Proponent Testimony for Senate Bill 17
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Ohio Senate Government Oversight and Reform Committee
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Good morning Chair Roegner, Vice Chair McColley, Ranking Member Craig, and Members of the Ohio Senate Government Oversight and Reform Committee. My name is Blake Hanlon with Equifax. Equifax Workforce Solutions employs about 160 people in Ohio including about 130 at 3455 Mill Run Drive in Hilliard. I am honored to express our support for SB 17 this morning. We applaud and appreciate Senator Schaffer's leadership on this important issue. Thank you for the opportunity to offer proponent testimony today.

Equifax Workforce Solutions has a twenty-year partnership with Ohio's Department of Job and Family Services (ODJFS). Equifax helps the state verify eligibility for Medicaid, Supplemental Nutrition Assistance Program (SNAP), TANF, and Child Support. Equifax maintains a suite of data insights including The Work Number, the industry-leading provider of income and employment verifications in the U.S. Through this powerful database, Equifax offers credentialed verifiers, like ODJFS, access to over 111 million active employee records.

Last year in the U.S., we provided over 80 million verifications including more than 1 million verifications for ODJFS that helps county and state employees ensure the right Ohioan gets the right benefit at the right time. Using up-to-date consumer income and employment information is a smart investment by the State because it eases the burden on public assistance applicants by helping reduce their need to provide documentation. We are proud to help the ODJFS and county employees every day as they assist Ohioans with their benefit applications.

We believe SB 17 would help state agencies with more accurate data and further improve the programs' efficiency and integrity. However, we respectfully offer some suggestions of ways the bill could be made even stronger with improved ways the state can verify eligibility for Medicaid, SNAP, and Unemployment Insurance (UI).

- Missouri, Texas, New Jersey, Iowa, and Kentucky have recently considered proposals and enacted laws that require their state agencies to verify income, assets, and identity of applicants by using commercially available data from a third-party consumer reporting agency governed by the federal Fair Credit Reporting Act (FCRA).
- We recommend that SB 17 could include a requirement for ODJFS to use the U.S. Health and Human Services (HHS) Department's Centers for Medicare and Medicaid Services (CMS) federal data services hub and access income and employment information to make accurate Medicaid determinations, and redeterminations, like many other states currently do. According to CMS in 2020, the nationwide Medicaid improper payment rate was 21.36% and "eligibility errors are mostly due to insufficient documentation to affirmatively verify

eligibility determinations or non-compliance with eligibility redetermination requirements." States that use the CMS Hub have seen dramatic improvements in reducing determination times and accuracy.

- During these incredibly challenging times of the pandemic, we believe the unemployment insurance component of SB 17 could be further strengthened by enabling a "real-time eligibility system" as often as weekly which would provide ODJFS with an accurate picture of Ohioans' needs, especially when they are able to return to work. Real-time data can more accurately and quickly determine if an applicant has returned to work, moved out of state, been incarcerated, or passed away. Data solutions are proven to help prevent fraud and identify applications from outside of Ohio. According to the data ODJFS provided the U.S. Department of Labor in 2020, Ohio had a 11.74% UI improper payment rate (more than $39 million). To date, the economic conditions of the pandemic have required Ohio to borrow $1.4 billion from the federal UI trust fund. We believe adding a requirement to SB 17 that ODJFS use more accurate and timely data is the right policy for Ohio's dislocated workers and employers who pay UI taxes.

- Similarly to above, we believe ODJFS should be provided more timely data to properly determine eligibility for SNAP benefits. According to data Ohio provided the US Department of Agriculture, Ohio's SNAP payment error rate was 8.04% higher than the national average of 7.36% in FY19. More accurate and timely data can assist ODJFS in reducing the payment error rate and expediting SNAP applicants' processes.

Equifax is proud to partner with the state of Ohio and we applaud the hard work you and the state agencies do on behalf of your constituents. We look forward to working with this Committee, and the entire Senate on Senate Bill 17. I appreciate your time today and would be pleased to answer questions you may have.