

OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

REPORT IDENTIFYING THE NUMBER OF BENEFIT RECIPIENTS BY EMPLOYER

February 24, 2006

The Ohio Department of Job and Family Services received requests from the news media, legislators and a research organization to identify, by employer, the number of employees and assistance group members (for example children or spouses) who receive Medicaid and other public benefits. While no records existed that enabled ODJFS to immediately provide such information, the agency undertook a voluntary effort to create a report in response to these requests. This report identifies, by employer, the average monthly number of assistance group members (including employees) who received Medicaid, food stamps and Ohio Works First cash assistance in 2004 and 2005.

BACKGROUND

The Client Registry Information System – Enhanced (CRIS-E) is a centralized statewide automated system that is used by more than 18,000 caseworkers and administrators in 88 county departments of job and family services to accept applications, determine eligibility and issue benefits for programs that include Ohio Works First cash assistance, food stamps and Medicaid. CRIS-E, which became fully operational in 1992, operates as a legacy, IBM mainframe system mainly employing COBOL software to support online processes and batch cycles. The system includes an integrated, statewide database updated via terminals in county and state offices. As part of the application process, county caseworkers are required to verify that applicants meet income eligibility standards. Caseworkers use the AEIEI screen of CRIS-E to enter employment information. Data fields on this screen include job title, hourly rate and cumulative earnings. Employer names and addresses are entered by caseworkers into a four-line, free-format text field. There is an employer taxpayer ID field on this same screen, but information is rarely entered into it because the IDs have no bearing on the eligibility determination process.

One suggestion that was investigated was that a report be generated by matching benefit recipient information from CRIS-E against employer taxpayer ID numbers that are part of wage record data maintained by ODJFS for operation of the Unemployment Compensation program. However, the U.S. Department of Labor has interpreted federal law (42 USC 503(a)(1) and (8)) to require that conforming state laws provide that employer, wage and claim information collected and maintained for the administration of the Unemployment Compensation program is confidential and not subject to public disclosure. The prohibition against disclosure is provided in Ohio Revised Code sections 4141.21 and 4141.22. Ohio Revised Code 4141.99 lists penalties of fines and/or prison for improper disclosure. Since it would not have been legally permissible to generate a match of Medicaid recipients with Unemployment Compensation wage record data for the purpose of publicly identifying the number of employees of particular companies who receive Medicaid, food stamps or Ohio Works First cash assistance, any count of the employees of specific employers had to come from data contained exclusively in CRIS-E.

When CRIS-E was designed in the 1980s, it was developed as an automated tool to help county caseworkers determine eligibility and assess individual and family needs. It was not designed to be a case management or reporting system. By today's information technology standards, its ability to generate reports is limited. As a result, the aggregation of employer data from the free-format employer text field in CRIS-E required time and effort. In addition to the programming that was necessary, an extraction of employer field data from CRIS-E required review and analysis in order to ensure that employers were properly identified.

This was because the names of individual employers are subject to variations in style since this information is entered into the system manually by county caseworkers and no protocol exists specifying how employer names should appear.

METHODOLOGY

Because there is no protocol for employer name entry, thorough analysis was required to account for all the different ways employer names are shown in the system. In 2004 alone, there were 206,410 unique employer identifications in CRIS-E although the actual number of different employers was fewer.

In order to narrow the scope of the project to an achievable level, an analysis was conducted of all employer entries in CRIS-E from 2003 through 2005 to identify approximately 100 employer names that were most often entered into the system's employer field. These names were then standardized (to collapse different variations of the same employer into one) and corporate entities were tied together which resulted in a final list of 40.

Each employer on this list was then individually analyzed, using algorithms and visual inspection, in order to capture all possible entry variations. This method identified 3,214 different CRIS-E entries for McDonald's, 2,411 unique entries for Manpower, 1,344 for Wal-Mart and 1,163 for Kroger. Many entries included a location, store number or franchisee name either before or after the corporate name which greatly expands the number of possible entries for many employers.

Rules for categorization were developed by researching the *Gales Group* and *Hoover's* reference Web sites as well as corporate Web sites. Sub-divisions of corporations were counted at the headquarters level. Examples of these groupings included Ashland Oil, Marathon, Pilot, SuperAmerica and Speedway being counted as "Marathon." "Metromedia Restaurants" included Bennigan's, Bonanza, Ponderosa and Steak and Ale. "Wal-Mart" included Sam's Club. "Wendy's" included Baja Fresh and Tim Horton's. "Yum! Brands" included A&W, Kentucky Fried Chicken, Long John Silver's, Pizza Hut and Taco Bell.

Nested employers were categorized as the first employer. For example, McDonald's at Wal-Mart was counted as McDonald's. Subway/Taco Bell was counted as Subway. Employment through temporary agencies was grouped under the name of the agency. Individual franchises that are independently owned were reported together as one employer with multiple sites (meaning there is a single category for McDonald's).

Once all entry variations were captured for the 40 identified employers, the next step was to tally for each employer the number of employees and assistance group members who had received Medicaid, food stamp and Ohio Works First benefits, while they were identified in CRIS-E as being employed by the employer, during each month of calendar years 2004 and 2005. Individuals who received benefits, but not while they were identified as being employed by an employer, were not counted toward that employer's total. Individuals who received benefits while they worked for multiple employers were counted toward the total for each employer.

Finally, the numbers for each program are presented separately. Because people can receive more than one type of assistance, any attempt to combine the figures for the three programs for each employer would yield a duplicative count.

CONSIDERATIONS

There are many factors that should be considered when attempting to analyze the data in this report, especially regarding Medicaid.

One such factor is the complexity that surrounds decisions individuals make about their health care coverage. It is important to note that eligibility for employer-sponsored health care coverage does not preclude eligibility for Medicaid. There are several circumstances that could lead people who are eligible for employer coverage to apply for and receive Medicaid. Some people with private insurance may pursue Medicaid coverage if it is more comprehensive than what an employer offers (in these instances, Medicaid is a payer of last resort). Employees may find that the cost of employer offered coverage is more than they can, or choose, to pay. Because children are eligible for the program at higher family income levels than adults, the children of employees may be eligible for Medicaid while their parents are not. For some employees, employer coverage is simply not available. It is not possible to ascertain from CRIS-E what percentage of employees listed in this report are eligible for private coverage.

The issues that impact employers are just as complex. Is coverage available only to full-time workers or to those who work part-time as well? How long do employees have to work before they become eligible? What level of coverage is offered? Is coverage offered to employees only or families members too? What percentage of costs should employees pay for? Are multiple plans available? Are decisions about coverage made at the corporate level or by individual franchisees? These intricacies are not quantified in any way in this report.

PROGRAM STATISTICS

In order to compare the counts by employer with the overall number of individuals in each program identified in this report, an analysis was conducted to determine the average monthly number of program recipients, the number of recipients with no employment listed in CRIS-E, the number with employment listed, the number listed as self-employed, the number listed as employed by a W2 employer and the number of recipients employed by a W2 employer that is among the 40 employers identified in this report. A small percentage of cases listed both W2 employment and self-employment.

It should be noted that the counts of people listed on the next page in various categories of employment (for example "W2-employed by employer listed in this report") include only the individuals employed and not other members of their assistance groups. The counts listed on pages 5, 6 and 7 of the report are larger because they also include assistance group members who are not employees of the companies identified. For example, the next page indicates there were 29,095 people who received Medicaid during 2005 who were employed by an employer identified in this report. Page 5 indicates that of the employers identified in this report, the total of employees and members of their assistance groups who received Medicaid during 2005 was 104,652. The page 5 figure is much larger because it includes assistance group members and not just employees.

The figures listed on the next page are for the average monthly number of individuals for 2004 and 2005.

MEDICAID

Medicaid is a state and federally funded program which provides health care coverage to low-income and medically vulnerable people. While eligibility for adults is currently limited to 90 percent of the Federal Poverty Guideline, for most of the period analyzed for this report adult eligibility was 100 percent of poverty which is currently \$16,600 per year for a family of three. Eligibility for children is 200 percent of poverty, or \$33,200 per year for a family of three. About 55 percent of recipients are children. As the figures below indicate, the 40 companies identified in this report represent only a portion of companies whose employees are in assistance groups that receive Medicaid. In State Fiscal Year 2005 the average annual cost of providing Medicaid to recipients in the Covered Families and Children category was \$2,273 per person.

	<u>2005 avg.</u>	<u>2004 avg.</u>
Medicaid recipients	1,678,454	1,622,366
Medicaid recipients, not employed	1,478,411	1,443,015
Medicaid recipients, employed	200,043	179,351
Medicaid recipients, self-employed	20,078	17,105
Medicaid recipients, W2-employed	181,749	163,726
W2-employed by employer in this report	29,095	26,146
W2-employed by employer not in this report	152,654	137,580

FOOD STAMPS

The food stamp program helps low income people obtain nutritious food. Benefits are funded by the U.S. Department of Agriculture. Food stamp eligibility is capped at 130 percent of poverty which is currently \$21,580 for a family of three. About 48 percent of recipients are children. As the figures below indicate, the 40 companies identified in this report represent only a portion of companies whose employees are in assistance groups that receive food stamps. In State Fiscal Year 2005 the average monthly issuance per person was \$94.

	<u>2005 avg.</u>	<u>2004 avg.</u>
Food Stamp recipients	1,081,768	1,061,090
Food Stamp recipients, not employed	936,525	920,291
Food Stamp recipients, employed	145,243	140,799
Food Stamp recipients, self-employed	14,706	13,501
Food Stamp recipients, W2-employed	131,792	128,486
W2-employed by employer in this report	22,471	22,416
W2-employed by employer not in this report	109,321	106,070

OHIO WORKS FIRST

Ohio Works First is part of Ohio's Temporary Assistance for Needy Families (TANF) program and provides time-limited cash assistance to eligible needy families. Benefits are funded with state and federal funds. To be eligible for the program family income must generally be below 78 percent of poverty, which is currently \$12,948 per year for a family of three. Nearly 75 percent of the recipients are children. As the figures below indicate, the 40 companies identified in this report represent only a portion of companies whose employees are in assistance groups that receive Ohio Works First. In State Fiscal Year 2005 the average monthly issuance per person was \$136.

	<u>2005 avg.</u>	<u>2004 avg.</u>
Ohio Works First recipients	185,362	194,532
Ohio Works First recipients, not employed	173,524	181,933
Ohio Works First recipients, employed	11,838	12,599
Ohio Works First recipients, self-employed	1,447	1,469
Ohio Works First recipients, W2-employed	10,505	11,248
W2-employed by employer in this report	2,288	2,439
W2-employed by employer not in this report	8,217	8,809

MEDICAID RESULTS

The average monthly number of assistance group members (including employees), by employer, who were determined eligible for Medicaid while they were identified in CRIS-E as being employed by the employer during calendar years 2004 and 2005 is listed below. The 40 companies that are identified are those companies that appeared most frequently in the employer field in CRIS-E from 2003 through 2005. There are many other employers not identified on this page whose employees are part of assistance groups that also receive Medicaid. Employers are listed in order from the highest average monthly number to the lowest average monthly number of employees/assistance group members during 2005.

<u>Rank</u>	<u>Employer</u>	<u>2005</u>	<u>2004</u>
1.	Wal-Mart	12,184	10,122
2.	McDonald's	11,359	10,140
3.	Yum! Brands	6,890	6,499
4.	Wendy's	6,305	5,848
5.	Bob Evans	4,861	4,077
6.	Kroger	4,754	4,066
7.	Burger King	3,746	3,431
8.	Frisch's	3,116	2,994
9.	Marathon	3,038	2,780
10.	Manpower	2,649	2,296
11.	CBS/EMS*	2,564	2,121
12.	Subway	2,335	1,955
13.	Adecco	2,276	2,149
14.	Meijer	2,269	2,273
15.	Spherion	2,246	1,908
16.	Goodwill	2,216	2,031
17.	Sears	2,079	2,148
18.	Giant Eagle	2,074	2,034
19.	Arby's	2,053	1,976
20.	Kelly Services	1,865	2,059
21.	YMCA	1,648	1,427
22.	Target	1,618	1,276
23.	Dollar General	1,617	1,520
24.	Family Dollar	1,567	1,407
25.	Cleveland Clinic	1,486	1,224
26.	Kmart	1,479	1,577
27.	Holiday Inn	1,408	1,312
28.	Cracker Barrel	1,332	1,164
29.	Interim HealthCare	1,250	1,004
30.	University Hospitals of Cleveland	1,191	1,086
31.	Big Lots	1,179	1,169
32.	InfoCision	1,044	797
33.	Home Depot	1,024	873
34.	Dairy Queen	907	801
35.	United Dairy Farmers	897	798
36.	Metromedia Restaurants	834	816
37.	Waffle House	769	661
38.	Salvation Army	648	660
39.	Minute Men	601	613
40.	Custom Staffing	542	400
	TOTAL	104,652	94,116

Because the figures for individual employers were rounded to the nearest whole number, the total figure at the bottom of the page may not exactly equal the sum of the individually listed numbers.

*CBS Personnel Services/Employee Management Services

FOOD STAMP RESULTS

The average monthly number of assistance group members (including employees), by employer, who were determined eligible for food stamps while they were identified in CRIS-E as being employed by the employer during calendar years 2004 and 2005 is listed below. The 40 companies that are identified are those companies that appeared most frequently in the employer field in CRIS-E from 2003 through 2005. There are many other employers not identified on this page whose employees are part of assistance groups that also receive food stamps. Employers are listed in order from the highest average monthly number to the lowest average monthly number of employees/assistance group members during 2005.

Rank	Employer	2005	2004
1.	McDonald's	8,886	7,959
2.	Wal-Mart	7,327	6,116
3.	Yum! Brands	5,221	4,878
4.	Wendy's	4,937	4,674
5.	Bob Evans	3,321	2,729
6.	Kroger	3,075	2,745
7.	Burger King	3,041	2,806
8.	Frisch's	2,326	2,195
9.	Marathon	2,103	1,933
10.	Manpower	1,810	1,614
11.	Subway	1,761	1,383
12.	CBS/EMS*	1,611	1,359
13.	Arby's	1,578	1,536
14.	Goodwill	1,536	1,399
15.	Spherion	1,495	1,371
16.	Meijer	1,426	1,459
16.	Giant Eagle	1,426	1,352
18.	Adecco	1,293	1,281
19.	Sears	1,276	1,366
20.	Family Dollar	1,242	1,121
21.	Kelly Services	1,223	1,410
22.	Dollar General	1,180	1,140
23.	Holiday Inn	1,116	1,060
24.	Target	1,058	869
25.	Kmart	1,012	1,077
26.	YMCA	932	863
27.	Cracker Barrel	925	764
28.	Interim HealthCare	913	689
29.	Cleveland Clinic	844	694
30.	Big Lots	785	818
31.	InfoCision	767	584
32.	Minute Men	665	685
33.	United Dairy Farmers	642	582
34.	Dairy Queen	627	533
35.	University Hospitals of Cleveland	620	619
36.	Metromedia Restaurants	604	595
37.	Waffle House	587	500
38.	Salvation Army	574	557
39.	Home Depot	536	423
40.	Custom Staffing	411	319
	TOTAL	73,110	66,400

Because the figures for individual employers were rounded to the nearest whole number, the total figure at the bottom of the page may not exactly equal the sum of the individually listed numbers.

*CBS Personnel Services/Employee Management Services

OHIO WORKS FIRST RESULTS

The average monthly number of assistance group members (including employees), by employer, who were determined eligible for Ohio Works First while they were identified in CRIS-E as being employed by the employer during calendar years 2004 and 2005 is listed below. The 40 companies that are identified are those companies that appeared most frequently in the employer field in CRIS-E from 2003 through 2005. There are many other employers not identified on this page whose employees are part of assistance groups that also receive Ohio Works First. Employers are listed in order from the highest average monthly number to the lowest average monthly number of employees/assistance group members during 2005.

Rank	Employer	2005	2004
1.	McDonald's	1,008	1,117
2.	Wendy's	588	605
3.	Yum! Brands	541	605
4.	Wal-Mart	356	310
5.	Burger King	328	353
6.	Kroger	320	331
7.	Bob Evans	302	306
8.	Frisch's	252	281
9.	Subway	201	199
10.	Arby's	189	206
11.	Manpower	176	186
12.	Marathon	160	177
13.	CBS/EMS*	132	155
14.	Giant Eagle	129	117
15.	Family Dollar	128	161
16.	Sears	122	142
17.	Goodwill	120	134
18.	Target	106	105
19.	YMCA	102	92
20.	Kelly Services	100	168
21.	Meijer	99	113
22.	Spherion	97	125
23.	Adecco	98	129
24.	Kmart	92	108
25.	Dollar General	91	103
26.	InfoCision	86	74
27.	Salvation Army	85	88
28.	Holiday Inn	83	90
29.	Waffle House	72	77
30.	Interim HealthCare	70	66
31.	Minute Men	68	84
32.	Big Lots	66	67
33.	United Dairy Farmers	60	56
34.	Metromedia Restaurants	58	70
35.	Dairy Queen	56	68
36.	Cracker Barrel	53	55
37.	Home Depot	32	26
38.	Cleveland Clinic	29	20
39.	University Hospitals of Cleveland	19	27
40.	Custom Staffing	17	14
	TOTAL	7,253	6,739

Because the figures for individual employers were rounded to the nearest whole number, the total figure at the bottom of the page may not exactly equal the sum of the individually listed numbers.

*CBS Personnel Services/Employee Management Services