Categorical Eligibility Report Presentation to the LIOB

June 15, 2023

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What we will cover

> Background
  - Study goals
  - CARE/ESA/FERA overview
  - Categorical eligibility

> Methodology

> Results
  - Categorical Enrollment
  - Auto enrollment

Study Goals

Study Goals

Goal: Determine the degree of alignment of eligibility requirements of existing categorical eligibility programs with those of CARE, ESA, and FERA.

➢ Identify other means-tested programs that could serve to ensure categorical eligibility;

➢ Recommend practical criteria for selection of programs to be used to provide categorical eligibility;

➢ Recommend which programs should provide categorical eligibility going forward;

➢ Inform potential future auto-enrollment of participants from recommended categorical eligibility programs.

Results: Program Alignment for CARE and ESA

	Solid Alignment	Partial Alignment	Weak Alignment
Current CE Programs	• CalFresh • LIHEAP • WIC	• AIAN Head Start • CalWORKs • SSI • Medi-Cal • NSLP	
Not Current CE Programs		• California Head Start • CHIP • LifeLine • Section 8 • Section 202	• CCDBG • CFCIP • CMFRF

CARE/ESA/FERA

CARE/ESA/FERA Overview

California Alternate Rates for Energy (CARE)

➤ 30 - 35 percent discount on participants' electric bill and a 20 percent discount on participants' natural gas bill

Energy Savings Assistance (ESA)

➤ No-cost weatherization services including:

- Attic insulation,
- Energy-efficient appliances,
- Weatherstripping,
- Caulking, and
- Lighting

Family Electric Rate Assistance Program (FERA)

➤ For households with at least three members whose household income slightly exceeds the CARE allowances

➤ 18 percent discount on participants' electricity bill

CARE/ESA/FERA Eligibility Criteria

CARE

- Households; 200% FPL
- Self-certification of eligibility (categorical enrollment or proof of income); no verification at enrollment
- Verification conducted for a small share of participants after they have been served for a period of time
- Recertification every 2, 4, 6 years by self-certification (categorical enrollment or proof of income)
- No mandatory change reporting

ESA

- Households; 250% FPL
- Verification required at enrollment
- Proof after enrollment not required
- Proof at reapplication/
- recertification not applicable
- Mandatory change reporting not applicable

FERA

- Households; 200-250% FPL
- Self-certification of eligibility (proof of income); no verification at enrollment
- Verification conducted for a small share of participants after they have been served for a period of time
- Recertification every 2, 4, 6 years by self-certification or proof of income
- No mandatory change reporting

Categorical Eligibility

Categorical Eligibility

Categorical eligibility provides an alternative to income certification for applicants to show eligibility for CARE and ESA.

Categorical Eligibility

Customers are eligible for and can participate in CARE and ESA if they are currently enrolled in one of nine approved local, state, or federal means-tested programs.

Categorical eligibility trumps income eligibility

Households can self-certify income eligibility

2A Public assistance programs: (For CARE Program Only)

If you or someone in your household receives benefits from any of the following public assistance programs check all that apply. Fill out section 2A or 2B. You do not need to complete both sections.

- ☐ Bureau of Indian Affairs General Assistance
- ☐ CalFresh/Supplemental Nutrition Assistance Program (SNAP)
- ☐ CalWORKs/Temporary Assistance for Needy Families (TANF)
- ☐ Low-income Home Energy Assistance Program (LIHEAP)
- ☐ Medicaid/Medi-Cal for Families A & B
- ☐ National School Lunch Program (NSLP)
- ☐ Supplemental Security Income (SSI)
- ☐ Tribal TANF
- ☐ Women, Infants, and Children Program (WIC)
- ☐ Head Start Income Eligible (Tribal Only)

If you do not participate in any of the above programs, please complete Section 2B.

2B Household income eligibility: (For CARE or FERA Programs)

If your household does not participate in a public assistance program, please check all sources of household income for all members of the household and write the total income in the spaces provided.
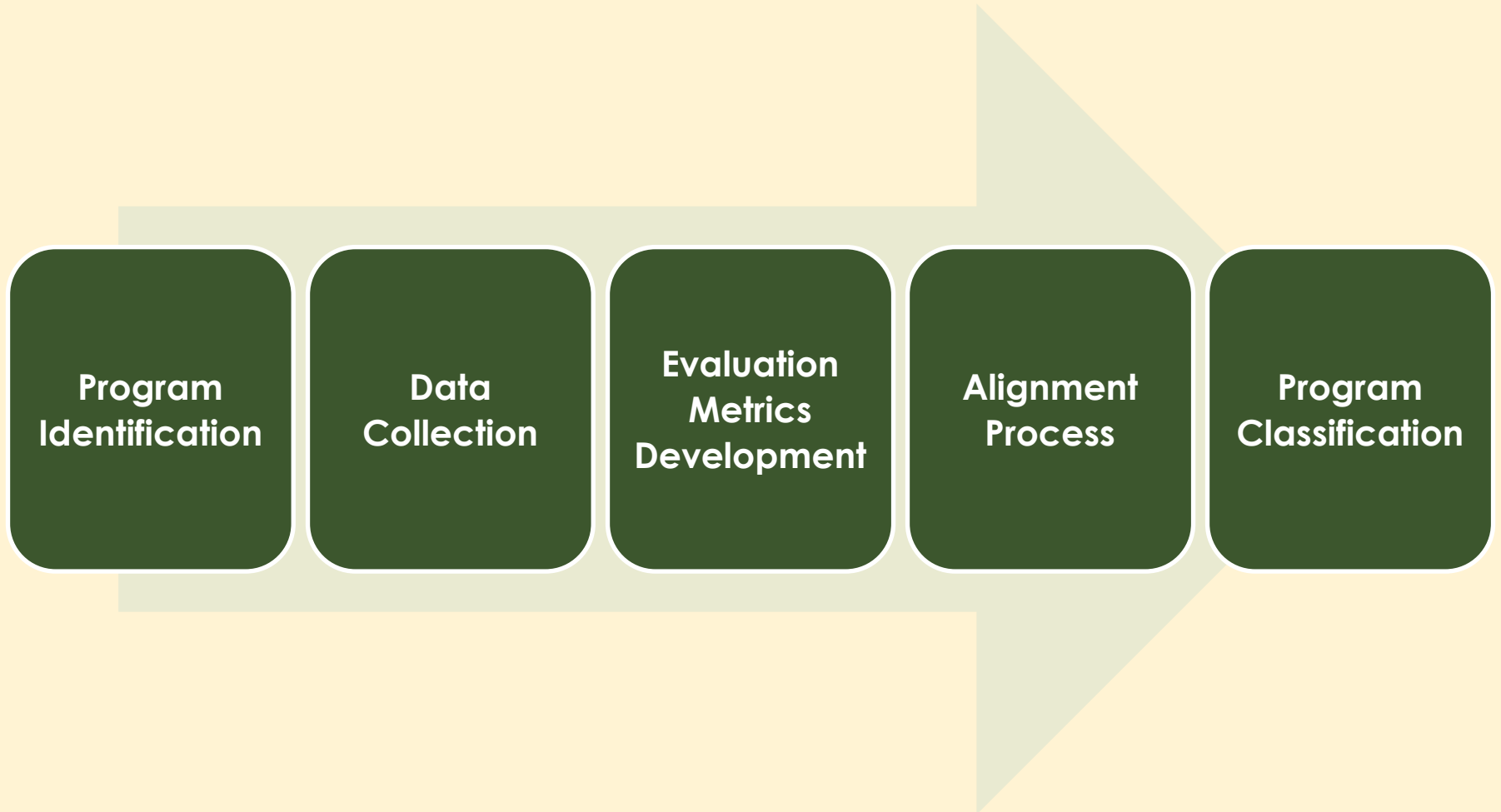
You must check (✔) all sources of your household's income, including:

- ☐ Wages and/or profits from self employment
- ☐ Rent or royalty income
- ☐ Pensions
- ☐ Social Security
- ☐ SSP or SSDI
- ☐ Disability or workers' compensation payments
- ☐ Unemployment benefits
- ☐ Scholarships, grants or other aid for living expenses
- ☐ Interest/dividends from savings, stocks, bonds or retirement accounts
- ☐ Spousal or child support
- ☐ Insurance or legal settlements
- ☐ Cash or other income

Total annual household income: $ ☐ ☐ , ☐ ☐ ☐ . 0 0

Methodology

Methodology: Process

Program Identification

Data Collection

Evaluation Metrics Development

Alignment Process

Program Classification

Methodology: Program Identification

- BIA GA
- CalFresh
- CalWORKs
- AIAN Head Start
- LIHEAP
- Medi-Cal
- NSLP
- SSI
- WIC

Current Categorical Eligibility Programs

Additional Programs Identified by the Study Team

- CMFRF
- CFCIP
- CHIP
- LifeLine
- Section 8

- CCDBG
- Section 202

Additional Programs Considered by Past Categorical Eligibility Study

Additional Programs Identified in Regulatory Directives

- California Head Start

Program acronyms defined on next slide

Program List with Full Names
(for reference)

Current Categorical Eligibility Programs

1. Bureau of Indian Affairs General Assistance (BIA GA)
2. CalFresh (Food Stamps, SNAP)
3. CalWORKs/Temporary Assistance for Needy Families (TANF), Tribal TANF
4. Head Start Income Eligible - Tribal Only (AIAN Head Start)
5. Low-income Home Energy Assistance Program (LIHEAP)
6. Medicaid/Medi-Cal for Families A & B
7. National School Lunch Program (NSLP)
8. Supplemental Security Income (SSI)
9. Women, Infants, and Children Program (WIC)

Additional Programs Considered by Past Categorical Study

10. Child Care and Development Block Grant (CCDBG)
11. Section 202

Additional Programs Identified by the Study Team

12. California Military Family Relief Fund (CMFRF)
13. Chafee Foster Care Independence Program (CFCIP)
14. Children's Health Insurance Program (CHIP)
15. LifeLine
16. Section 8

Additional Programs Identified in Regulatory Directives

17. California Head Start

Methodology: Data Collection

Publicly Available Data
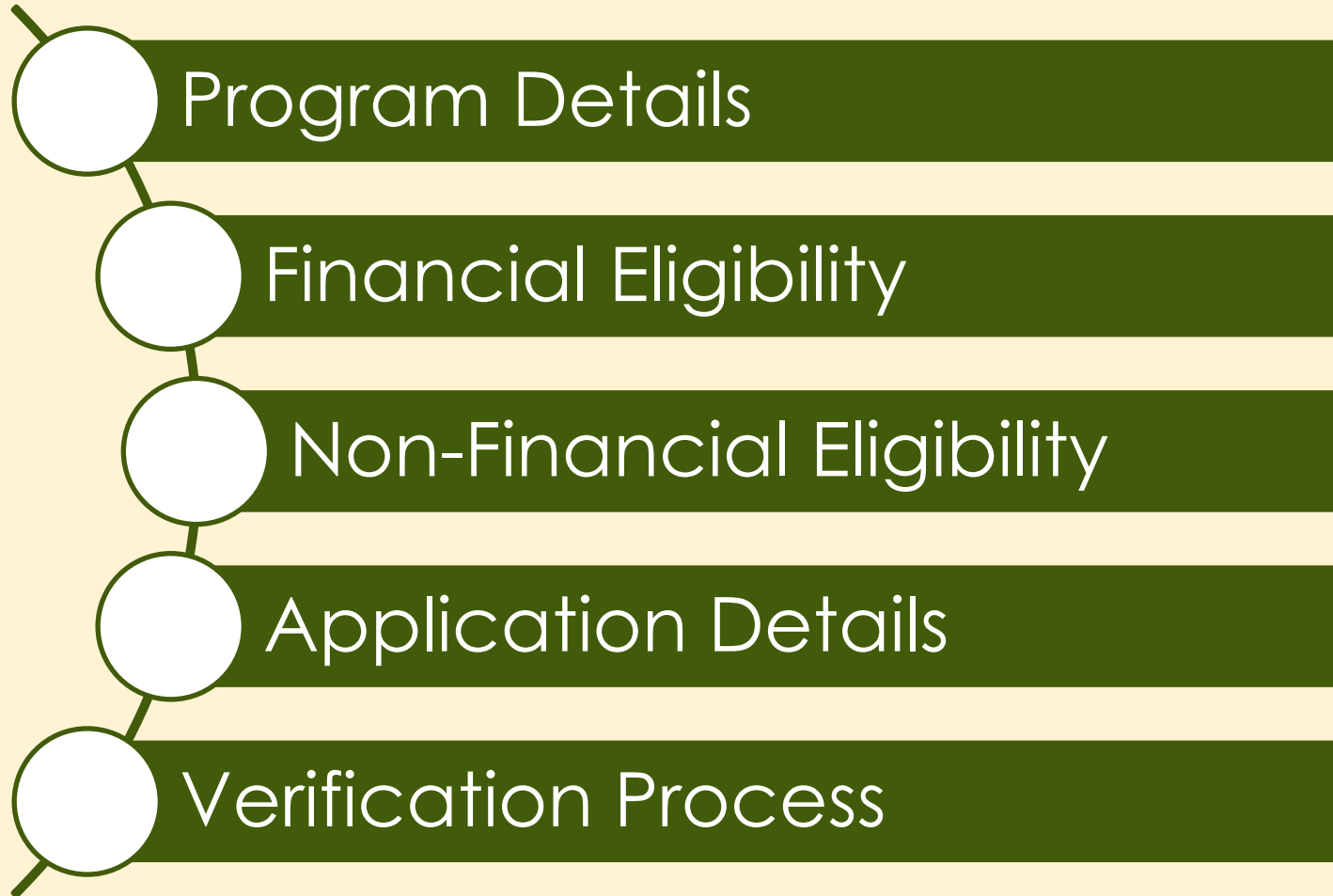
- Program website
- Program documentation

Interviews with Program Staff

- Confirmed information already collected
- Asked about information not yet found

Program Database

- A comprehensive resource of information from the sources above

Methodology: Data Collected

- Program Details
- Financial Eligibility
- Non-Financial Eligibility
- Application Details
- Verification Process

Methodology: Evaluation Metrics

Does program eligibility apply to households or individuals?

Unit of Qualification

Do the maximum income thresholds align with those of CARE and ESA?

Income Levels

Does the program assure eligibility by requiring proof of income on enrollment?

Assurance of Eligibility

Are there non-income ways to establish eligibility?

Alternate Paths to Entry

How long do participants stay eligible (per application cycle)?

Duration of Benefit Qualification

Methodology: Solid Alignment

CARE

- Households; 200% FPL
- Self-certification of eligibility (no verification at enrollment)
- Verification conducted for a small share of participants after they have been served for a period of time
- Recertification every 2, 4, 6 years by self-certification, categorical enrollment, or proof of income
- No mandatory change reporting

Solid
alignment

CalFresh

- Households; 200% FPL
- Verification of eligibility at enrollment and at every recertification
- Recertification every 6-12 months
- Immediate mandatory change reporting required
- Alternative paths to enrollment and program nuances

Methodology: Partial Alignment

CARE

- Households; 200% FPL
- Self-certification of eligibility (no verification at enrollment)
- Verification conducted for a small share of participants after they have been served for a period of time
- Recertification every 2, 4, 6 years by self-certification, categorical enrollment, or proof of income
- No mandatory change reporting

Partial alignment

LifeLine

- Households; customized income thresholds
- Verification of eligibility at enrollment
- Recertification every year to retain benefits
- Verification of eligibility after enrollment occurs during recertification
- No mandatory change reporting
- **Alternative paths to enrollment**

Methodology: Partial Alignment

CARE

- Households; 200% FPL
- Self-certification of eligibility (no verification at enrollment)
- Verification conducted for a small share of participants after they have been served for a period of time
- Recertification every 2, 4, 6 years by self-certification, categorical enrollment, or proof of income
- No mandatory change reporting

Partial alignment

CalWORKs

- **Assistance units**; Minimum Basic Standard of Adequate Care (MBSAC)
- Verification of eligibility at enrollment
- Recertification every 6 - 12 months
- Verification of eligibility after enrollment occurs during recertification
- Immediate mandatory change reporting required
- No alternative paths to entry

Methodology: Weak Alignment

CARE

- Households; 200% FPL
- Self-certification of eligibility (no verification at enrollment)
- Verification conducted for a small share of participants after they have been served for a period of time
- Recertification every 2, 4, 6 years by self-certification, categorical enrollment, or proof of income
- No mandatory change reporting

CMFRF

- Households; **Unquantified "dire financial need" threshold**
- Verification at enrollment
- No verification of eligibility after enrollment—not applicable
- No recertification—not applicable
- No mandatory change reporting—not applicable
- Program nuances

Weak alignment

Results

Category 1

Align in key criteria
- CalFresh
- WIC

Category 2

Align in key criteria, but income not based on FPL
- LIHEAP

Results: Program Alignment for CARE and ESA

Category 1 — **Align in key criteria**
- CalFresh
- WIC

Category 2 — **Align in key criteria, but income not based on FPL**
- LIHEAP

Category 3 — **Have multiple paths to entry – nuanced inclusion**
- AIAN Head Start
- California Head Start
- CalWORKs
- Lifeline
- SSI

Category 4 — **Have multiple paths to entry – difficult to include**
- CHIP
- Medi-Cal
- NSLP
- Section 8
- Section 202

Results: Program Alignment for CARE and ESA

Align in key criteria

Category 1
- CalFresh
- WIC

Align in key criteria, but income not based on FPL

Category 2
- LIHEAP

Have multiple paths to entry – nuanced inclusion

Category 3
- AIAN Head Start
- California Head Start
- CalWORKs
- Lifeline
- SSI

Have multiple paths to entry – difficult to include

Category 4
- CHIP
- Medi-Cal
- NSLP
- Section 8
- Section 202

Fundamentally weak alignment

Category 5
- CMFRF
- CFCIP
- CCDBG

Could not be vetted due to lack of information

Category 6
- BIA GA

Results: Considerations

➢ **None of these recommendations would preclude any income-eligible household from participating in CARE or ESA.**

➢ **Households can still apply through any remaining categorical program or by self-certifying their income.**

Recommendations: Program Alignment for CARE and ESA

	Recommended	**Option to Use Partially**	**Not Recommended**
Current CE Programs	• CalFresh • LIHEAP • WIC	• AIAN Head Start • CalWORKs • SSI	• NSLP • Medi-Cal
Not Current CE Programs		• California Head Start • LifeLine	• CCDBG • CHIP • CFCIP • CMFRF • Section 8 • Section 202

Results: What about FERA?

- Does not currently use categorical enrollment
- Number of participants is comparatively small
  - 16,927 new enrollments in 2021
- Current categorical programs qualify all FERA-eligible households into CARE
  - CARE is better for eligible customers
- Practical challenges in using categorical eligibility for FERA
  - Need new programs that specifically qualify up to 250% FPL
  - Need to add a screening for 3+ households

Degree of Verification

➢ Nearly all third-party programs use stricter and more rigorous validation process to enroll than CARE's self-certification.

– 14 out of the 17 programs verify eligibility at the time of enrollment.

– Eligibility is often verified every year for all participants.

– Some programs use in-person interviews to establish eligibility.

Use of Categorical Eligibility Among Third-Party Programs

> Categorical eligibility across third-party programs results in in at least three cases of indirect categorical eligibility entry to CARE and ESA.

Example:

- Program A is a categorical program for CARE/ESA.

- Program B is not a categorical program for CARE/ESA.

- Program A allows participants from Program B to enroll categorically.

- Results in Program B functioning as an indirect (and unintended) categorical eligibility program for CARE and ESA.

Auto-Enrollment

Definition/Context: Auto-Enrollment

- Auto-enrollment is intended to reduce barriers to entry by partially or fully bypassing the application process.

- Exploration of auto-enrollment was an addition to the study intent.

  - Generally, good categorical programs are technically suitable for auto-enrollment, but mechanics / logistics needed exploration.

- Multiple on-going/planned explorations outside this study.

Methodology: Auto-Enrollment

Contacts had knowledge of past and present data sharing efforts, data issues, legal issues, and the low-income programs

Conducted exploratory interviews with numerous contacts from SCE, PG&E, and SoCalGas

Reviewed an MOU/NDA from the IOU data sharing efforts with water utilities

Reviewed the LifeLine data sharing pilot evaluation report

Offline discussion with program contacts at LifeLine

Gained context on data sharing between the IOU programs and LifeLine

Results: Auto-Enrollment

Feasible to do, but unclear whether worth the effort:

Feasible	**Marginal benefit may be low**
➢ History of data sharing and auto-enrollment by IOUs ➢ Extensive effort to set up, easy to maintain ➢ Programs aligned for categorical eligibility also aligned for auto-enrollment	➢ High enrollment rate already (90+%); upward potential limited ➢ Data sharing with LifeLine ended by CPUC because of low impact on new enrollments needing the service ➢ Relatively few new enrollments from water utility enrollees

Results: Auto-Enrollment

Recommendation: Identify degree of value in reaching eligible and interested customers before devoting resources to making it happen

Note:

- ➢ Some key limitations in matching households ("leakage")

- ➢ Concerns about data-based liability if IOUs hold third-party data

- ➢ Advantages if data held by state agency

- ➢ FERA is more complicated because of required income range and minimum household size

Questions