



**Human Resources
Administration**
Department of
Social Services

TESTIMONY

Robert Doar, Commissioner
Human Resources Administration/Department of Social Services

Oversight:
**New York City's Supplemental Nutrition Assistance Program (SNAP) &
Emergency Food Assistance Program**

*New York City Council
General Welfare Committee*

November 23, 2010

Good afternoon Chairwoman Palma and members of the General Welfare Committee. As you know, our Emergency Food Assistance Program and our Food Stamp, or what it is now called by the Federal government, the Supplemental Nutrition Assistance Program or SNAP, are in the very competent hands of Executive Deputy Commissioner Cecile Noel and Assistant Deputy Commissioner Jean Coyle who are here with me today.

Caseload Dynamics

I want to begin by bringing you up to date on our SNAP caseloads over the past year. We are still enrolling recipients at significant levels while building upon efforts internally and with community groups to simplify the program for applicants and recipients. First and foremost, we are now providing benefits to close to 1.8 million individuals; 182,000 more recipients than we did in October of last year. This represents an 11.4 percent increase from a year ago in our caseload, continuing on last year's record increase of 21.9 percent. A majority of this increase represents individuals who are not in receipt of Cash Assistance or federal Supplemental Security Income (SSI) benefits. This population of SNAP households, most of whom are working, makes up 63 percent of the overall caseload. The fact that our program has responded to the increased need for SNAP benefits caused by the 2009-10 recession by significantly increasing enrollment without adding staff is an achievement that deserves recognition. Due to the work of the approximately 1,600 people at HRA working in SNAP, we have seen the total value of the SNAP benefit in New York City rise from \$1.8 billion in 2008 to \$2.8 billion in 2009, to a projected \$3.3 billion in 2010. There is no question that the \$280 million in benefits that the program distributes each month has been an important ingredient in New York City's weathering of the recent recession.

Successfully Responding to Increased Demand

During the past two to three years, there have been a series of actions on our part, along with State and Federal government policy changes, that have allowed the program to respond to the demands created by the struggling economy. Changes that have made the process more accommodating for applicants and recipients include creating a paperless office system; allowing for phone interviews instead of coming into a center; and the ability to file an application by mail, fax, and, most recently, on-line. The on-line process was piloted in Staten Island and now all Food Stamp recipients can complete an application through the web at www.nyc.gov. The application is then screened for both regular and expedited service and a telephone interview is scheduled. Necessary documentation is also reviewed and for those applicants already known to us, we check to see if the documents are within our imaging repository so that the applicant doesn't have to produce it again.

Over the past four years we have done much to expand our community outreach for the SNAP Program. Our Food Stamp and Nutrition Outreach Program staff has a physical presence at least once a week in five community-based organizations in order to interview and electronically submit applications and this year pre-screened a total of 1,530 potentially eligible people with 628 electronically applying for a SNAP benefit. And we have developed partnerships with community-based organizations in almost 60 locations where applications can be taken and electronically submitted to our office.

Although not often highlighted, changes to the recertification process have played a significant role in maintaining benefits for many individuals. For example, we have gone from a six-month to a twelve-month recertification period with an even longer four-year period for SSI recipients. All recipients are given the option to do their recertification interview over the phone instead of

in-person. In addition, we have implemented an Integrated Voice Response System for certain fixed income cases, allowing these recipients to recertify at their convenience, day or night, through an automated phone system.

This increase in the number of recipients has created some new challenges. Our payment error rates are higher than in previous years, making us vulnerable to federal penalties and the increase in demand is trying our centers at a time when it has been difficult to fill vacancies. There has also been no significant increase in staff to match the growth, and in fact, due to the Long Beach court decision we have experienced a large turnover in staff at our centers. Between 2008 and 2009, 28 percent of our eligibility workers who were in provisional titles were replaced as well as 36 percent of the managers in our non-cash assistance SNAP centers. In addition, while the easing of the six-month recertification process and remote application streamlines the process it places new demands on our back-end operations. We are paying close attention to these matters and developing the most efficient ways to address them given the continued demand while recognizing our severe budgetary constraints.

City and State Proposed SNAP Demonstration on Sugary Beverages

I also want to address an issue that is of increasing importance to all New Yorkers and where the SNAP program can play a critical role. Last month, Mayor Bloomberg and Governor Paterson joined together to submit a demonstration request to the U.S. Department of Agriculture to exclude sugar-sweetened beverages from allowable purchases within our SNAP program on a two-year trial basis. This effort is jointly developed by HRA and the City's Department of Health (DOH), and is part of a larger citywide strategy to address the increasing problem of obesity and diabetes. This broader effort includes discouraging consumption of sugar-sweetened beverages among all New Yorkers, through the proposed "sugar tax," the extensive public education campaign about the bad health effects of sugar-sweetened beverages, and the removal of sugar-sweetened beverages from our schools and limiting them in City vending machines across the five boroughs.

According to statistics from DOH, 57 percent of adults in the City were overweight or obese in 2009 and one in eight adults has diabetes. This problem is particularly troubling for children and low-income populations, with nearly 40 percent of New York City public school children being overweight or obese. Our proposal to exclude soda and other sugar-sweetened beverages from SNAP is not only intended to reduce the thousands of hospitalizations, amputations, and deaths that result from obesity and diabetes, but also to reign in the \$10.2 billion a year that obesity costs the state and local districts and the over \$7 billion a year in Medicaid and Medicare expenditures resulting from diabetes.

Our proposal will not lead to any reduction in the amount of SNAP benefits provided and people will still be able to use SNAP to purchase 100 percent fruit juice as well as milk products and milk substitutes regardless of calories. However, other drinks that have added sugar (or other caloric sweeteners) and have at least 10 calories per 8-ounce serving will be excluded from allowable purchases. Of course, recipients can still purchase these drinks using their own resources – just not with taxpayer provided benefits from a nutrition assistance program.

Although I understand the concerns that have been raised in the past about restrictions on SNAP purchases, I believe that the USDA can and should approve the proposed demonstration project for the following critical reasons. First, the problem of obesity and diabetes continues to get worse and we need a comprehensive solution. Second, there is a clear link between

increased consumption of sugar-sweetened beverages and obesity. Studies show that Americans consume 200-300 more calories per day than 30 years ago and that soda and other sugar-sweetened beverages, more than any other product group, are the largest contributors. Third is the enormous public cost associated with these health problems. If we are serious about “bending the health care cost curve” as President Obama has asked us to be, we must try ideas like the one Governor Paterson and Mayor Bloomberg have proposed.

This demonstration is consistent with our SNAP education (SNAP-Ed.) efforts in conjunction with the Cornell Cooperative Extension and the Food Bank for New York City that are already doing good work to promote healthy behaviors and help low-income families understand the importance of a healthy food choices. It is also consistent with the Health Bucks initiative where coupons are used to increase the value of SNAP benefits by 40 percent when redeemed at participating farmers’ markets in New York City. It also complements other City activities, including but not limited to the development of Green Carts and the FRESH supermarket incentive program. However, education and incentives are not enough to address the serious health concerns associated with obesity and diabetes and limits on the use of SNAP benefits to purchase sweetened beverages with no nutritional value should be evaluated as an additional approach.

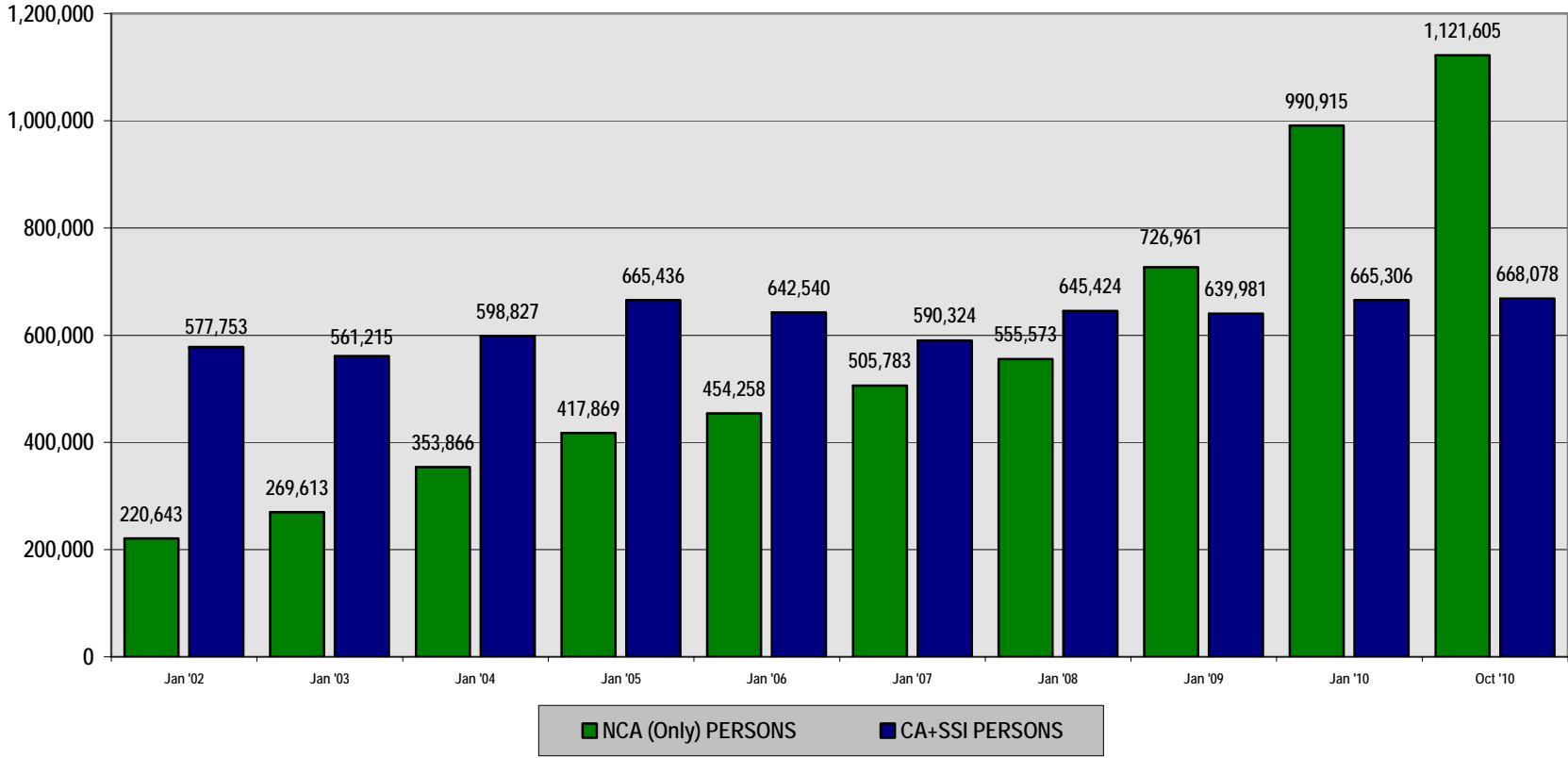
The Emergency Food Assistance Program

The Emergency Food Assistance Program (EFAP) also seeks to improve the nutritional status of low-income New Yorkers by providing non-perishable and perishable commodities to 505 emergency food programs (129 soup kitchens and 376 food pantries). In Fiscal Year 2010 the EFAP baseline increased by more than \$600,000 from \$7.6 million to \$8.3 million. EFAP delivered over 10 million pounds of food. An additional \$800,000 in City Council funding allowed us to give 63 emergency programs in all 5 boroughs the ability to purchase goods directly from the Food Bank for New York City.

We are also continuing the Frozen Food Pilot to further improve the nutritional content of EFAP commodities. This initiative was funded through a combination of City Council and HRA funds. Last fiscal year EFAP received an allocation of \$1.3 million for this initiative, which enabled us to distribute over 1 million pounds of frozen foods to 159 participating programs.

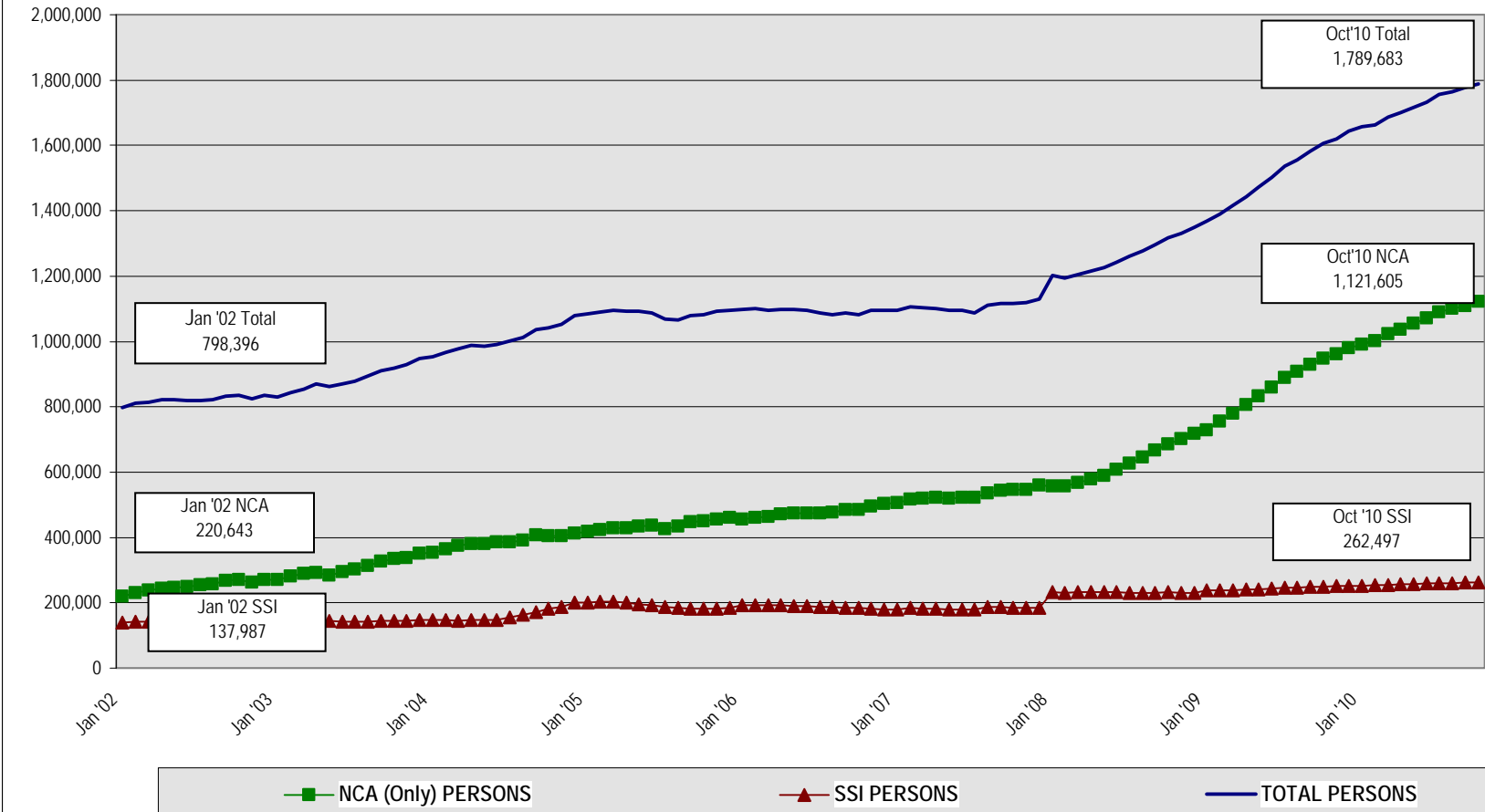
Before closing, I would like to acknowledge two key staff members that have been instrumental to our Food Programs and are on the cusp of retiring; Jean Coyle – Assistant Deputy Commissioner and Brenda Hannah – Executive Regional Manager. Brenda has been with the agency since 1972 and Jean since 1979 which is a combined 70 plus years of City service. For the past 23 years, they have worked together on many projects including guiding agency and staff through the recent policy changes to the SNAP program. Under their leadership, our program has been recognized by the U.S. Department of Agriculture on multiple occasions for improvements and innovations that have created the successful program we have now. We will continue in their tradition of efficient, responsive customer service and commitment to programmatic excellence.

**HUMAN RESOURCES ADMINISTRATION
SNAP RECIPIENTS IN NYC
2002 - 2010**



Note: To conform to State and Federal practice, in January 2008 this report began including Food Stamp issuances for the Residential Treatment Services Center and Food Stamp Single Issuances. This change in methodology also caused some corrections in categories of recipients.

HUMAN RESOURCES ADMINISTRATION
 SNAP RECIPIENTS IN NYC*
 2002 - 2010



Note: In January 2008 this report began including Food Stamp Issuances for the Residential Treatment Services Center (Center 52) and Food Stamp Single Issuances. This change resulted in an additional increase of 107, 231 persons receiving Food Stamps. HRA was not able to obtain this data prior to January 2008.