

Chair Roegner, Vice-chair McColley, Ranking Member Craig, Members of the Government Oversight and Reform Committee, thank you for the opportunity to present testimony against SB17.

My name is Regina Campbell. I have been an attorney at the Legal Aid Society of Greater Cincinnati for over 24 years. Our mission at LASGC is to resolve serious legal problems of low-income people, to promote economic and family stability and to reduce poverty through effective legal assistance. As a Legal Aid attorney, I have directly represented, or supervised the representation of thousands of individuals and families seeking to get or keep SNAP, Medicaid and Unemployment Insurance Benefits. I have also worked directly with the Ohio Department of Job and Family Service and the Ohio Department of Medicaid on numerous system issues at both the county and state level.

I can tell you, unequivocally, based on that experience, that the changes in this bill will make it much harder for eligible Ohioans to keep their SNAP and Medicaid. In addition, the collection requirements for Unemployment Insurance Benefits are unnecessary to combat fraud and will harm people. The proposed changes in SB 17 will especially negatively impact working Ohioans.

1. **RC 5101.545 – SNAP:** Currently, people on SNAP only have to report when their income goes above the eligibility limit for their family size. Thus, small fluctuations in income do not require reporting, and do not affect eligibility.

SB17 will require people to report “a change in the amount earned of more than \$100 a month.”¹ My clients have that change in their income every, single month. Low-wage Ohioans do not get a salary. Their paychecks are rarely the same each week. A \$100 monthly swing in income is not just typical, it is routine.

My clients provide health care in nursing homes and private homes. They prepare fast food. They work retail. Every single one of those jobs is hourly, and schedules change each week. Oftentimes, if work is slow, they are sent home early or a shift is canceled. Just as often, they may get a few hours of overtime because a co-worker didn’t show up for their shift, or the job requires extra hands for a few hours.

This change will require thousands and thousands of working people on SNAP to report changes monthly, when under our current system they would have no obligation to do so. And very, very few will have changes that will make them ineligible for SNAP. The bill does not change the amount of time the county JFS will have to process the reported changes, so a person may literally report another change in income before the last one is even processed. It will cause chaos.

It will also cause many errors. You can quickly and easily see the damage caused by change reporting in Maine. After Maine implemented this change, their SNAP error rate went from 2%

¹ 7 C.F.R. 273.12(a)(1)

to 20% and the state was charged over \$2 million in penalties from FNS. Their Department of Health and Human Services has requested funding from the Maine general assembly to pay this penalty to FNS.² FNS takes the error rate very seriously and this change will most certainly result in a greatly increased error rate, and likely penalties to the state. Maine has under 160,000 SNAP recipients while Ohio has over 1.4 million. This change will cost Ohio money in implementation and then in penalties from the federal government.

2. **5163.51 – Medicaid:** SB17 would not allow the Department of Medicaid to take a self-attestation of income from a person applying for or receiving Medicaid. We routinely rely on self-attestations to prove when someone has lost a job.

Imagine if, when you leave a job, or get fired, that you have to go back a week or two later and ask them to fill out a form that proves you no longer work there. Business owners and employers have neither the time nor the inclination to fill out such a form. If an employer will not fill out the Employment Verification Form, and the Medicaid recipient/application cannot provide self-attestation of the job loss, the county agency must take responsibility to contact the employer. They neither have the staff nor the time to do this. And they will encounter the same resistance that individuals face; employers do not want to give time to talk about former employees. Although the county agency has access to employment databases, those do not show when employment ends. They can only show when a person is paid, and even that data has delays.

Without self-attestation, many individuals have no way to show their change in income. This would mean that a Medicaid-eligible person goes without Medicaid because they have no way to show they are now monetarily eligible for the program. Or a Medicaid recipient could be terminated for failure to provide required verification. Either way, a person or family that is eligible for Medicaid will needlessly go without coverage.

3. **RC 5166.45 – Medicaid:** SB17 requires the Department of Medicaid to recertify every Medicaid recipient's eligibility every 6 months rather than every year. And, that the Department cannot do this recertification solely by accessing available data on employment, but must require documentation from each recipient.

Every Legal Aid advocate will tell you that most of our benefit clients come to us during recertification. Many come to us because they have turned in everything requested by the county agency, but then are still proposed for termination for "failure" to provide required documentation. Others are confused as to what verifications they must turn in to the agency, and others simply do not have, and cannot get, what is being requested.

We have long argued that the Department of Medicaid should, to the extent possible, use employment information available in databases they already access, to conduct "no touch" recertifications for as many Medicaid recipients as possible. The fact that my client worked at Villa Hills Nursing Home last year, and now works at Serenity Meadow Nursing Home this year really doesn't matter; she is still a low-income working person who should keep her Medicaid.

² See written opponent testimony from Christine Hastedt, Senior Policy Advisor for Maine Equal Justice (MEJ).

And that process should involve as little back and forth paperwork with the county agency as possible.

Conducting recertifications every six months will certainly lead to more churn – when Medicaid eligible people are forced off the Medicaid rolls, only to come back a few months later. This churning causes chaos for both the County JFS workers, and for the Medicaid families. We also know that as go Medicaid-eligible adults, so go Medicaid-eligible children. When adults lose Medicaid, entire families lose Medicaid.

4. **RC 4141.351 – Unemployment benefits:** There are a lot of stories in the news right now about fraud in the unemployment system. It is important to note that the vast majority of this fraud is happening in the newly designed, newly implemented Pandemic Unemployment Assistance (PUA) program. This system was created pursuant to the CARES Act, and allows many people not traditionally eligible to collect benefits. ODJFS had to create an entirely new database for PUA. The fraud has overwhelmingly come from out of the state, and out of the country. Every state is dealing with fraud, not just Ohio.

ODJFS should, and already does, collect fraudulent overpayments. They also traditionally collect overpayments not associated with fraud. However, during the pandemic, we have seen numerous overpayments caused by ODJFS errors and system limitations.

We have a number of clients who were overpaid PUA benefits because of a system issue that caused the miscalculation of a claimant's weekly benefit amount (WBA). These clients properly entered their income information from 2019, and the system miscalculated their WBA higher than what they should have received. They were paid that WBA for months, unaware that it was wrong. Once it was adjusted, the clients were left with large overpayments. Claimants depended on this money to live and maintain their household. These are all people who lost their jobs due to COVID – whether their employer shut down, they got sick with COVID or if their children were in remote school – and were properly receiving PUA.

We have also seen clients overpaid in traditional unemployment due to errors by ODJFS. The system has been extremely overburdened during the pandemic, and many errors have been caused by ODJFS not properly reviewing cases. This is to be expected when they had to bring in hundreds of new employees to process cases. Again, just like with the PUA WBA cases, these overpayments resulted in erroneous payments over months and months.

The CARES Act, and the Continued Assistance for Unemployed Workers Act of 2020 allow ODJFS to waive overpayments that were caused by agency error. ODJFS should not be prevented from waiving overpayments that were caused by their own system errors. Collecting these overpayments will cause a hardship on the working Ohioans who properly applied for benefits, and had no idea they were receiving the incorrect amount.

Thank you for the opportunity to provide this testimony.

Respectfully submitted,

Regina Campbell, Managing Attorney
Legal Aid Society of Greater Cincinnati