

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 1270
Version:	Proposed Committee Substitute
Request Number:	7117
Author:	Hall
Date:	2/27/2017
Impact:	DHS: \$9-11 million in state dollars OHCA: Minimal fiscal impact

Research Analysis

The PCS for HB 1270 directs the Oklahoma Health Care Authority (OHCA) and DHS to verify, respectively, the initial eligibility of every applicant for Medicaid and the Supplemental Nutrition Assistance Program (SNAP), and to require applicants to complete an identity authentication process. The agencies are also directed to review, on a quarterly basis, information concerning program recipients that may affect their continued eligibility. Further, DHS is prohibited from seeking any waiver of federal work requirements associated with the SNAP program and from establishing resource and income guidelines that exceed federal standards.

Prepared By: Marcia Goff

Fiscal Analysis

DHS: Based upon previous caseloads numbers, prior to broad-based categorical eligibility (BBCE) requirements, DHS estimates they would have to hire an additional 400-500 Social Service Specialist at a cost of \$9,000,000-\$11,000,000 annually.

OHCA: The Oklahoma Health Care Authority, utilizing state and federal data exchanges, currently collects and analyzes most if not all of the information HB 1270 requires, including income verification, citizenship, residency, assets, incarceration status, dual enrollment and death records. Some of these verifications are performed more than quarterly, others less than quarterly.

Prepared By: Stacy Johnson

Other Considerations

From the Oklahoma Department of Human Services:

The state option known as broad-based categorical eligibility (BBCE) allows states to extend SNAP eligibility to certain low-income households whose gross income is above 130 percent of poverty, but generally with disposable income below the poverty line, or who have modest assets. The state option makes SNAP available primarily to low-income working families with children or seniors. The option does not result in substantial SNAP benefits going to non-needy families. In 2011, only two percent of SNAP households had monthly disposable income (i.e. income after SNAP's deductions for expenses such as child care and high housing costs) above the poverty line.

OKDHS Adopted Broad-Based Categorical Eligibility (BBCE) for SNAP for the following reasons:

Recipient participation: To return to resource rules would be a disincentive to building equity and saving for the future. It would discourage people from saving for emergencies, a new home, education or retirement, all of which are important parts of self-sufficiency.

Agency ease of administration: Eliminating the resource test reduced the casework for determining SNAP eligibility considerably. Additionally, the resource rules were complicated, particularly the rules pertaining to real property and different types of accounts. Determining whether an assistance group had a resource that was available to it, whether it was an exempt resource, and getting verification for the resource from a household or other 3rd party was time consuming and error prone. The worker currently does not have to act on reported resource changes that occur during the SNAP certification. BBCE also reduced the work that Quality Control (QC) reviewers in cases pulled for the federal SNAP review.