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# **“It has meant everything”: How P-EBT Helped Families in Michigan**

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## Introduction

This report will explore Michigan's implementation of the Pandemic Electronic Benefit Transfer (P-EBT) program. Michigan was the first state to implement this program, pushing money out in May, and was able to serve more than 900,000 children. Drawing on interviews from individuals within the Michigan Department of Health and Human Services and input from Supplemental Nutrition Assistance (SNAP) participants via surveys distributed to households using the Fresh EBT app, this report will provide insights into the strategies that enabled Michigan to roll out an entirely new program quickly and effectively. With political buy-in at all levels, Michigan was able to reduce administrative hurdles and use their existing data infrastructure to quickly reach the most vulnerable families across the state. This meant that fewer families experienced food insecurity as they waited for Unemployment Insurance, and families were able to buy healthier food. These findings can serve to provide guidance for other states that seek to implement this program, as well as federal policy-makers and regulators as they refine this new program. In the next stimulus package, Congress should provide additional resources to help states improve their technical and data infrastructure, reduce administrative requirements, and extend and increase P-EBT benefits. These steps will help families and children through the ongoing crisis.

# What is P-EBT, and Why Was it Necessary?

## What is P-EBT?

The P-EBT program was created by the Coronavirus Aid, Relief, and Economic Security Act to address food insecurity among school age children due to the COVID-19 pandemic. The Act authorized state agencies to create emergency plans to provide nutrition assistance to eligible students when a school is closed for at least five days due a public health emergency. Students were eligible if they were already enrolled in the National School Lunch Program (NSLP). This program provides free, or low-cost, nutritionally balanced meals to children throughout the school year. In 2018, the NSLP served over 4.8 billion meals to **29.7 million** children nationwide. However, when in-person schools were closed due to the pandemic, children no longer had access to NSLP meals.

Households that were already enrolled in the Supplemental Nutrition Assistance Program (SNAP) and receiving Electronic Benefit Payments (EBT) were eligible for additional EBT funds. Households that did not previously receive SNAP, and in which there was at least one eligible child, were issued a new EBT card to receive funds. The benefit amounts were set to no less than the value of five free meals that each child would have been eligible for had they been in school. The P-EBT program was authorized through fiscal year 2020, and the United States Department of Agriculture was authorized to appropriate the required funds.

Because this program is administered by the states, each state submitted unique applications to the Food and Nutrition Service (FNS). The details and implementation of each program varies by state. As a result, some states were able to mobilize quickly and launch their programs in March and April, while others took longer to put together an application and have yet to stand up a P-EBT program.

## Why was P-EBT necessary?

Food insecurity has **doubled** since the start of the COVID-19 pandemic. Families with children are particularly at risk, with over 34.4% of households with children under the age of 12 experiencing food insecurity.

One of the main tools open to policymakers before the pandemic to combat child hunger was the NSLP. As schools closed, this important source of nutritional assistance for children was cut off. Federal policymakers recognized that families would need access to additional resources to navigate the loss of free lunch.

## The Michigan Program at a Glance

Michigan was the first state whose **request** to establish a P-EBT program was approved by the Food and Nutrition Service at USDA. The program was run through the Michigan Department of Health and Human Services (DHHS), in collaboration with the Michigan Department of Education.

Michigan's DHHS determined that the most efficient method for distributing P-EBT funds would be through its existing SNAP program and using data from the Department of Education. This decision eliminated the need for families whose children received NSLP benefits to submit applications. DHHS established customer service lines to answer any questions and brought those not already receiving SNAP into the SNAP system.

The State of Michigan harnessed existing infrastructure and Department of Education data to distribute new P-EBT funds. School districts send student information to the Michigan Department of Education, which maintains a database of every child's information, including their eligibility for NSLP and their address. They were able to share this information with the DHHS and also took on the responsibility of combing through cases and trying to proactively correct mistakes. For example, if information was incomplete, employees with the Department of Education would call to verify recipients' information. Families could also call the Department of Education to verify information. This meant that DHHS received the highest quality information possible, and when data was incomplete, they could request that the Michigan Department of Education investigate.

Families who were already receiving food assistance had additional P-EBT funds added to their existing EBT Card. For those children in households not already receiving assistance, households were sent a new P-EBT card. The state did not require an application, and parents did not need to fill out any forms to determine eligibility. As a result, the Michigan DHHS was able to distribute the first round of cards in April. In total, families received \$376.20 per eligible child over the course of four months.

Of the 900,000 students that received P-EBT allotments in Michigan, only 5,000 cards have been returned so far. This group either had outdated or incomplete data in the Department of Education database. When a card was returned, they were put on a list for verification at the school level, so that the information could be corrected in the Department of Education database.

## Successes

The Michigan P-EBT program distributed over \$300 million to children in need by the end of May. This is an enormous help to families in a crisis. The speed at which these funds were disbursed has helped families put food on the table. Michigan DHHS was able to distribute P-EBT to 900,000 students through data matches, rather than an application process, and did not require anything of families. This coordination sped up the distribution process and ensured everyone who was eligible was able to receive their benefits.

Propel fielded a survey through **Fresh EBT** — a free smartphone app available to EBT cardholders — to better understand families experiences with the program. Fresh EBT allows SNAP recipients to track their EBT benefits, find retailers, and access a broad array of resources to improve financial health. It is used by over **3 million families** across all 50 states and US territories.

This survey by Propel demonstrates that the P-EBT program has really made a difference for families. While 34.5% of SNAP users reported skipping meals nationwide, only 25.4% of P-EBT recipients in Michigan reported skipping meals. Though 34.3% of SNAP recipients reported relying on food pantries nationwide, only 29.4% of Michigan P-EBT recipients reported relying on food pantries. This suggests that P-EBT can reduce food insecurity for families.

### P-EBT as a Lifeline for Families in Need

Many recipients mentioned in the Propel survey how important school meals had been for their kids, and that without P-EBT, they might not have been able to replace them. They emphasized how in this time of uncertainty, not having to worry about feeding their children was an enormous relief.

*“It has **helped us tremendously** because without SNAP/P-EBT we probably wouldn’t have food to eat or we would have to choose between paying bills or eating.”*

*“This program allowed my **children to eat the same amount** of meals as they were while school was in session. You don’t realize how much that breakfast and lunch means until they are at home everyday and you have to provide it.”*

*“We **haven’t had to worry** about the extra food that we had to buy because everyone was at home all day for 3 meals.”*

*“This resource during these trying times of need has given my family **the necessary funds to buy groceries**. It has given us the opportunity to stay on track with our bills.”*

*“It has meant **everything** even before the pandemic it was hard for my family to buy groceries so when I got snap during the pandemic I was grateful”*

*“It has truly been a blessing with me having 5 kids at home out of school it would have been **very hard to feed them full time without the P-EBT**”*

*“We are a family of 8, this program means everything to us. It helps us be able to put better food on the table for our kids and keeps them fed while not in school.”*

## **P-EBT Filled in the Gaps from Unemployment Insurance**

Recipients surveyed by Propel reported that P-EBT helped them keep food on the table as they waited to receive Unemployment Insurance (UI). The UI systems in many states were overwhelmed by the scale of job loss during the pandemic, and it often took weeks for the checks to arrive. P-EBT insured that families did not go hungry as they waited. This further highlights how the speed at which Michigan was able to implement the program was crucial to its success.

*“It has been a great help to receive the benefit, especially with the children being out of school since March and I’ve been laid off work since March as well and I also had a hard time getting unemployment so **at least I’ve been able to purchase food.**”*

*“It means a lot knowing that without a job **I’m still able to provide food** for my kids throughout this whole pandemic”*

*“Having Snap benefits for my family has meant that we have **not had to worry** about where our next meal was coming from. This was critical over the past few months, because **unemployment benefits** were not issued in a timely manner and I was laid off from working.”*

*“It has helped my family a lot during the pandemic while I was off of work I did not have to feel like I had to worry about **how my kids were going to eat.**”*

*“It has meant that our kids can eat even **when unemployment insurance was messed up.**”*

*“Everything - I **would not have been able to feed my family without it**, we already have to choose between mortgage and electric[ity] at times.”*

*“This was a chance to get groceries and meet the due date on other bills to **protect my credit rating and family’s future**”*

## **P-EBT Helped Recipients Buy Healthier Food**

Many recipients mentioned how the additional funds helped them buy healthier food for their children. Instead of having to choose the cheapest options, they had the resources to provide their kids with balanced meals.

*“P-ebt was a great help and help me feed my children **healthy meals** “*

*“It meant more meals daily without having to struggle and penny pinch to buy them. With the help of P-EBT we are able to have **3 healthy meals a day**”*

*“[This program is] the difference between having a **healthy** meal and having to put together whatever we could find to make a meal. We wouldn't have been able to shelter at home during this pandemic if we didn't receive food assistance.”*

*“It really helped a lot as money got tight. We were still able to eat on a daily basis **full balanced meals**. That was well appreciated”*

*“It has meant access to **quality meal choices** for my children in the midst of this pandemic, taking one worry away and ensuring they have food to eat daily.”*

*“It has been a great benefit during these times, **we haven't run out of food**. So far. And I can widen the selection of food for my children, ~vs~ limiting food choices.”*

### **Recipients Hope P-EBT Will Continue**

Many recipients mentioned that they hoped the program would continue since children are home during the summer. They hope they will be able to have access to additional resources to ensure their ongoing ability to put food on the table.

*“It help[ed] me out a whole lot. I was to get enough food. **I wish they extended it**. Because it was a big help”*

*“It helps alot. just **wish the extra pebt was still happening** during the summer months too”*

*“P-EBT has been a tremendous help to us financially through the pandemic. Not having to worry about money for the kids was a relief. I just **wish it continued through the summer**.”*

## Why was the Michigan Program a Success?

### a) Long-Term Investment in Data Systems

One crucial reason that Michigan was able to get their program off the ground quickly was its long-term investment in data infrastructure and cross-agency partnerships. As one official reported, the state has an updated reporting database in place and is already reporting school district data to the state. They also have data-sharing agreements in place with the DHHS.

This cross-agency partnership is 20 years old. In 2000, an executive order created the Center for Education Performance and Information (CEPI) as part of the State Budget Office with the purpose of coordinating the collection, management, and reporting of education data. In 2002, CEPI started collecting student data, assigning each student a unique identification code. By 2003, CEPI and the MDE was collecting student records three times per year, including addresses and eligibility for NSLP.

In 2007, CEPI and MDE began a partnership with DHHS to automate certifying students for free and reduced price meals. DHHS provided CEPI the records of children in households receiving SNAP or TANF. In the following years, the system was modified and improved, and CEPI, DHHS, and MDE expanded existing data sharing agreements.

Today, CEPI maintains records of all students eligible for NSLP based on migrant status, homelessness status, foster home status, Head Start enrollment, Medicaid enrollment, SNAP enrollment, TANF enrollment, and application-based criteria.

This investment paid off during the pandemic because they were able to use this existing data system to determine which students were eligible for P-EBT. For those already receiving SNAP, DHHS added the additional P-EBT benefit to their existing cards. The state also sent cards to those who were eligible but not already receiving benefits. This demonstrates that high quality data is critical for adequately responding to a crisis and can be repurposed in an emergency to better serve constituents.

### b) Reduction of Administrative Hurdles

There were two main administrative hurdles that Michigan was able to eliminate. First, by using administrative data instead of requiring an application, families did not have to learn about the program, gather information, or have access to the internet to apply. All of these requirements are compounding barriers to access, and would have slowed down the process and delayed families from receiving

their benefits. By using a data matching process, these delays were eliminated, and families received the help they needed quickly and efficiently. The state took on the administrative cost of distributing benefits, not the individual.

Second, Michigan received permission to provide the entire P-EBT benefit to children who were eligible at any point during the period in which P-EBT was distributed. For example, if a child became eligible in June, and not April, they would still receive benefits that covered the entire four month period. This means that the state did not have to create a recertification process, nor a procedure to provide different benefit levels to different families. FNS allowed Michigan to prioritize access, which enabled DHHS to get benefits out faster to families.

### **c) Collaboration Across all Levels of Government**

As one administrator stated, they “knew immediately from the outset to not let this opportunity pass to bring money to Michigan families, and we had support from the administration to do what we needed to get it done. The approach we took was that this has to happen. We had lots of conversations based on the idea that this had to happen.” This level of commitment came both from the governor's office and across all levels of the MDE and DHHS.

Before the legislation was even passed, the administration made it clear that this was a priority, and that the P-EBT program needed to be implemented quickly. This high level mandate, as well as inter-agency collaboration, allowed the project to be prioritized and executed quickly. Without this level of executive buy-in, the significant investment in data-sharing and coordination across departments would not have been possible. This experience highlights the need for government actors to work in concert to ensure their constituents receive the benefits they need.

## Challenges

The main challenge in implementing this program was ensuring that Michigan's DHHS had sufficiently accurate data from the Department of Education. The quality of the data held by the MDE was not of the same level as that needed by DHHS. The DHHS is consistently updating information, but the MDE receives information from students who sometimes do not return the required forms. As a result, there was additional work required to verify information that may have slowed delivery to some individuals. More consistent updating of information could make this process easier.

Another challenge was determining who to send the P-EBT card to if the family was not enrolled in SNAP and the child was eligible due to the community eligibility provision. Unlike SNAP, in which the card is sent to the head of household, P-EBT benefits go directly to the child. Therefore, DHHS had to identify the oldest child and match other kids to that same address and sometimes, this process was not entirely accurate. Better data quality in the future would address this problem.

# Policy Recommendations for the Future

## *Policy Recommendations for Congress*

1. **Extend P-EBT through fiscal year 2021.** As the pandemic may require social distancing practices to continue through the next year, P-EBT should be extended through the next fiscal year to support families. Also, additional flexibility in the legislative language is necessary to ensure that students attending schools that are in session a few days a week still have access to the resources they need. To limit the amount of administrative work on the part of families, schools, and states, the full P-EBT amount should be allocated through 2021 so that additional school closures do not lead to interruptions in food access for children.
2. **Provide funding to improve data sharing and data infrastructure at the state level.** One of the reasons this program was successful in Michigan was that data was being shared by schools with the Department of Education. Ensuring other states have the resources to build this infrastructure will help facilitate success in the future. Congress could appropriate funds specifically for upgrading this infrastructure. Alternatively, private philanthropy could fund data fellows within states to help modernize data infrastructure. This process should include reducing the amount of data that is collected to the minimum required, sharing systems across agencies, and harmonizing as many data fields as possible.
3. **Reduce administrative burdens wherever possible.** FNS and the states should prioritize broad access to P-EBT. Limiting recertification requirements and providing only one benefit level simplified the administration of Michigan's program, which contributed to its success. Emphasizing access and simplicity in execution will reduce barriers both for states and for families. Families who are hit by the economic crisis and never received benefits before might have difficulty navigating this process. Administrative burdens should not stand in the way of supporting and effectively serving families.
4. **Increase benefit levels overall.** For families that were already receiving SNAP, P-EBT benefits have been a critical lifeline. As food prices continue to rise, increasing benefits overall will protect children and families from experiencing hunger. These families are already facing difficult circumstances, and increasing food budgets is one way to make sure they are not left in need. FNS should authorize food benefits at the moderate-

cost level as opposed to the thrifty meal plan to ensure that families can adapt to changing food prices throughout the pandemic.

### ***Policy Recommendations for the States***

**1. States should create procedures for data collection and cleaning.**

One problem for Michigan's P-EBT distribution was that the data from the Department of Education was not quite as accurate as the data needed by DHHS. States should establish consistent data standards across departments and look to best practices to streamline and simplify the process. Ensuring similar data standards across departments will ease data sharing in the future.

**2. States should start investing in data sharing agreements and data sharing infrastructure.**

Michigan was able to successfully roll out this program because of a 20 year investment in cross-agency partnerships and data sharing. It takes time to establish these relationships, and beginning the process in other states today will ensure that they are better able to address the next crisis.

## Notes



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