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Testimony in Opposition to Senate Bill 17, as Regards eligibility for SNAP, Medicaid, and unemployment

Chair Roegner, Vice Chair McColley, Ranking Member Craig, and members of the Ohio Senate Government Oversight and Reform Committee, my name is Christine Hastedt and I am the Senior Policy Advisor for Maine Equal Justice (MEJ). I offer testimony today in opposition to the proposal to introduce change reporting in the SNAP Program as proposed by Senate Bill 17. MEJ is a nonprofit legal aid provider whose mission is to increase economic security, opportunity, and equity for Maine people with limited income. I am writing at the request of our colleagues at the Ohio Poverty Law Center to offer caution related implementation of "change reporting" in the SNAP program, based on Maine's experience with this policy in the years between 2016 and 2019.

Maine made the change to SNAP "change reporting" in 2016 under a prior Administration. At the time of this change, Maine became the only state in the nation to adopt this method of reporting in the SNAP program. MEJ submitted comments in opposition to this change during the rulemaking process making two arguments:

- (1) simplified reporting reduces the burden on households who need assistance; low income working families are most likely to experience fluctuations in wages caused by unpredictable schedules and loss of work due to sick days. It is well established that change reporting is more likely to result in benefit losses by workers subject to these unpredictable circumstances; and
- (2) the simplified reporting option was enacted by Congress to both make nutrition benefits more accessible to eligible households, and also to reduce workload pressures faced by states as they administer the Program. As a result, simplified reporting protects states from increased exposure to quality control errors.

Following implementation of change reporting we saw numerous clients who lost needed SNAP benefits because of the additional bureaucracy and paperwork involved. While most had their eligibility restored, these families suffered a break in assistance that contributed to Maine's high level of food insecurity.

Moreover, as we predicted Maine's error rate shot up following implementation of change reporting. Our payment error rate increased from 2.52 in 2014 (SNAP error rates were not calculated for all states in 2015 and 2016), to 19.12 in 2019. The new Administration has now reversed this policy and returned to simplified reporting.

As a result of increased error rates, Maine was subjected to federal penalties. For the first year we were allowed to reinvest in technology in lieu of direct repayment. This year however, Maine's supplemental budget includes a request for an appropriation of \$1,335,594 to repay the federal government directly for the penalty due for our increased error rate during the period of change reporting. (Pg. A-43

https://www.maine.gov/budget/sites/maine.gov.budget/files/inline-

files/GF%20Supplemental%20Part%20A_0.pdf). During testimony on the Supplemental Budget a representative of our Department of Health and Human Services noted that the previous administration was provided with written notice of this problem in 2017, but failed to take any corrective action.

In light of this experience, we strongly caution against the adoption of SNAP change reporting in Ohio.