

Frequently Asked Questions: Three Connections to Healthy Eating

AB 2205

Assembly Member Noreen Evans has introduced AB 2205, legislation securing “three connections to healthy eating.” This bill will make it easier for recipients of MediCAL in California to enroll in food stamps. Then, building upon existing law, children in these food stamp families would be automatically enrolled for free meals at school. This brief responds to common questions about this proposal.

Why is the connection between health and nutrition important?

Nutrition is a health issue. Hunger exacerbates health problems, especially for children and the elderly. Poor nutrition can also lead to problems of overweight and obesity. The costs of obesity to the state of California are enormous: the California Department of Health Services estimates it costs the state over \$20 billion a year.

Why is the Food Stamp Program often viewed as a welfare program and not a health and nutrition program?

The Food Stamp Program has historically been aligned with cash welfare programs in application and eligibility requirements. Just a few years ago, the majority of food stamp recipients also received cash assistance. But times are changing: now, the majority of food stamp recipients do not receive cash welfare. Some nutrition advocates believe that further action is needed to continue to transform the Food Stamp Program into a health program (in order to increase interest and participation in food stamps). Aligning MediCAL and Food Stamp eligibility requirements, as AB 2205 does, would certainly help.

What is cat-el?

Historically, under categorical eligibility (or “cat-el”), the federal government allowed states to use enrollment in one cash assistance programs (AFDC, General Assistance) to streamline enrollment in food stamps. Under cat-el, administrators do not need to verify income and assets for food stamps as it was already done in the cash assistance program.

The bipartisan federal welfare bill of 1996 changed cash assistance programs dramatically (and the old “AFDC” program was renamed “TANF”). One important emphasis of the new welfare law was directing TANF funding not just to cash assistance but also to a variety of work supports. As a result, states have been allowed to make recipients of TANF-funded services—such as child care or educational services—categorically eligible for food stamps.

How have other states used cat-el?

Over 41 states seized the new opportunity provided by the expansion of cat-el. Some, like Texas, used it to establish a more realistic auto asset limit for food stamp recipients. Others used it as a tool to eliminate the time-consuming and outdated asset tests altogether. Still others used cat-el to connect and align low-income programs, such as Medicaid, with Food Stamps.

Is cat-el a way to skirt rules, such as the state's remaining drug felon ban, or to inflate food stamp benefits?

But Medi-CAL in California is not funded by TANF. How would this proposal work?

How would AB 2205 make things easier for families?

How does this work on a practical level?

Why focus on assets?

How will kids get free meals at school?

Even with cat-el, other food stamp rules still apply. For example, the ban on undocumented immigrants receiving benefits, the partial ban on drug felons receiving benefits, etc., would still be in place. And while a Medi-CAL recipient's income would not be checked again for determining food stamp eligibility, it would still be used to determine food stamp benefits levels, only now the income information would be imported from their Medi-CAL case.

Following the lead of other states and using existing USDA guidance, recipients of Medi-CAL would become authorized to receive a welfare-funded informational brochure or web-based flyer, which in turn would make them categorically eligible for food stamps. This authorization to receive a TANF-funded service would bestow categorically eligibility on the Medi-CAL population.

Right now, families frequently provide one government entity with lots of information and verification, only later to be compelled to provide the same information and verification for another program. AB 2205 addresses this problem by utilizing the information provided by MediCAL recipients to more easily enroll them in food stamps.

On a practical level, Medi-CAL recipients would no longer have to go through another income or asset check to see if they are eligible for food stamps; those checks already occurred when they applied for Medi-CAL. This will save time for food stamp administrators. Some clients benefit because in some cases (depending on family size and other factors) the Medi-CAL asset limit is slightly more liberal. This means that some families who may have been denied food stamps because of their assets might now be eligible for aid.

Experts recognize that families must be able to accumulate assets, if they are to overcome poverty. Families should not have to exhaust all of their assets and resources before getting help; yet, the Food Stamp Program currently only allows families to have only \$2,000 in assets. AB 2205 would not apply additional asset tests to food stamp recipients who are already receiving MediCAL, enabling some families to get help with food without having to hit rock bottom.

Federal law requires that children in food stamp households be automatically enrolled to receive free meals at school. With the passage of AB 1385 in 2005, Governor Schwarzenegger and the legislature chose to develop a computer matching process so that kids in food stamps would be enrolled at school without additional paperwork hassles for parents or school administrators. Kids in MediCAL households who get food stamps under AB 2205 would be added to the computer lists of kids eligible for free meals at school.

But hasn't

President Bush proposed repealing the expansion of categorical eligibility for food stamps?

The President proposed eliminating expanded cat-el last year but the proposal was rejected by Congress. The President has again proposed eliminating expanded cat-el this year. But again Congress is saying "no." In fact, Republican and Democratic leaders of key committees have been clear that no cuts to food stamps are going to occur in the near future. So it appears that the expanded cat-el option will continue to be available to California.

If the bill uses TANF, how will that affect the new TANF participation rates required by Congress?

The federal government has established new expectations for states in operating their TANF programs by focusing on participation rates. A specific percentage of people receiving TANF "assistance" in a state must be working or in other approved activities. The new TANF participation rates specifically affect TANF "assistance" The federal government has a clear definition of "assistance" and the services provided by TANF under AB 2205 would not meet that definition. As a result, the bill would neither help nor hurt our state's TANF participation rates.

More questions? Contact George Manalo-LeClair at george@cfpa.net or (415) 777-4422 ext. 103
