

Expanding Categorical Eligibility for Food Stamps
ODJFS Office of Family Stability
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1. What does categorical eligibility mean?

"Categorical eligibility" is a term created by federal food stamp law. In essence, the law states that individuals determined eligible for certain other programs are considered eligible for food stamps. Specifically, pursuant to federal law, states must not count resources of individuals in assistance groups where all members are categorically eligible for food stamps.

When all members of an assistance group are receiving SSI or cash assistance, or are receiving or are authorized to receive TANF or MOE funded benefits and services, the assistance group is categorically eligible for food stamps, and their resources are not considered when determining eligibility. All other food stamp eligibility criteria must be met.

The federal food stamp regulations provide some options to states with respect to expanding categorical eligibility for assistance groups who are receiving or authorized to receive TANF or MOE funded benefits and services. States have the authority to determine which of the TANF or MOE funded programs or services are of benefit to the entire household and therefore confer categorical eligibility. States also have the option to determine whether TANF or MOE-funded services that meet TANF purposes 3 or 4 (as long as there is an income eligibility limit up to 200% of the federal poverty level) will confer categorical eligibility to the entire assistance group.

2. What does Ohio do now?

All assistance groups who are receiving Ohio Works First, Disability Financial Assistance or SSI are categorically eligible for food stamps and the resource test does not apply. Additionally, PRC, ELI and other TANF-funded benefits and services confer categorical eligibility for food stamps.

3. How is Ohio expanding categorical eligibility?

To improve food stamp participation and payment accuracy, we are expanding categorical eligibility under the federal options for assistance groups who are receiving or authorized to receive TANF-funded services.

The Ohio Benefit Bank, a statewide service that is funded with TANF funding and other state, federal and private funding, offers application assistance and outreach to low and moderate income Ohioans for existing benefits and services, including cash assistance, food stamps, Medicaid, child care, student financial aid, and fatherhood programs. The Ohio Benefit Bank also offers tax filing assistance. With the variety of outreach, referral and application assistance offered, the Ohio Benefit Bank is reasonably expected to meet

all four purposes of the TANF program, and thus all food stamp households, not just families with children, can be authorized to receive Ohio Benefit Bank services.

The county departments of job and family services will automatically authorize households to be eligible to receive Ohio Benefit Bank services when they apply for food stamps. Every assistance group will receive information on how to access the Ohio Benefit Bank services. The following statement will be provided to each assistance group on the "Printed Copy of Information" provided to them at the end of an interactive interview, and on every food stamp approval notice issued via CRIS-E:

This is to let you know that you are authorized to receive services such as help in applying for cash, food, or medical benefits, income tax credits, and work support programs from the Ohio Benefit Bank. The Ohio Benefit Bank is a community-based program that helps low and moderate-income Ohioans claim the work supports they need to make ends meet, to continue working and to improve their lives. If you would like to learn more about the Ohio Benefit Bank or receive services from the Ohio Benefit Bank, you may call 1-800-648-1176 or go to www.obb.ohio.gov to find a location near you.

All food stamp assistance groups (with the exception of sanctioned households and households under an intentional program violation) will automatically receive this information, and will therefore be categorically eligible for food stamps. County agencies will not need to do any type of referrals or provide information about the Ohio Benefit Bank since the notification will occur automatically via CRIS-E.

Sanctioned households and households under an intentional program violation may not be considered categorically eligible pursuant to federal regulations. 7 CFR 273.2(j)(2)(vii).

4. Is this approach allowable?

Existing federal food stamp regulations permit this approach. Fifteen states have expanded categorical eligibility in this way. Many of the states provide a TANF-funded brochure regarding services available which serves as a TANF "information and referral service." Other states, including Michigan and Delaware, provide information on existing applications or notices that informs households how to access the TANF-funded service for which they have been authorized.

5. Why expand categorical eligibility?

Potentially more people will be found eligible for the food stamp program, and promotes savings for those households already on the program. The current resource rules are a disincentive to build equity and save for the future. They discourage people from saving for emergencies, a new home, education or retirement, all of which are important parts of self-sufficiency. It is important to note that this new policy will most likely not "open the floodgates" for everyone to become eligible for food stamps. In the last year, only 1300 cases were denied or terminated as a result of assistance groups' resources

exceeding the resource limit. Ohio Works First has not had a resource limit since 1997 and the vehicle resource limit was eliminated for food stamps in 2001. Neither of these changes resulted in a large increase in caseload.

Ease of administration. Eliminating the resource test reduces casework for determining food stamp eligibility considerably. Additionally, the resource rules are complicated, particularly the rules pertaining to real property and different types of accounts. Determining whether an assistance group has a resource that is available to it, whether it is an exempt resource, and getting verification for the resource from the household or other third parties is time-consuming and error-prone. The county agency also will not have to act on reported resource changes that occur during the food stamp certification period. Approximately 70,000 data matches on resources are issued statewide each year. Categorical eligibility will also reduce the work that quality control reviewers currently do to verify resources in cases pulled for the food stamp review.

Reduction in errors. The county agency will not have to act on resource changes and will not have to determine whether something is a resource or is accessible to the household. Quality control reviewers will no longer consider resources as part of the quality control review. While resource errors are not great in numbers, they tend to have a high dollar amount.

Makes the application and reporting requirements easier for a majority of households. Assistance groups should not have to verify any resources they might have for food stamps. Assistance groups can report resources but no follow up will be required for food stamps for any assistance group. Additionally, assistance groups will not need to report a change in resources unless they need to report the change for another program.

Brings Ohio into compliance regarding categorical eligibility. Ohio has a multitude of programs funded with TANF, and many of them would confer categorical eligibility to food stamp assistance groups. These programs vary by location, duration, population served, eligibility criteria, and type of benefits or services. As a result, a county agency can have a difficult time identifying when a food stamp assistance group is authorized to receive or has received these services. Expanding categorical eligibility to all assistance groups eliminates the need to explore categorical eligibility under the many different TANF-funded programs in Ohio.

6. How does the Ohio Benefit Bank fit into this new policy?

The Ohio Benefit Bank does not determine eligibility or issue benefits, or otherwise replace the work done by the county departments of job and family services. Pursuant to federal law, **only state merit staff can determine eligibility and authorize food stamp benefits.** As a result, county staff are critical and irreplaceable in ensuring that low income Ohioans who are eligible can participate in the program.

Persons applying for food stamps at the county department of job and family services do not have to access the Benefit Bank services to be categorically eligible, nor do county departments have to track whether they used it or not. Caseworkers do not have to

provide any information to food stamp applicants about the Ohio Benefit Bank because it will be provided via the CRIS-E generated Printed Copy of Information and on CRIS-E notices.

The Ohio Benefit Bank is a statewide service that offers assistance in completing applications for existing benefits and services and sending the applications to the appropriate agency. Applications include the Request for Cash, Food and Medical Assistance (JFS 7200) and the Free Application for Federal Student Aid (FAFSA). A web-based question and answer tool is used by volunteer counselors to screen people for potential eligibility for benefits and services, including HEAP, child care, food stamps, Medicaid, and others. If a person indicates an interest in applying, the Benefit Bank counselor will ask additional questions that will result in a completed application the person can submit to the appropriate agency.

The Ohio Benefit Bank offers free federal and state electronic tax filing so that Ohioans can claim tax credits such as the Earned Income Tax Credit and the Child Care Credit. Tax forms are completed using the web-based question and answer tool, and tax forms are electronically submitted to the appropriate agency.

The Ohio Benefit Bank is also engaged in outreach to Ohioans about the food stamp program and other work supports and services, including fatherhood programs.

County agencies are encouraged to learn more about the Ohio Benefit Bank and collaborate with local non-profit organizations in conducting outreach about programs and services. The Ohio Benefit Bank provides information and application assistance for a number of programs and services beneficial to the clients we serve, including programs that are not provided by the county departments of job and family services. More information about the Ohio Benefit Bank can be found at <http://www.obb.ohio.gov>.

7. Will resources still be reviewed by quality control reviewers?

Quality control reviewers will not look at resources as of the effective date of the policy since there will be no resource test.