



Testimony in Support of Senate Bill 501

Kansas Senate Committee on Public Health and Welfare

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Chair Hilderbrand, Vice-Chair Gossage, and members of the committee,

My name is Sam Adolphsen, and I am a visiting fellow at the Opportunity Solutions Project, or OSP. OSP is a non-profit, non-partisan advocacy organization dedicated to advancing policies that reduce barriers to work, protect state benefits for the truly needy, and ensure that government is accountable to taxpayers and citizens.

I am glad to speak in support today of Senate Bill 501. This is a comprehensive bill that has several components. Taken together, the goals of this bill are simply common sense. The bill will protect welfare benefits for the truly needy and help move able-bodied Kansans from welfare to work.

While there are different technical pieces within the bill that I will touch on, I want to make sure to focus on what we believe are the most impactful and important pieces of this bill. Those are two key provisions that are directly focused on getting able-bodied adults on food stamps off the sidelines and back into jobs that will help lift them up out of dependency for the long term. While there are other good aspects of this bill, I want to focus most of my attention on why these are good and necessary reforms for Kansas.

Making welfare programs work better for the truly needy by getting the able-bodied back to work is always important. But this bill, and these two provisions, are especially critical now. Kansas has a workforce shortage crisis. There are help wanted signs everywhere. There are 95,000 open jobs in Kansas.¹ And there are more than 42,000 able-bodied adults without young dependents on food stamps.² This bill makes that obvious connection and will move able-bodied people on welfare into some of those open jobs in the state.

How?

First, we have the provision on page 11 of the bill, which is section 17(D). This is a very straightforward adjustment. But you should know some of the background for why this change is needed. The food stamp program has a good, solid work requirement in place for what are called “able-bodied adults without dependents,” or “ABAWDs”. This requirement is that they work part time, volunteer a few hours a week, or participate in job training or job education, in order to continue receiving food stamp benefits. Again, these are adults with no disabilities, and no kids in the house.

However, that work requirement is often waived by states across part or all of their population. To your state’s credit, Kansas already has a law on the books that requires the legislature to approve any such geographic waiver of the requirement. I say to your credit because we know the work requirement works well. In fact, we know from several studies, including one from Missouri, that this food stamp work requirement more than doubled incomes of those who left welfare.³

So, what is the problem? Geographic waivers are not the only way that the work requirement can be waived. States are also given an allotment of what are effectively “no-good-cause” exemptions to the requirement. While “good cause” exemptions are built into the work requirement already, these don’t require any justification to be used. The agency can choose to exempt any adults from the requirement for any reason at all, or more to the point, no reason at all.

This tactic has been used broadly in states like Illinois, Minnesota, and New York.⁴ Currently, Kansas has more than 70,000 such exemptions available that could be used to exempt the 14,366 ABAWD's in the state from the work requirement.⁵⁻⁶ What section 17(D) does is simply say that these exemptions need to be kept on the shelf, and not used to undermine the work requirement and keep able-bodied adults on the sidelines. This will make sure that when Kansas law says to implement a work requirement for able-bodied adults, the agency does so.

The second major work-related provision I want to highlight is getting able-bodied adults on food stamps into what is called "employment and training" programs to help get them back to work. You can find this provision in section 17(E). This is already a core part of federal law, that all able-bodied adults without very young kids in the house should be registered for work. But most states are not utilizing the employment and training programs—E&T programs—to their full extent by making them mandatory for food stamp recipients.

Kansas is already funding these programs, which help people by providing work training, career counseling, education, or other resources to help get people back into the workforce. But these programs only work if states assign people to them. Kansas doesn't.

Today, Kansas doesn't require people on food stamps to show up, so they don't show up. Instead, participation is "voluntary." How many volunteer? According to Kansas' latest E&T plan, out of more than 40,000 work registrants, the department only expects 430 participants for the year. Not 4,300. 430.

Why? Because 100 percent of able-bodied adults on food stamps are exempt from mandatory participation.

Making participation mandatory for all able-bodied adults is a great opportunity to connect these individuals with resources that will help them get a job. And that's exactly what S.B. 501 would do.

Those are the two primary provisions of this bill I wanted to highlight. The bill also includes changes in both the food stamp and Medicaid programs, but they are all are centered around protecting these programs for the truly needy.

For example, in food stamps enrollees will be required to report changes to their income or household makeup within 10 days of those changes occurring, which is a state option in these federal programs. It would also put in place a series of basic cross-checks that help verify someone's eligibility for welfare, including double-checking Medicaid applications that come directly from the federal government in an exchange set up through ObamaCare.

This bill would also tighten up some of Medicaid's most notorious loopholes like hospital presumptive eligibility. This loophole lets hospitals, or even the state agency potentially, deem someone eligible for Medicaid based only on their stated income and Kansas taxpayers are on the hook even if it turns out they weren't ever eligible. Research has shown that as many as 70 percent of those who are deemed eligible this way don't ultimately get approved through a full eligibility determination.⁷ S.B. 501 would put tighter standards around this so that only the truly eligible gain access to the program.

There are also a couple provisions that would require that Kansas ask the federal government for permission to make changes like instituting a fraud lockout from Medicaid for those who commit fraud in the program. The Biden administration has not prioritized program integrity and has actively worsened it in some cases. So, while this committee should not expect the current administration to grant such a waiver, a future administration might.

The bottom line is that S.B. 501 is a great bill that will help tens of thousands of Kansas workers on welfare get connected with jobs and their communities. This will, of course, be good for Kansas's economy and taxpayers but the primary benefit is for the workers themselves who can build self-sufficient lives, independent from government dependency. We are proud to support this bill and encourage you to do so as well.

Thank you for your time.

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¹ Bureau of Labor Statistics, "State job openings and labor turnover—November 2021," U.S. Department of Labor (2021), https://www.bls.gov/news.release/archives/jltst_01212022.pdf.

² "Data drawn from Kansas's 2022 Employment and Training state plan."

³ Jonathan Bain, et al, "Food stamp work requirements worked for Missourians," Foundation for Government Accountability (2020), <https://thefga.org/wp-content/uploads/2020/10/missouri-food-stamp-work-requirements.pdf>

⁴ Arpan Dasgupta, "SNAP – Fiscal year 2021 allocations of discretionary exemptions for able-bodied adults without dependents," United States Department of Agriculture (2021), <https://fns-prod.azureedge.net/sites/default/files/media/file/SNAP%20-%20ABAWD%20Discretionary%20Exemptions%20-%20Totals%20for%20FY%202021.pdf#page=3>

⁵ Ibid

⁶ Alli Fick and Scott Centorino, "The missing tool: How work requirements can reduce dependency and help find absent workers," Foundation for Government Accountability (2021), <https://thefga.org/wp-content/uploads/2021/10/ABAWD-v-General-WR-in-food-stamps-paper-10-19-21.pdf>

⁷ Jonathan Bain and Sam Adolphsen, "How hospital presumptive eligibility pours gasoline on the fire of Medicaid waste, fraud, and abuse," Foundation for Government Accountability (2020), <https://thefga.org/wp-content/uploads/2020/09/How-Hospital-Presumptive-Eligibility-Pours-Gasoline-Medicaid-Fraud.pdf>