Testimony

Lisa Hamler-Fugitt
Executive Director
Ohio Association of Second Harvest Foodbanks

Hearing on Duplication, Overlap and Inefficiencies in Federal Welfare Programs

Committee on Oversight and Government Reform
Subcommittee on Regulatory Affairs, Stimulus Oversight and Government Spending
United States House of Representatives

June 1, 2011

Chairman Jordan, Ranking Member Kucinich, and distinguished members of the Committee, thank you for the opportunity to testify before you today about the GAO report on duplication and overlap among federal social welfare and related programs.

I’m Lisa Hamler-Fugitt, Executive Director of the Ohio Association of Second Harvest Foodbanks (OASHF). Our organization represents Ohio’s 12 Feeding America/Second Harvest Foodbanks. Last year alone, we provided over 135 million pounds of food, funding, training, technical assistance, and Ohio Benefit Bank Services to a network of 3,000 non-profit and faith-based food pantries, soup kitchens, homeless shelters, and supplemental food assistance providers. Eighty percent of our agencies are faith-based charities, operating on annual budgets of less $25,000, who are largely volunteer-driven. To help support the efforts of Ohio’s emergency food assistance network, OASHF sponsors the largest state-based (AmeriCorps/VISTA) National Service Programs in the Nation, providing the boots on the ground for our statewide network.

The food we distribute through our network comes from a variety of sources: 40 percent is donated from industry, retail, and local food drives; 25 percent is from Ohio’s state funded food programs (Ohio Food and Agricultural Clearance Programs); 22 percent is TEFAP (The Emergency Food Assistance Program); 10 percent is purchased with private contributions/donations; and three percent is from the Commodity Supplemental Food Program (CSFP).
I appreciate that the GAO looked into the question of whether there is duplication in government programs and that the Committee called a hearing to air GAO’s findings. It is, and has always been, crucial that each tax dollar is spent wisely and prudently. While I have thoughts to share with the Committee on the entire report, the focus of my testimony will be on the section of the report that covers the federal nutrition programs. With respect to the other areas covered by the report, e.g., homelessness, job training, and transportation programs, I can speak to these areas as someone who witnesses the daily experiences of our clients who use these programs and how they continue to struggle, even with the benefits that are available to them.

Programs with overlapping purposes or services do not necessarily mean that families are receiving more help than they need. Too often, the programs and supports available to families and seniors do not reach them or fail to address the enormous problems so many families and individuals face in this economy. This is typically because the programs are difficult to access due to confusing rules and requirements and because many key services, such as housing, child care and job training, have fixed funding and cannot respond to increased need, particularly during a weak economy. When key programs do reach Ohioans, they are a powerful weapon against poverty and hardship. We must do more to improve how programs and agencies work together to ensure that these programs are accessible to the families and individual they are intended to serve.

Our food bank network provided emergency food to nearly 2.1 million Ohioans in the last quarter of 2010 and during that same period over 1.7 million of our states’ residents were enrolled in SNAP and 825,469 school children (44 percent) received free or reduced priced meals. Despite our efforts and the tremendous effort of our county and state agencies to provide access to federal nutrition programs, we continue to witness families and individuals who struggle with hunger throughout Ohio even as they rely on multiple programs to put enough food on the table.

PAPER PLATE: To Whom it May Concern: My name is Tonya. I am a mother of three young children. When I was first divorced I had no job. I was on food stamps and medical cards. I did have help from the food pantry on and off. Now a year later I have a full time job. I don't get child support. I am a couple dollars over the limit for food stamps. Without the food pantry my children would be constantly hungry. My son has low iron. My other son is special needs. I am forced to buy a lot of pasta because I have to pay bills and medicine. We need the food pantry to survive and be healthy. Please help us.-- Tonya, Second Harvest Foodbank of Clark, Champaign, and Logan Counties

The effects of the recent and devastating recession are still with us and the people we serve who are struggling with poverty, fixed low incomes, minimum wages, part-time employment, and long term unemployment. The U.S. Bureau of Labor Statistics found that the number of Ohioans earning $7.25 an hour, or the minimum
wage, has surged 118 percent since 2007.iii In a recent analysis by the U.S. Bureau of Economic Analysis, Ohio ranked 50th out of all states for income growth in the past 50 years.iv While Ohio added about 31,000 new jobs last year, almost half were in retail, food service or temping—jobs that pay less than the manufacturing and construction jobs that they have replaced.v Over the past decade the number of Ohioans who are poor grew by a staggering 46.1%.vi

PAPER PLATE: Our family can’t find a good job. We have 20+ years, intelligence, military experience. We lost our house and land; 115+ acres and a 4 bedroom home. We moved in with my father and now are on food stamps and WIC. Without this program we would be hungry. We used to be your middle class and now we are humbly accepting this food. Mother with 4 kids and baby on the way, and veteran.--Anonymous, The West Ohio Foodbank

Mr. Chairman, the GAO produced a very balanced report and I support many of its findings. However, there are some real world realities to their findings that must be highlighted. For one, it is crucial to recognize that program overlap does not always mean duplication. People who struggle to afford an adequate diet may be better served by different types of programs and rarely are the value of benefits provided by any one given program sufficient to support the food needs of an individual or family.

For example, SNAP benefits often fall far short of what a family requires and do not last the whole month. Thus, families that receive SNAP may also turn to food banks to fill in the gaps.
A 2010 study found that in Ohio, low-income families continued to be food insecure despite accessing several food assistance programs. For example, 42% of the households standing in our food lines receiving SNAP benefits in the study were at risk of hunger and another 42% had cut back on the number or size of their meals. Additionally, among households with children ages 0-3 years, 58% participate in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). Among households with school-age children, 63% and 55%, respectively, participate in the federal school lunch and school breakfast programs and 14% participate in the summer food program. These benefits are provided to families that ask for help and these families have to exert a significant amount of effort in order to access and maintain these benefits. So, it is crucial that we recognize that the food assistance programs that we already have do not provide enough to meet all the nutritional needs of families.

The GAO report describes CSFP (Commodity Supplemental Food Program) as one of the federal nutrition programs that is duplicative because many of the seniors eligible for CSFP are also eligible for SNAP yet seniors with limited mobility or transportation barriers may not be able to purchase food in grocery stores and therefore can benefit from food boxes provided by TEFAP and CSFP or congregate and home-delivered meals.

Each month in FY2010, 20,463 Ohio seniors received a 40 pound box of commodity foods from CSFP that cost USDA $18.77 per box. In Ohio, the waiting list for CSFP is long. This is because many Ohio seniors only qualify for a $16 monthly SNAP benefit, despite having very low, fixed-incomes. Many of our food banks report that seniors in their communities call and ask for the CSFP box of a recipient they know that has gone into a nursing home or worse yet, other non-participating seniors will read the obituaries and if they see the name of someone they know who received CSFP, they ask if they can receive the deceased recipients’ box of food.
One of our clients, Kitty Locker, is a 64-year-old recipient of CSFP from Lima, Ohio. Each month her only income is a Social Security check of $580.00, yet she does not receive SNAP. She is diabetic and spends $250.09 on one prescription. She says the box of commodity food she receives each month from the food bank helps her a lot. "I worked. I thought it was enough. But it's not. The box doesn't give you detergent, toilet paper, or body soap, but it gives you food so that I can buy those other things." Kitty has lived in this small community her whole life. This food keeps Kitty out of a nursing home which costs an average of $5,000 a month in Ohio.

In other cases, a programs’ design may be supplemental to other supports. For example, the Special Supplemental Food Program for Women, Infants and Children (WIC) provides nutritious foods, counseling on healthy eating, and health care referrals to low-income pregnant and postpartum women, infants, and children under age five who are at nutritional risk. An extensive body of research documents WIC’s high degree of effectiveness in improving birth outcomes, reducing child anemia, and improving participants’ nutrition and health."viii While many of WIC’s participants are also receiving SNAP benefits, WIC is not intended to meet its participants’ entire nutritional needs. Instead, the program supplements SNAP to address the particular needs of the WIC population.

A study conducted by the University of Cincinnati Children’s Hospital Medical Center found that 14 percent of the families surveyed were diluting infant formula to make it last. Sixty-five percent reported they had run out of formula and did not have money to buy more. More than a third (39%) of the families studied were already on WIC and food assistance, yet were still at-risk of hunger.ix

PAPER PLATE: "Coming to the food bank will help me to buy diapers and formula for my newborn. Thank you."--Anonymous, The Cleveland Foodbank

The need caused by unemployment, poverty, poor health and lack of supportive services in Ohio overwhelms the notion that some of our neighbors might be getting duplicative or too much help through these programs. The fact that food insecurity (or risk of hunger) remains at very high levels confirms that too few, not too many, resources are being made available for the families that need them.

That said, I believe it is critical to find ways to simplify and streamline eligibility rules so that families who participate in one program can be easily enrolled into all the other low-income programs for which they are eligible. For example, states and school districts have been working to cut red tape and streamline enrollment into the school lunch program by automatically enrolling children from families receiving SNAP and TANF through a process known as direct certification. Children in households receiving SNAP benefits are eligible for free school meals and school districts are required to work with the SNAP administrators to enroll them automatically, using the direct certification
process noted above. Parents who have already completed a lengthy and detailed SNAP application should not have to complete another application; schools should not have to process unnecessary paperwork. In school year 2009-2010, approximately 72 percent of children enrolled in SNAP were directly certified for free school meals, which represents a significant administrative savings for schools, state agencies and families.\(^x\) I hope USDA continues to work with states and school districts to build on this success until they can demonstrate that 100 percent of children on SNAP are successfully enrolled in the school meals program without any additional redundant paperwork from families or for schools to process.

PAPER PLATE: "To Whom It May Concern: If it wasn’t for this church I wouldn’t know what to do. I am on SSI plus food stamps. It is hard to make a living, and I go hungry sometimes. Thank God for the church because I can eat. Thank you.” --Beverly A Bloomfield, The Cleveland Foodbank

It is important to be concerned about the appearance of duplication of services that can be caused when there are multiple programs with seemingly similar purposes delivered by different agencies. I hope that I have addressed concerns that you may have with respect to duplication amongst the federal nutrition programs. Despite the number of federal nutrition programs operated primarily by the United States Department of Agriculture, these are supplemental programs, meaning low-income people must supplement these modest benefits with additional income, use multiple programs and/or turn to faith-based and non-profit food charities in order to find enough food to feed themselves and their families - or go hungry. It is equally important, however, to ensure that low-income Americans are accessing the federal benefits for which they are eligible. What we see every day in our communities is that many low-income families do not receive the benefits they need because of administrative hurdles to accessing benefits. For example, often low-income people must travel to multiple agencies and offices to complete different applications, all in an effort to meet their food needs. Others are not eligible for food assistance due to complex rules, and their incomes aren’t low enough to qualify for modest and often low benefits.

PAPER PLATE: “We need food. The food for the most part is great. The family has had to cut down greatly on food due to only $49.00 a month in food stamps. All the food is highly appreciated. Thank you so much.” --Elizabeth, The Cleveland Foodbank

We know that not all low-income households are enrolled in the benefits for which they are eligible. For example, USDA estimated that only 70 percent of individuals eligible for SNAP in Ohio participated in the program in 2008. They also estimated that only 64 percent of eligible people in working families participated in
SNAP during the same time period and that only 36% of eligible Ohio seniors participate in SNAP.

To combat this problem, in Ohio we have developed a way to streamline program access and reduce barriers to various nutrition, work support, health care, and tax credits programs through a program called The Ohio Benefit Bank (OBB). The OBB is an internet-based application assistance program that provides free tax assistance and access to 20 programs on a single application platform. Since 2006, OASHF has leveraged private and public resources to recruit and establish more than 1,170 non-profit, faith-based, and community partner organizations that provide one-stop OBB services to reach people where they work, live, play, and pray.

Today, nearly 4,300 trained volunteer counselors located in all 88 counties help their low-income neighbors navigate tax credits, nutrition, education, and work support programs for which they are potentially eligible. Since this partnership began, OASHF has brought together nine state agencies and four federal agencies, linking 237,459 low-income individuals to potentially more than $481.4 million in resources to help them meet their basic needs. The Ohio Benefit Bank is the largest public/private application assistance program currently operating nationally.

Our organization has been working for years in an effort to integrate and streamline programs utilizing technology in order to assist the struggling Ohioans we serve. Our effort at streamlining the application process is focused on ensuring that low-income families receive the crucial supports for which they are eligible. We are concerned that there are many low-income families that are not getting the benefits that they need because the process for accessing benefits is too complex and burdensome to navigate. Our experiences provide the basis for my testimony, observations, and recommendations today.

---

PAPER PLATE: "This is my first time here. I am so thankful to have heard about your food bank. I applied for food stamps 35 days ago and have not heard anything yet. Thank you. This is a blessing." --R. Gavin, The Cleveland Foodbank

PAPER PLATE: "I utilize the food pantry as my child’s disorders (ADHD) require us to purchase more expense food than our food stamps provide. We have utilized a variety of pantry items to deal with his disorder and buy less medication for this child." --Joanne, Second Harvest Foodbank of Clark, Champaign, and Logan
In Ohio, five different state agencies administer and issue nearly $3.7 billion in nutrition assistance benefits alone (ODJFS-Ohio Department of Job and Family Services, ODE-Ohio Department of Education, ODH-Ohio Department of Health, ODA-Ohio Department of Aging and ODoD-Ohio Department of Development). I suspect it is similar in other states as well where the 18 different USDA domestic nutrition programs, 20 homelessness programs, and employment and training programs are administered among numerous state agencies. Billions of dollars are spent each year enhancing and maintaining complex, independent systems for each of these agencies, rather than developing a unified, integrated online system utilizing a central database to store participant information, process and issue benefits for all domestic food assistance programs. An example of this can be seen in the Social Security Administration system used to administer SSI/SSDI benefits.

Such an effort would require a significant investment to update data management systems. States such as Ohio operate data management systems that were developed over 50 years ago. Ohio’s CRIS-E (Client Registry Information System Enhanced) main frame system operates on COBOL (Common Business Oriented Language), one of the earliest high-level programming languages. Today’s IT graduates are not even trained in COBOL, yet IT systems in Ohio and across the nation use this programming language. This antiquated system lacks inter-operability to track client participation across multiple and different programs and agencies.

Nationwide, increasing demand is being placed on these systems as program participation skyrockets. SNAP participation reached nearly 44.2 million in February 2011, an all-time record level in the aftermath of the Great Recession. State budgets, including Ohio’s, are being slashed and funding to maintain or even update these systems is scarce. These incompatible systems are responsible for issuing tens of billions in domestic food assistance, employment and training, transportation, and basic needs programs. For example, the state of Ohio uses one computer system to support eligibility determinations for Medicaid and SNAP, but a completely different system to determine eligibility for child care. Unfortunately, the child care system (which is relatively new) was not built to take advantage of the current and extensive information that our human services department already maintains for families enrolled in SNAP and Medicaid.

PAPER PLATE: “I am out of work due to a health issue that has been going on over 1 year. Only income is Long Term Disability. Savings is exhausted, 401K will soon be exhausted. No more health insurance. No help anywhere. Everything is still pricy. I got turned down for food stamps even though Long Term Disability does not pay my bills. I live alone and am feeling the hardship hit harder every day. The foodbank is a blessing for those of us who have no money to buy food. Thanks foodbank for all that you do, but we still need help with our health issues.”—Anonymous, The Cleveland Foodbank
We believe that in order to prevent duplicative efforts and costs, investments are needed to upgrade and integrate the systems used to determine and maintain eligibility across basic human and health services. Many states have undertaken efforts such as these — over half the states offer multi-program, online applications and services that allow households to maintain their eligibility for multiple programs through the use of technology that links their information to different state systems. Unfortunately, Ohio is not one of these states.

PAPER PLATE: "Very helpful. God sent them very good people. I get NO food stamps and it helps a lot." --Nina Moss, The Cleveland Foodbank

Despite my strong belief that we are wasting administrative resources by requiring families to reapply for individual benefits at different agencies and through different computer systems, I would like to point out that administrative costs for these programs are not as high as GAO suggests. SNAP federal administrative costs have dropped as a share of benefits (to only about 5%) in 2010. In large part this is because program participation rose and resources for states administration did not. These programs have administrative costs to ensure program integrity, which is a key concern of Congress and is very important for sustaining public support. Also it is not clear that such efforts would reduce total federal costs. SNAP and other programs do not currently serve all eligible households. So, while improving connections across programs is important because it would be more efficient and would reduce hardship, it probably would not save money if more eligible households were connected to benefits as a result.

PAPER PLATE: "Denied food stamps need help with food!" --Anonymous, The Cleveland Foodbank

Another example of OASHF and our members’ commitment to systems integration is our effort to implement Virtual Case Manager, an internet-based statewide data collection and tracking system that will operate on swipe card and bar code technology. This system will be used to determine eligibility for state and federal TEFAP (The Emergency Food Assistance Program) and CSFP (Commodity Supplemental Food Program), as well as the OFPACP (Ohio Food and Agricultural Clearance Programs). These programs are operated as public/private partnership with food banks, food pantries, and the Ohio Department of Job and Family Services. The Virtual Case Manager system will provide real time data reporting on who is being served and household demographics including income and participation in other federal programs.

It is OASHF’s goal to implement this system statewide by 2013, to ensure we have complete participation data on who we serve, what the circumstances of our clients are, and whether or not our clients participate in multiple government and/or
private sector food and basic needs programs contained and reported on in this GAO study.

As I mentioned, I do not have expertise in homelessness or job training programs and cannot speak to the details of the GAO report. But, our organization serves thousands of low-income Ohioans who are homeless or in need of job training. Here again, the issue our clients are facing is not that there are too many redundant services but that there aren’t enough services to help in their time of need. Through our Paper Plate Project, food banks and agencies throughout Ohio have given Ohio’s voiceless citizens an avenue to express why they are standing in our food lines. The previous and the following quotes are just a few of the more than 25,000 plates that we have received over the past six months.

PAPER PLATE: "The economy is terrible right now. Those that want to work cannot find a job. We have to choose between medicine and food to eat. My blood pressure is high due to the stress of life. When I take 1 step forward, I go 2 steps backward. I fear for my grandchildren."
--Anonymous, Cleveland Foodbank

PAPER PLATE: "Please don't cut the food pantries. So many families would go hungry without their help and wouldn't have clean clothes without the laundry and health supplies. Our elderly cannot survive on Social Security alone because you don’t give them enough food stamps and don’t cover medical enough. If we didn't have these places to help out a lot of people would do without."--Anonymous, Second Harvest Foodbank of Clark, Champaign, and Logan

PAPER PLATE: "I need St. Vincent DePaul food pantry to remain open because I have been unemployed, and I need the food because the food stamps do not last all month long. I wouldn’t know what to do if it were to close. Please keep it open."--Karen Hampsten, The Cleveland Foodbank

In closing, food insecurity remains at very high levels, which confirms that too few, not too many resources are being made available to struggling families who desperately need them. We applaud Congress for requesting GAO to conduct this research and to report the findings. I urge members of this committee to carefully consider implementing many of the recommendations and move quickly to prioritize the changes that would result in the largest and most immediate cost savings and program integration.
Recommendations:

- Congress should facilitate the ability for states to integrate streamlined enrollment of eligible people across several key programs: SSI/SSDI, Medicaid, Medicare and Domestic Food Programs. This could be supported by:
  - allowing for data sharing and interconnected data systems, and
  - providing the Social Security Administration with the ability and mandate to directly enroll low-income seniors and person with disabilities in all federal nutrition programs for which they are eligible.

- Recipients of Unemployment Compensation should be notified about federal employment and training programs that are available to them for additional education to enhance their skills.

- The United States Department of Agriculture should require states to provide a comprehensive plan for how they will ensure that eligible individuals will be enrolled in all domestic food programs rather than individual, program-specific efforts. In support of that effort, USDA could provide information to states and localities about how best to cross-leverage their outreach efforts.

- The federal government should measure states’ success with enrolling eligible individuals in a core package of programs, such as SNAP, Medicaid and school meals rather than assess participation by individual programs. Agencies could establish a national standard for multi-benefit application assistance programs and create incentives and funding to maximize participation by eligible low-income families and individuals in income-enhancing programs. States and local governments that create seamless enrollment systems to connect those most in need to available supports should be recognized and rewarded. Their best practices could be promoted in other locations.

- Expand efforts and resolve to: strengthen and create interdepartmental coordination, universal application, single agency consolidation and facilitate streamlining of public benefits, eligibility and applications processes. These efforts will free up administrative funding that can be directed to increasing benefits levels and support expansion of eligibility standards.

Respectfully submitted,
Lisa Hamler-Fugitt, executive director
Ohio Association of Second Harvest Foodbanks
51 North High Street, Suite 761
Columbus, Ohio 43215
614/221-4336 ext 222
Lisa@oashf.org
www.oashf.org
www.ohiobenefits.org