen L., Mathematica Policy Research Institute, Empirical Bayes Shrinkage Estimates of State Food Stamp Participation Rates in 2002 and 2003 for All Eligible People and the Working Poor: Final Report, July 2006, Washington D. C. see also, U. S. Department of Agriculture, Food and Nutrition Service, Office of Analysis Nutrition and Evaluation, Characteristics of Food Stamps Households: Fiscal Year 2004, FSP-O5 CHAR, Alexandria, VA. September 1995. ⁴ Ibid, pg10.

⁵ Danielson, Caroline and Klerman, Jacob Alex, Institute for Research on Poverty, Why Did the Food Stamp Caseload Decline (and Rise)? IRP Discussion Paper 1316-06, March 2006.

⁶ Lerman, Robert I. And Wiseman, Michael, Restructuring Food Stamps for Working Families, USDA grant number 43-3AEM-9-80107, Washington D. C. August, 2002, pg 22.

ATTACHMENT C

COMMONWEALTH OF MASSACHUSETTS REQUEST FOR WAIVER OF FACE-TO-FACE **INTERVIEW AT CERTIFICATION**

| 1. | Type of Request: | Initial |
|----|--------------------------------|----------------------|
| 2. | Primary Regulation Citation: | 7 CFR 273.14 (b) (3) |
| 3. | Secondary Regulation Citation: | 7 CFR 273.2 (e) |
| 4. | State: | Massachusetts |

5. **Region:**

Regulatory Requirements: 6.

Northeast

7 CFR 273.14 (b) (3) requires State agencies to conduct a face-to-face interview with a member of the household or its authorized representative at least once every 12 months for households certified for 12 months or less.

7 CMR 273.2 (e) requires State agencies to conduct face-to-face interview in favor of a telephone interview on a case-by-case basis because of household hardship situations as determined by the State Agency.

7. **Proposed Alternative Procedures:**

Massachusetts proposes to implement the waiver to remove the requirement for a face-to-face interview at recertification.

8. **Justification for Request:**

Waiver of the face-to-face interview at recertification may increase program participation for employed households who normally would have to miss work to comply with the recertification interview requirements or request a telephone interview. The telephone interview would be automatic and a hardship determination would not have to be explored and approved.

Massachusetts meets the condition for submitting the request for waiver as indicated in the FSP-Administrative Notice 03-34, dated August 15, 2003, which is that the State's payment error rate must be below the most recently announced national average payment error rate. For FFY 2003 Massachusetts had a payment error rate of 4.99%, well below the national average of 6.29%.

We remain below the national average for the first five months of FFY 2004: MA - 4.20% and US – 5.57%.

9. Anticipated Impact on Households:

Massachusetts anticipates an increase in participation, as households would not be denied at recertification for failure to keep their scheduled face-to-face interview appointment. Waiver of the required face-to-face interview would encourage households to reapply for benefits.

10. Affected Caseload:

The waiver will be applied to ALL food stamp households at recertification

11. Anticipated Implementation Date:

Following receipt of waiver approval, the waiver of the household face-to-face interview at recertification is scheduled to begin with recertification applications received November 1, 2004 and later.

12. Proposed Quality Control Procedures:

Quality Control would include the cases affected in their sample.

13. State Agency submitting the Waiver Request:

Massachusetts Department of Transitional Assistance

Contact Person: Phuoc Cao, Food Stamp Program Director Massachusetts Department of Transitional Assistance 600 Washington Street Boston, MA 02111

14. Signature and Title of requesting official:

Edward Sanders-Bey Assistant Commissioner for Policy and Program Management

15. Date of State Agency's Request: September 7, 2004

ATTACHMENT D

Innovations in Welfare Reform for Ex-Offenders

(How an often overlooked program can be used to jump start real welfare reform)

(10/20/04)

The purpose of the Food Stamp Program is to end hunger and improve nutrition and health. It is operated by State and local welfare offices. The federal US Department of Agriculture (USDA) oversees the program and actively encourages its use. Recent data from 2002 has shown that only about 54% of the eligible 35 million low income children and adults are participating in the program.

The Food Stamp Program is an important part of welfare reform by simultaneously providing a safety net for those most vulnerable, and by providing encouragement and a work support for those who can work. This requires a constant balance among very different participant groups. This paper will show how food stamp participation can be both expanded and an integral part of welfare reform.

The Food Stamp Program has had a variety of work requirements since the 1970s. In 1985, the Food Security Act established the Food Stamp Employment and Training (E&T) Program to assist food stamp recipients who are able-bodied gain skills to help them obtain employment and reduce their dependence on Food Stamps.

With some exceptions, able-bodied adults between 16 and 60 must register for work, accept suitable employment, and take part in an employment and training program to

which they are referred by the food stamp office. Failure to comply with these requirements can result in disqualification from the program. A March 2003 federal General Accounting Office report on the Food Stamp E&T Program estimated that in FY 2001, 9% of Food Stamp recipients (1,556,000) were subject to work requirements.

As has been demonstrated with other welfare to work programs, work participation requirements discourage participation in the program. Some people don't want to bother with the employment and training activities. Others may be even working off of the books and don't want to disclose their employment. Yet another group may not want to take time off of work to deal with program requirements.

Yet, there is a whole other side to Food Stamp E&T since it can offer additional services and benefits that can and should be viewed and used as positive incentives to participate in the Food Stamp Program. It doesn't have to be looked at in a punitive way, i.e. if you don't participate you won't receive benefits. Rather, it can be looked at as a package of benefits and services that are desirable and helpful to become more self-sufficient. It has taken an evolution of thought and action to get to this perspective. Additionally, the Food Stamp Program does provide recipients with an incentive to go to work. Food stamp benefits are reduced only 24 to 36 cents for every additional dollar a recipient earns.

By law a Food Stamp E&T Program may consist of many different types of components, such as

D2

- independent job search
- job search training and support
- workfare
- educational programs to improve employability
- work experience or training to improve employability
- other employment oriented activities such as job placement or supported work experience
- self-employment training

Federal law provides states with several funding sources to operate the Food Stamp E&T Program. The program has a small direct appropriation that provides 100% federal funding to states including the cost of administration. In addition, states and their designated local agencies may be reimbursed 50% of the cost of employment and training programs for any eligible persons i.e. any individual receiving food stamps. The other 50% of the costs must be paid by the state or local agency that is administrating the Food Stamp E&T Program. There is no limit or state allocation and is part of the funding under the entitlement food stamp benefit funding of the appropriation.

In addition to work program components and administration, these funds can be used to cover the cost of transportation of the individual to attend training/work that is part of the program. They will cover child care at the same rates as the state Child Care Development Block Grant reimburses and other related support costs directly associated

with training or placement such as work related clothing, tools, licenses per federal and state guidelines and approved state employment and training plan.

The Food Stamp E&T Program offers states wide flexibility in deciding how to operate and fund the program. Each state must create and submit an E&T Plan for federal approval. The E&T Plan must include a description of the state's E&T program including: who will participate, who will be exempt from participation, how coordination will be done within the program and with other programs and other entities, a projection of program costs, and a description of how financial management will be done.

Despite the potential richness of services and the funding available, there is wide variety among the states with many running a minimal level program. This is reflected in 2001 data from USDA showing that job search accounted for about half of all participant activities. Many state and local officials told the General Accounting Office in its 2003 study that their Food Stamp E&T participants have multiple characteristics that make them hard to employ. There is a perception that few participants will be successful over the long term in obtaining and keeping employment. This may be affecting some states level of commitment to the program.

However, a growing number of states have a different attitude and are using their Food Stamp E&T Plans to maximize activities and services and to take full advantage of the flexibility of the program. They are doing this by carefully passing through federal matching funds to counties, cities and other organizations that are providing approved E&T services to Food Stamp recipients with their own funds. Examples include technical colleges providing work focused training and county General Relief agencies providing work relief activities for recipients. These matches in effect double the funds available and have resulted in an expansion of services available to Food Stamp E&T participants. The organizations must be careful to establish that the individuals were receiving Food Stamps and that the services were either limited to Food Stamp recipients or were open to the general public with no cost difference based on their receipt of Food Stamps. This approach permits states to expand services without increasing state funding. It also provides Food Stamp outreach since these matching organizations understand it is in their interest to encourage eligible individuals to apply for food stamps.

Other states are updating their Food Stamp E&T Plans to do better coordination of services across programs that serve clients who are on food stamps or are eligible due to their income level such as programs meant to serve developmentally disabled, mental ill, criminal justice, or homeless populations.

Good examples are comprehensive programs for offenders who are leaving prison and reentering society. These innovative programs address the need to immediately engage offenders in treatments, work focused activities and work supports when they leave prison. This is based on the premise that offenders who are actively engaged and supported in work focused activity will be less likely to return to prison than those who are left on their own. State and local funds already spent on work activities for ex-

D5

offenders are used as match to obtain federal Food Stamp funds. Cooperative agreements are put in place with multiple organizations including State Corrections, Parole, Welfare, and Food Stamps agencies and local organizations including faith based organizations. This has led to a key insight that many ex-offenders don't get these services because they can't deal with the bureaucracy. Many don't even have an ID card to get in the front door. Several states have used this insight to start doing pre-release planning with inmates including determining eligibility for Food Stamps and other programs and getting the offenders an ID card which can be as simple as putting a picture on the Food Stamp Electronic Benefit card. Such comprehensive approaches have many benefits. They increase participation in the Food Stamp program. They provide additional funds to engage offenders in work program activities. They serve as a catalyst to bring agencies and organizations together in a more coordinated and focused way than before to maximize resources. It is hoped that over the long run they will reduce the number of exoffenders returning to prison and thus save an immense amount of money and human cost.

In summary, the Food Stamp E&T Program offers states the opportunity and flexibility to address multiple key issues simultaneously. The program can be much more than a threat to reduce or end Food Stamp benefits if participants do not cooperate. It can be an outreach tool to increase participation in the Food Stamp program and thus reduce hunger and malnutrition. It can lead to better cooperation among the multiple agencies that often deal with an individual. If used creatively, it can increase the funding available for key work program activities and supports. With these steps in place, it can successfully

D6

prepare and place participants in jobs and help them to keep the jobs. Welfare reform has focused primarily on one parent households with children. The Food Stamp E&T Program provides states with a vehicle for applying lessons learned to a much broader population. This ultimately can increase self-sufficiency and reduce the reliance on Food Stamps and other benefit and support programs.