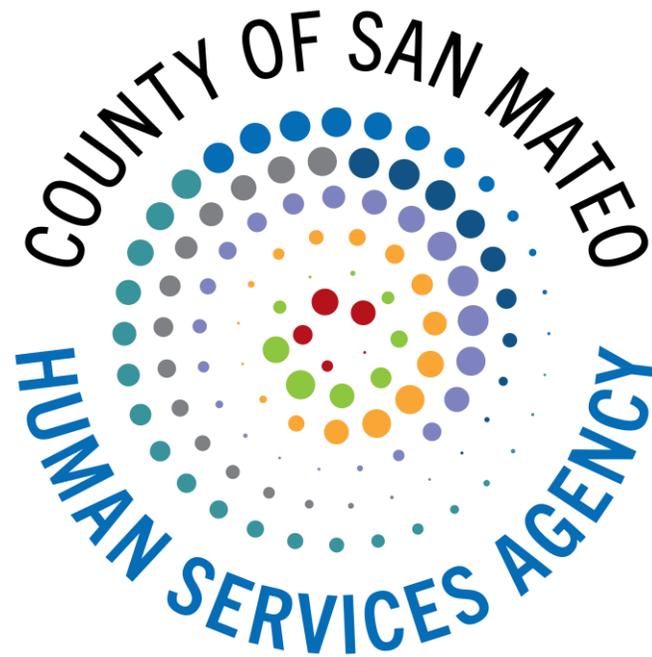


Changes to our Safety Net



HSA GUIDING APPROACH

- **Serve with compassion** – Protect continuity of service for residents who depend on them
- **Demonstrate accountability** – Make fiscally sound decisions that honor the trust of San Mateo County residents
- **Remain flexible** – Adapt as federal and state guidance evolves, while coordinating closely with partners and County leadership



COUNTY OF SAN MATEO
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Programs Affected in San Mateo County

Program	Residents	Notes
CalFresh	~34,800	~\$6.5M in benefits issued monthly (100% federal)
Medi-Cal	~155,000	~21% of SMC residents



Estimated Cost to the County

(Planning Ranges*)

FY 2025–26

Minimal fiscal exposure due to existing fed funding and State General Fund advances

FY 2026–27

~\$2.6 M
Est. exposure tied primarily to admin. cost shifts and reimbursement timing

FY 2027–28 and beyond

\$4 M – \$12 M
Federal SNAP Percentage Error Rate (PER) changes may shift state cost-sharing, expanding county liability

* Figures reflect planning ranges due to uncertainty in State backfill and federal reimbursement timing.



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CalFresh

Work Requirements

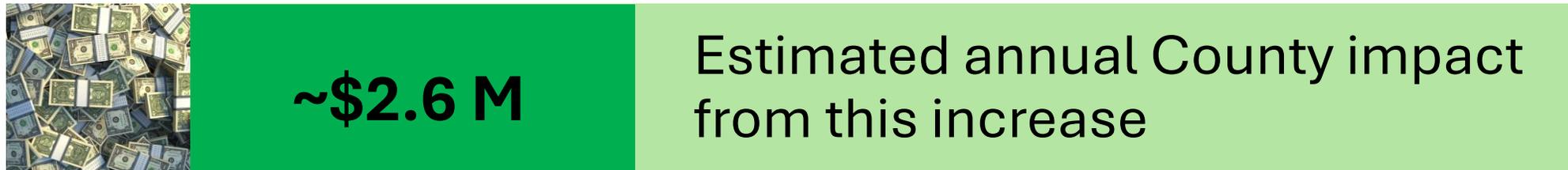
Some CalFresh recipients must meet new work or training requirements to stay eligible.

San Mateo County Residents	Important Dates
34,800 receive CalFresh	as of January 2026
3,700 subject to work requirements	Starting June 2026



CalFresh

Administrative Cost Increase



Starts October 1, 2026



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SNAP Payment Error Rate

The share of benefits paid in the wrong amount, either too much or too little.

- Federal SNAP Payment Error Rate (PER) penalties could reach up to **\$2 B** statewide
- County share exposure could range from **\$4 M to \$12 M**
- In California, the PER is calculated by conducting a detailed Quality Control review on a random, small sample of cases in large counties
- Starts October 1, 2027





Rising Rates of Uninsured Residents

~155,000 residents receive benefits



27,000 individuals subject to *asset limit test*



61,000 individuals subject to *work requirements*



93,000 annual renewals. **56%** subject 6-month renewal

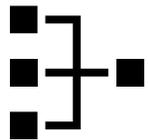


Other Workload and Client Impacts



Clients seeking clarity on timing and changes

Staff working harder on eligibility verification and workarounds



Operational strain if partial benefit processing continues

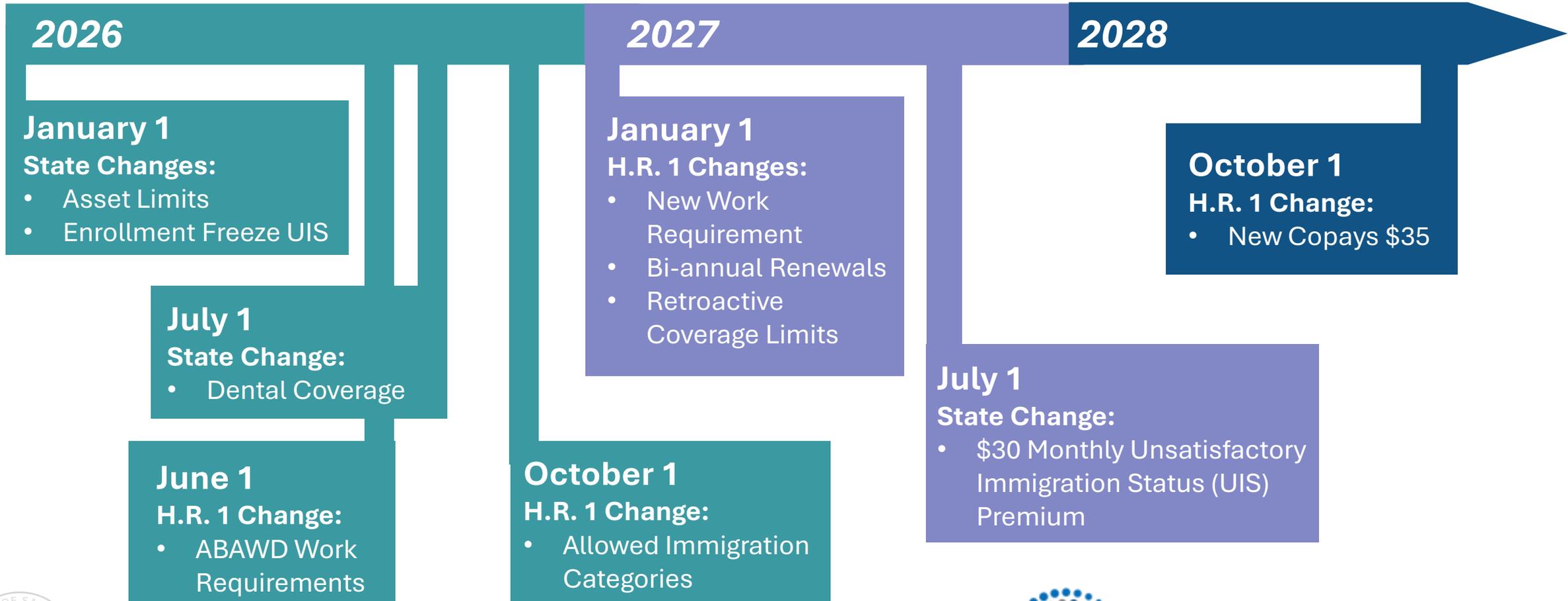
Strengthening coordination to protect services access



Immigration eligibility changes beginning in 2026 affecting Medi-Cal and CalFresh (UIS populations)



Timeline: Changes to Eligibility



Next Steps

- Stay aligned with State partners as guidance evolves
- Update cost estimates as implementation details emerge
- Monitor impacts on clients and operations
- Keep CEO and Board informed with clear recommendations
- Strengthen CBO partnerships through shared data and coordinated communications



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Questions?



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