

March 29th, 2023

RE: HF238 – Children & Families Omnibus Bill

Chair Pinto and Children & Families Committee,

We are writing to urge you to support full funding for instant employment and income verification services for public assistance program eligibility through the Department of Human Services.

We support the state fully funding the cost of this service, as Chair Noor's HF2286 reflected: \$2,345,000 in 2024; \$2,518,000 in 2025; and \$2,754,000 in both 2026 and 2027. DHS provided the technical assistance for these numbers, to verify that these appropriations would fully fund the existing contract to meet the expected need for both economic supports and health care eligibility.

The Work Number® (TWN) is the service used by DHS and its county and tribal partners to provide employment and income verifications for CCAP, SNAP, MFIP, and Medicaid benefit determinations. The Work Number is required so our county caseworkers can quickly, securely, and automatically verify an applicant's current employment and income information. Using TWN significantly reduces caseworker time spent acquiring hard copies of paystubs or other supporting documentation from the applicants, reduces the time to benefit, and reduces churn. Some employers will not provide verifications outside of TWN, so not using it can even lead to case closure or denial because caseworkers are unable obtain the information they need to grant the benefit.

The Department of Human Services has funded the contract for The Work Number and allowed the counties/tribes to use the service since 2014. The current contract continues this service through 2026; however, the current biennial funding was provided by COVID dollars and is set to expire on June 30, 2023, leaving the following three years without funding.

In the proposed FY 23-25 budget, Governor Walz recommended investing partial funding for the contract, with the remaining funds unfortunately being shifted to the individual counties and tribes. The Governor's budget recommendations for these important services can be found in the [DHS supplemental budget proposal](#) on pages 138-141.

Reducing or eliminating state funding for this service will lead to people losing services and would put a heavy burden on the counties to fully fund the contract. The result of losing this service will be inequitable access for human services recipients across counties, significant decrease in case worker efficiency, financial burden on county/tribe budgets, and a laborious administrative burden.

In order to avoid any disruption to the services, Association of Minnesota Counties, the Minnesota Association of County Social Service administrators and Equifax requests the contract be fully funded through the Children and Families Committee Omnibus Bill.

Please feel free to reach out to Matt Freeman at AMC/MACSSA or Caroline Wertis at Equifax with questions. We look forward to following up with you soon on this important topic.

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