



California Association  
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Catholic Charities  
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California Family  
Resource Association

Los Angeles Regional  
Food Bank

California Food  
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San Francisco and  
Marin Food Banks

## **Zero Churn in CalFresh:** Providing Food and Stability to Californians in Need *September 2014*

People with low or no incomes can enroll in CalFresh and receive benefits on an EBT card to purchase food. On average, households receive about \$330 per month for food. Currently, more than 4.4 million Californians are participating in CalFresh (also known as SNAP), significantly reducing hunger, poverty, and inequality in our state.

**Unfortunately, too many people who need food and who qualify for CalFresh are losing their benefits for administrative reasons and having to re-apply.** These interruptions of service lead to several significant problems:

- Sudden gaps in access to food create hunger, hardship, and instability for families.
- Re-applications for CalFresh generate redundant paper work both for families and the 58 California county social service agencies assisting them.
- More emergency requests for food and basic-needs assistance squeeze local food banks and community charities.
- Loss of federally-funded food benefits coming into California during the gap in service costs local grocery stores, farmers' markets, and the entire food sector approximately \$1.85 in economic stimulus for every \$1 of CalFresh benefits.

**The problem of families losing benefits while still eligible and then quickly re-applying is called "churn" and it is impeding Californians' access to CalFresh, the nation's number one defense against hunger.** California's total churn rate is 22% as of June 2014. In other words:

- More than 1 in 5 applicants for CalFresh received benefits within the last 90 days.
- Most (2/3) of these people were participating within the last 30 days, suggesting both an urgent need for food and an even greater likelihood of an administrative reason for the churn, as opposed to a change in eligibility.
- Most (2/3) of these people were due for their annual recertification when they lost their CalFresh benefits, suggesting that the recertification process may be inadvertently generating much of the churn rate and that targeted process improvements could reduce it.

## CalFresh Churn Rates

County social service offices receive many applications for CalFresh every month. Many of these applications are submitted by people who are applying for the first time, **but a large number of applications are submitted by people that were recently receiving CalFresh.**

For one reason or another, these people who are re-applying stopped receiving benefits - either because they actually weren't eligible anymore but then became eligible again; or because of administrative processes that are inadvertently dropping people who are still in need and still eligible.



**Of all applications being received each month, the percentage of applications being submitted by people who were receiving CalFresh within the last 90 days is called the 'churn rate.'**

**Statewide, one in five applications received at a county social service office is from someone who was on CalFresh in the last 90 days.**

**Administrative churn can be the result of many factors:**

- Annual recertification isn't completed due to confusing and cumbersome processes
- Problems with scheduling interviews
- Misunderstandings about what additional documents are required at recertification

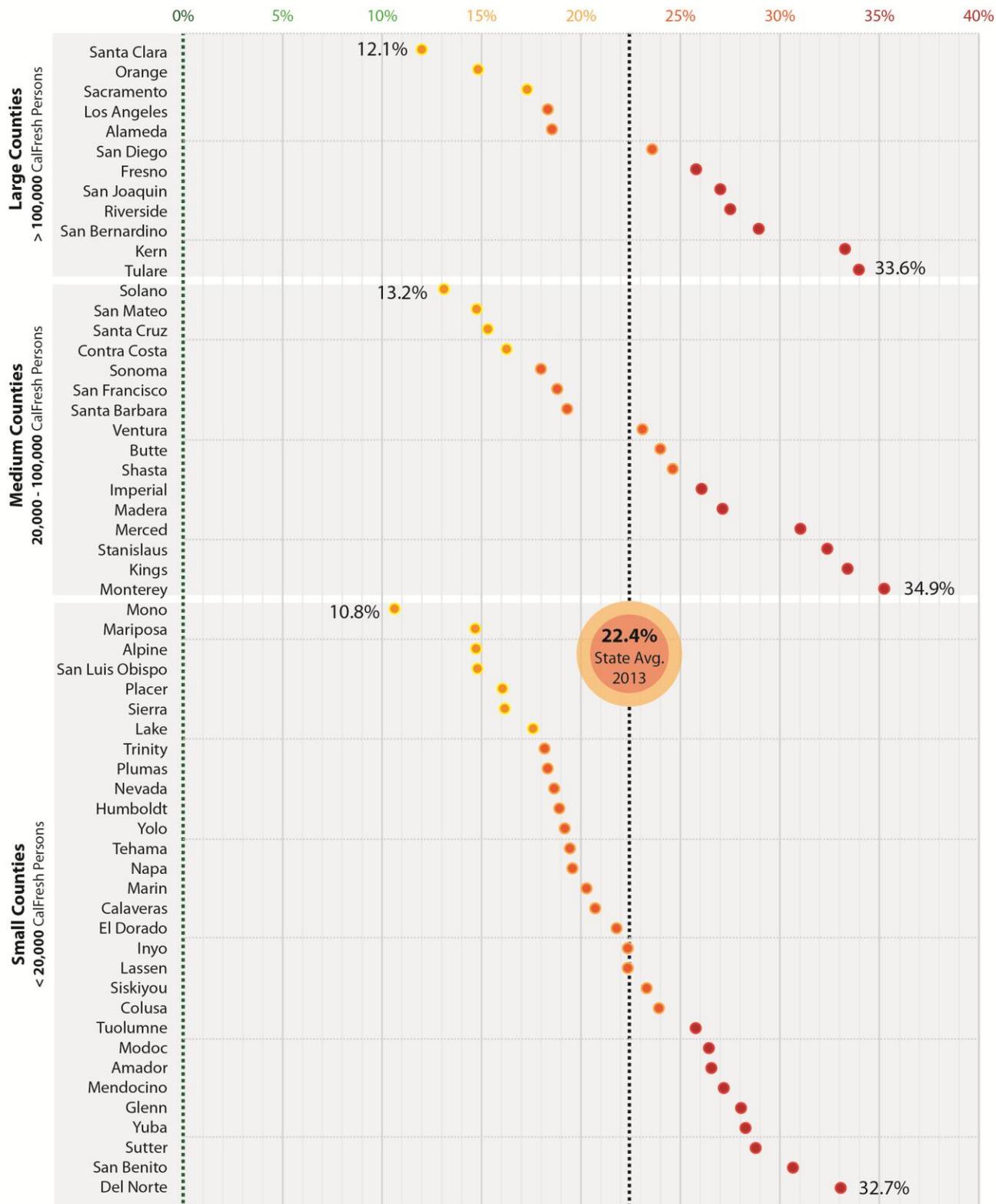


**Eliminating all administrative churn will ensure stability and food security for low-income families and individuals.**

### What causes eligible families to lose benefits?

- Consumers must complete a number of steps in order to maintain CalFresh benefits, such as reporting certain changes, filing a semi-annual report, and completing an annual recertification. Some of these steps rely on outdated technology and business processes. For example: requiring hard copies of documents, such as pay stubs, rather than using electronic or on-line verifications; requiring communication with individual case workers, rather than providing access to call centers with many case workers available; automatically assigning appointment times, rather than offering appointments that work with clients' schedules; and communicating by mail, rather than via text, email, and telephone. *More analysis is needed to determine the specific processes that are most driving churn.*
- Of course, some families experience churn when they have a positive change (such as a new job or a raise) and no longer need assistance; then, they have a quick reversal of fortune and need to re-apply for help. The focus here is on administrative churn, where a family's need and eligibility does not change and their service is interrupted for administrative reasons. *More analysis is needed to distinguish administrative churn from quick changes in eligibility, which may be more common among the 36% of CalFresh households that include low-wage workers.*

# CalFresh 90 Day Churn Rates: 2013 (Q4) by County



Data from the California Department of Social Services CalFresh Data Dashboard (<http://www.cdsscounties.ca.gov/foodstamps/>)

**The Alliance challenges California to reach a goal of zero administrative churn.** This is an ambitious, but achievable, goal for our state. California is one of few states to identify churn as a barrier to participation and to take steps to address it. In doing so, it is creating new metrics and new initiatives, in partnership with counties, advocates, and other states (e.g. Idaho).

**Building on the progress to date, the Alliance encourages CDSS and the counties to:**

1. Track the problem
  - a. Further refine CDSS and county tracking of churn, as reported in the Data Dashboard for CalFresh, by using standard codes and metrics across counties that can help i) separate out administrative versus eligibility-related reasons for loss of benefits and ii) identify the specific administrative processes linked to the most eligible people inadvertently losing benefits.
  - b. Drive towards the goal of zero administrative churn.
2. Identify solutions
  - a. Design streamlined forms and processes for CalFresh recertification, semi-annual reports, and other client interactions identified as inadvertently causing loss of benefits for eligible people (such as notices to clients, use of call centers, appointment scheduling, document submission), based on county practices proven to reduce administrative churn.
  - b. Incentivize county innovations to reduce administrative churn – for example, San Francisco County’s successful pilot with Code for America to text consumers a message alerting them to reach the call center as soon as possible to re-certify their eligibility.
3. Standardize for all consumers statewide
  - a. Rapidly implement statewide the new streamlined forms, processes, and successful innovations in all 58 counties.
  - b. Recognize those counties that dramatically improve their churn rates and provide targeted assistance to those counties with persistently problematic churn rates.

The initiative to reduce administrative churn is one part of California’s efforts to reverse its standing as one of the worst states in the nation at enrolling eligible people in CalFresh (or SNAP), according to the USDA’s ranking of state SNAP participation rates (2011). The good news is that progress is being made: as of spring 2014, California’s caseload growth is outpacing the rest of the nation -- in part because the lingering recession has created even greater need in California, but also because long-overdue policy and program reforms are finally improving customer service and access. The Alliance to Transform CalFresh is calling for California to achieve a 75% participation rate by 2016, on par with the national average. Reducing administrative churn to zero in all 58 counties is one essential strategy to reach that goal.