



County of San Mateo

Inter-Departmental Correspondence

Department: HUMAN SERVICES AGENCY

File #: 20-118

Board Meeting Date: 3/10/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Ken Cole, Director, Human Services Agency
Subject: Modification to the General Assistance Program Rules and Regulations

RECOMMENDATION:

Adopt a resolution authorizing a modification to the rules and regulations of the General Assistance (GA) Program administration by:

- A) Providing GA benefits in the form of cash to clients' Electronic Benefit Transfer (EBT) card thereby eliminating the provision of vendor/voucher payments for such items as housing and food, except for payments made to board and care or other Alcohol and Other Drug (AOD) treatment facilities, and eliminating the practice of retaining a portion of the client's GA grant in an escrow account effective by no later than July 1, 2020; and
- B) Initiating the process to eliminate existing GA escrow accounts by issuing payment with the GA escrow balance to all living individuals whose whereabouts are known and following the state escheatment process for individuals who are deceased or whose whereabouts are unknown effective March 1, 2020, with anticipated depletion of all GA escrow accounts by May 31, 2023; and
- C) Allowing any escrow payments to current or former GA clients be disregarded as income or property for the GA program.

BACKGROUND:

State law requires counties to provide support for indigent county residents who do not qualify for other financial assistance. Counties meet this requirement by providing financial assistance through the GA program. Pursuant to Section 2.30.050 of the San Mateo County Ordinance Code, the Human Services Agency (HSA) is responsible for proposing changes to the rules and regulations concerning policies and procedures for GA program administration to the Board of Supervisors for approval.

Under the current GA program rules, GA clients must allocate their GA grant based on acceptable GA voucher/vendor payment options and can choose to receive the maximum cash amount of \$80,

which is insufficient to meet basic needs. Currently, the limited vouchers/vendor payment options include items such as food, utilities, rent, and payments for board and care and AOD treatment facilities.

GA clients also have the option to place a portion of their GA grant into an escrow account which can only be used for temporary or permanent housing. Currently, HSA maintains escrow accounts for over 800 current and former GA clients.

The GA program rules allow for limited exclusion of income, such as but not limited to, Federal and State Tax returns, Victims of Violent Crime compensation, and emergency assistance payments from community-based organizations. GA program rules further state, "Should a client receive a lump sum of income from any source they will be discontinued and must show how the money, less any expenses such as legal fees, was spent to be eligible again." The readily available property, such as cash, check, or bank account, limit for the GA program is \$50.

DISCUSSION:

HSA is requesting changes to the GA program administration to improve service delivery to the GA population, remove bureaucratic processes that do not meet the overall program goals, and reduce administrative costs by eliminating the manual process identified above. These recommendations are brought to the Board for approval as required by San Mateo County Ordinance Code Section 2.30.050:

- A. Reverting back to a cash program for the GA grant. If adopted, the entire GA grant would be issued to the client on an EBT card, which the client can then use at an Automated Teller Machine (ATM) or Point of Sales (POS) device to access their grant amount when purchasing items of need. The only exception allowed will be for vendor payments to board and care or alcohol and other drug (AOD) treatment facilities. The purpose of exclusively maintaining this type of vendor payment, is to meet the business needs of San Mateo County board and care and AOD treatment facilities. As of December 2019, there were 25 GA clients in a board and care or AOD treatment facility.

The current vouchers/vendor payment are restrictive and burdensome to clients as they may have to travel to stores/vendors that accept them and may be able to find lower prices at alternative sites. Additionally, Homeless GA clients are better served through EBT grant access, as they will not be required to come to the Harbor regional office to pick up their vendor warrants. HSA estimates that each GA client will save approximately 12-15 hours a year in time by not having to come to a county office to pick up warrants or fill out forms for lost or stolen warrants. EBT cards also reduce the client's risk of lost or stolen benefits as card use is protected by a PIN number and the card can be physically replaced if lost, stolen or destroyed.

Administratively, the current GA voucher/vendor payments requires eligibility staff to manually split payments for each vendor or voucher. By eliminating the split payment system and placing approved GA benefits onto the client's EBT card there is a reduction in workload for eligibility staff thus creating an administrative efficiency for the GA program.

The goal of the GA escrow accounts was to help GA clients secure housing. However, the escrow accounts have requirements that limit the ability for current and former GA clients to

withdraw funds. There are currently over 800 escrow accounts maintained by HSA, representing over \$600,000 in benefits held for clients but not accessible to this population to support their needs. Over time, these accounts have not met the intended goal and are administratively challenging for the HSA to maintain. For these reasons, HSA is recommending that this option be eliminated, and GA clients be given full access to the GA grants for which they are eligible.

- B. HSA will proceed with reconciling the current GA escrow accounts with any overpayments owed to HSA for the same client and initiate the process of eliminating existing GA escrow accounts.

HSA will issue a warrant, in the form of a check, with the GA escrow balance to all living individuals, whose whereabouts are known. Included with the warrant will be a notice that advises of any reconciliation based on overpayments owed by the individual to HSA. For escrow accounts where the individual is deceased or their whereabouts are unknown, HSA recommends the county follow the state escheatment process (Gov. Code Secs. 50050 to 50053). HSA anticipates all GA escrow accounts will be fully depleted by May 31, 2023.

- C. HSA proposes any GA escrow payments made to current or former San Mateo County GA clients be disregarded as income and property for the GA program to minimize any negative impacts to this population from the depletion of their escrow account.

County Counsel has reviewed and approved the resolution as to form.

FISCAL IMPACT:

This action will incur no additional Net County Cost. Appropriation for the General Assistance program was included in the FY 2019-2020 Adopted Budget and the FY 2020-2021 Preliminary Recommended Budget.