

Joint Testimony of Damon King, Director of Policy Advocacy, and Satcha Robinson, Staff Attorney, Public Benefits Unit, Legal Aid Society of the District of Columbia

Before the Committee on Human Services Council of the District of Columbia

Budget Oversight Hearing Regarding the Department of Human Services

March 31, 2022

The Legal Aid Society of the District of Columbia¹ submits the following testimony regarding the Mayor's Fiscal Year 2023 proposed budget for the Department of Human Services (DHS), with a specific focus on programs administered by the Department's Economic Security Administration (ESA).

Legal Aid thanks the Bowser Administration for proposing the repeal of the District of Columbia Health Care Alliance's six-month, in-person recertification requirement. If approved by the Council, this would remove a longstanding barrier to healthcare access for Washingtonians who are immigrants with low incomes.

While Alliance reforms are welcome news, there are several areas in which the Committee should make improvements to the proposed DHS budget before final approval. In particular, the Committee should address the chronic underfunding of the Interim Disability Assistance Program (IDA), which is a crucial support for Washingtonians with disabilities who are awaiting decisions from the Social Security Administration (SSA) on pending Supplemental Security Income (SSI) applications. Additionally, the Committee should fund several measures that are important for long-term reform of DHS operations and strengthening the District's social safety net. We join our colleagues at the DC Fiscal Policy Institute in asking the Committee to double the proposed FY23 budget for IDA. Further, all of these recommendations are included in the

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¹ The Legal Aid Society of the District of Columbia was formed in 1932 to "provide legal aid and counsel to indigent persons in civil law matters and to encourage measures by which the law may better protect and serve their needs." Legal Aid is the oldest and largest general civil legal services program in the District of Columbia. Over the last 90 years, Legal Aid staff and volunteers have been making justice real – in individual and systemic ways – for tens of thousands of persons living in poverty in the District. The largest part of our work is comprised of individual representation in housing, domestic violence/family, public benefits, and consumer law. We also work on immigration law matters and help individuals with the collateral consequences of their involvement with the criminal justice system. From the experiences of our clients, we identify opportunities for court and law reform, public policy advocacy, and systemic litigation. More information about Legal Aid can be obtained from our website, www.LegalAidDC.org, and our blog, www.MakingJusticeReal.org.

Fair Budget Coalition's FY23 Budget Platform, and as a Fair Budget Coalition member, Legal Aid supports the platform.²

The Mayor's Proposed Budget Funds the Permanent Reform of the D.C. Health Care Alliance's Onerous Recertification Process

The Healthcare Alliance is a locally-funded healthcare program that offers health insurance coverage to low-income District residents who are not eligible for Medicaid. It is a crucial gap-filling source of health coverage for immigrants living in the District, offering the promise of continuous access to healthcare to thousands of residents whose immigration status leaves them vulnerable to economic marginalization and the numerous health challenges that flow from that marginalization. Unfortunately, the decision, made in 2011, to require Health Care Alliance participants to renew their coverage every six months and to complete an in-person interview with the DC Government to keep their coverage has made it difficult for District residents seeking to maintain coverage and healthcare access under the program.

The FY23 Budget Support Act includes language that would permanently end this six-month, inperson recertification requirement beginning in FY23.³ If the Council approves this language and the accompanying funding to implement it, then, from October 1, 2022 onward, Alliance participants:

- 1. Would no longer be required to complete in-person interviews when applying for Alliance coverage or recertifying their eligibility, and
- 2. Would only be required to recertify their eligibility once per year.

https://lims.dccouncil.us/downloads/LIMS/47312/Meeting3/Enrollment/B24-0285-Enrollment12.pdf

The FY23 Budget Support Act amends this FY22 BSA language. Specifically, it removes language allowing in-person interviews in FY23-FY25, as well as the delayed implementation of the annual recertification schedule. New language specifies that Alliance participants would be "required to recertify enrollment on an annual basis." The effect of the FY23 BSA language, if passed, would be to permanently end in-person interviews and shift to annual recertifications beginning in FY23. Fiscal Year 2023 Budget Support Act of 2022, Introduced March 16, 2022, at 36-37, available at: https://lims.dccouncil.us/downloads/LIMS/49079/Introduction/B24-0714-Introduction.pdf

² The Fair Budget Coalition's FY23 platform can be found at: https://fairbudget.org/

³ Language passed in last year's FY22 Budget Support Act of 2021 stopped in-person interviews in FY22 but allowed them in FY23-FY25. It also required six-month recertifications before phasing them out after April 1, 2025. Fiscal Year 2022 Budget Support Act of 2021, Enrolled August 10, 2021, at 139, available at: https://lims.dccouncil.us/downloads/LIMS/47312/Meeting3/Enrollment/B24-0285-

This policy change would bring the Alliance's recertification timeframes and policies into closer alignment with Medicaid.

<u>Permanently Reforming the Alliance's Recertification Requirements Will Improve</u> <u>Healthcare Access and Enable DHS to Better Address Operational Issues</u>

Ending the six-month, in-person recertification requirement would have a number of benefits. First, and most importantly, the roughly 22,000 participants in the program would face fewer barriers to staying covered.⁴ Over the years, legal services attorneys, healthcare providers, and Alliance participants themselves have testified to the Council's Committee on Health and Committee on Human Services about the significant difficulty participants have had renewing their coverage. Ending the in-person interview requirement, as well as the requirement that participants renew coverage every six months, should substantially reduce these difficulties, allowing for greater access to and continuity of healthcare for Alliance participants.

Second, and more broadly, ending this requirement would reduce the administrative burden on DHS, allowing the agency to redirect resources to improving access to all other DHS benefits. By cutting the number of required Alliance recertifications per year in half, the BSA would significantly reduce the number of Alliance-related submissions that DHS would have to process each year. Removing the interview requirement would also help DHS. In the pre-pandemic years, the in-person interview requirement contributed significantly to the number of people lining up in front of ESA service centers in the morning, as Alliance participants had no choice but to "interview" with a District employee every six months to stay covered. While under the BSA's proposed changes, Alliance participants would still be permitted to recertify in person, the removal of the in-person requirement should mean that in the future, fewer people would be in the position of needing to go to DHS service centers as a matter of course. This should result in more capacity at the service centers, which should, in turn, benefit a broader population of District residents who need to contact DHS regarding District safety net programs administered by the Department.

Finally, the elimination of the six-month, in-person recertification requirement sends an important message to the District's immigrant communities. One of the more pernicious aspects of this requirement has been the District's choice to single out a program primarily serving low-

As the Medical Care Advisory Committee (MCAC) has highlighted, enrollment in both the Alliance and the Immigrant Children's Program (ICP) has increased since the early months of the pandemic. *See*, Slides January 19 DHCF MCAC Eligibility Enrollment Subcommittee, at slide 22, *available at*:

https://dhcf.dc.gov/sites/default/files/dc/sites/dhcf/page_content/attachments/MCAC%20EE%20_Subcommittee%20Meeting%20Presentation%20011922.pdf

⁴ For enrollment data, *see*, District of Columbia Department of Health Care Finance Monthly Enrollment Report – February 2022, Reflecting Period of January 2021-January 2022, *available at:*

 $[\]frac{https://dhcf.dc.gov/sites/default/files/dc/sites/dhcf/publication/attachments/MCAC\%20Enrollment\%20Report\%20-\%20February\%202022.pdf$

income immigrants for requirements that *do not exist* in similar safety net programs serving mostly U.S. citizens. The fact that the District's Medicaid participants are not subjected to semi-annual recertifications or mandatory in-person interviews presents a sharp contrast to the treatment of Alliance participants over the last decade. At best, this policy has always reflected a deep insensitivity to the difficulties that immigrants face building lives for themselves and their families in the District, as well as the vital role that immigrant communities play in the District's day-to-day life and culture. At worst, it has reinforced the notion that those in positions of power in the District view members of immigrant communities (especially those with low incomes) with suspicion and simply do no prioritize their needs on the same level as non-immigrant Washingtonians. Addressing this unjust and unnecessary policy makes clear that, when it comes to accessing healthcare, immigrant Washingtonians should not be treated differently. This is a powerful message that we hope policymakers will keep in mind as they make future decisions impacting immigrants living in the District.

DHS Should Double the Caseload for Interim Disability Assistance to Help Residents with Disabilities

Interim Disability Assistance (IDA) is a District-funded program that provides temporary financial assistance to adults with disabilities while their application for Supplemental Security Income (SSI) is pending with the Social Security Administration. Consequently, IDA recipients are unable to work due to a disability and have no other income or means to support themselves. Due to delays at the Social Security Administration, individuals with disabilities who have applied for SSI "are dying waiting for decisions, going into debt, or they're unable to access medical care." The modest monthly IDA payment allows individuals to pay for basic needs such as food, housing, medical care, and transportation. If an IDA recipient is approved for SSI, the Social Security Administration reimburses DHS for any IDA payments out of the retroactive SSI benefits the individual eventually receives at the conclusion of their SSI case.

At its peak in 2009, the District spent \$10.9 million on IDA to serve approximately 2,750 residents.⁶ Funding for IDA has decreased drastically since 2009, with last year's program capacity capped at 637 residents.⁷ The proposed budget further cuts IDA funding by \$104,000,

⁵ Mark Miller, *Column: What to Expect when U.S. Social Security Field Offices Reopen in April*, Reuters, Mar. 24, 2022, *available at:* https://www.reuters.com/markets/wealth/what-expect-when-us-social-security-field-offices-reopen-april-2022-03-24/

⁶ Kate Coventry, What's in the Approved Fiscal Year 2020 Budget for Interim Disability Assistance, DC Fiscal Policy Institute, Oct. 9, 2019, available at: https://www.dcfpi.org/all/whats-in-the-approved-fiscal-year-2020-budget-for-interim-disability-assistance/-_ednrefl

⁷ Department of Human Services Performance Oversight Responses 2022, p. 165, *available at:* https://dccouncil.us/wp-content/uploads/2022/02/DHS-FY21-22-Performance-Pre-Hearing-Responses.pdf.

allocating \$3.24 million to the administration of IDA in FY 2023. The gradual and continued funding cuts to IDA are expected to leave disabled District residents without a source of income.

The District should expect the need for IDA to increase in FY 2023 for three pandemic-related reasons. *First*, SSI applications decreased drastically during the pandemic and are expected to recover with the return of in-person services. *Second*, the Social Security Administration is taking longer to make SSI decisions. *Finally*, thousands of District residents who have become disabled due to the long-term impacts from COVID-19 likely will apply for SSI in the coming year, thus substantially increasing the need for IDA benefits.

IDA Applications are Expected to Increase Once the Social Security Administration Offices Reopen for In-Person Services

In March 2020, the Social Security Administration closed in-person field offices due to the pandemic. The offices have been closed for over two years, with an expected reopening date of March 30, 2022. The negative impact of these office closures began immediately, with SSI applications decreasing by up to 55% only one month after the office closure. Based on recent trends, approximately 500,000 fewer individuals were awarded Social Security disability benefits due to pandemic related operational issues. Applications for SSI are expected to ramp back up once the offices reopen, in part because reopening offices will make Social Security benefit applications accessible again to those most in need of in-person assistance, such as the elderly and individuals experiencing homelessness.

⁸ Social Security Administration, Office Closings and Emergencies, *available at:* https://www.ssa.gov/agency/emergency/

⁹ Mark Miller, *Social Security Offices, Closed in the Pandemic, are Expected to Reopen in March*, New York Times, Jan 21, 2022, *available at:* https://www.nytimes.com/2022/01/21/business/social-security-offices-reopening.html.

¹⁰ Jonathan Stein, David Weaver, *Half a Million Poor and Disabled Americans Left Behind by Social Security*, The Hill, Nov. 15, 2021, *available at:* https://thehill.com/opinion/finance/581522-half-a-million-poor-and-disabled-americans-left-behind-by-social-security.

¹¹ *Id*.

¹² Kathleen Romig, SSA Needs Large Funding Boosts Following Pandemic, Years of Underinvestment, Center on Budget and Policy Priorities, Feb. 3, 2022, available at: https://www.cbpp.org/blog/ssa-needs-large-funding-boosts-following-pandemic-years-of-underinvestment.

More District Residents Will Rely Upon IDA for Longer Periods of Time Due to Social Security Processing Delays and Claims Backlogs

Despite fewer claims, SSI processing times have increased, and the backlog of claims grows. According to the National Organization of Social Security Claimants' Representatives, individuals wait an average 165 days, or 6-8 weeks longer than prior years, for an initial decision after submitting an application. If an individual appeals a denial, they wait an average 147 days, or 5-7 weeks longer than prior years, for a decision. At the end of 2021, there was over 900,000 disability claims pending with the Social Security Administration, which is 27.6% higher than the number of claims pending at the end of 2019. As a result of the backlog of claims and growing processing delays, individuals applying for SSI can expect to wait longer before receiving SSI – thus increasing the amount of time they would rely upon IDA.

<u>IDA Applications are Expected to Increase Due to Long-term COVID and the</u> Burdens will Fall Heaviest Upon District Residents of Color

As of February 28, 2022, over 134,000 District residents have contracted COVID-19.¹³ Researchers have found that approximately half of people diagnosed with COVID-19 experience "long COVID" or symptoms many months after recovery.¹⁴ The District should expect SSI applications to increase as individuals with long COVID find themselves unable to work and without any source of income.¹⁵ Because people of color contracted COVID at a higher rate than their white counterparts, with 49% and 22% of cases impacting Black and Latinx residents respectively, the burden of applying for SSI (and IDA) due to long COVID will fall heaviest on the District's residents of color.¹⁶ To promote race equity, the District needs to adequately fund IDA.

For these reasons, Legal Aid joins our colleagues at the DC Fiscal Policy Institute to request that the Council allocate an additional \$3.3 million dollars to IDA to adequately fund the anticipated increased need in the District.

¹³District of Columbia COVID-19 Data, available at: https://coronavirus.dc.gov/data.

¹⁴ Tracy Cox, *How Many People Get 'Long COVID?' More than Half, Researchers Find*, Penn State, Oct. 13, 2021, *available at:* https://www.psu.edu/news/research/story/how-many-people-get-long-covid-more-half-researchers-find/

¹⁵ See e.g., Lorie Konish, What Covid-19 Long Haulers Should Know About Claiming Social Security Disability Benefits, CNBC, Aug. 14, 2021, available at: https://www.cnbc.com/2021/08/14/what-covid-19-long-haulers-should-know-about-social-security-disability.html

¹⁶ Racial Data Dashboard, The COVID Tracking Project at the Atlantic, Mar. 7, 2021, available at: https://covidtracking.com/race/dashboard#state-dc

The Council Should Pass and Fully Fund Several Proposals that Increase Access to Safety Net Benefits

In addition, Legal Aid supports and requests the Council pass the following proposals with adequate funding:

- Create a Department of Human Services Ombudsperson. In 2021, Legal Aid testified regarding the need for a DHS Ombudsperson to assist and advocate for District residents in accessing benefits and resolving issues related to their public benefits in a timely manner. As individuals continue to experience issues accessing and maintaining critical safety net benefits in a timely manner, Legal Aid renews the call for the creation of a DHS Ombudsperson. 18
- Increase Temporary Assistance for Needy Families' (TANF) Benefits. TANF provides cash assistance to families in need. In the District, a family of three with no income may receive up to \$665, or roughly 34% of poverty, per month in TANF. By contrast, in New Hampshire that same family of three may receive up to \$1,086. 19 The District should increase TANF benefits to alleviate child poverty.
- Pass the Give SNAP a Raise Amendment Act. The Supplemental Nutrition Assistance Program (SNAP) provides low-income individuals and families with a monthly benefit to purchase food. The Give SNAP a Raise Amendment Act would raise the maximum benefit amount by approximately 9% and increase food security in the District. Legal Aid urges the Council to pass this act.
- Pass the No Senior Hungry Omnibus Amendment Act. The No Senior Hungry
 Omnibus Amendment Act will take concrete steps to alleviate food insecurity
 among seniors in the District. Legal Aid urges the Council to pass this act.

¹⁷Testimony of Marcia Hollingsworth, Carolyn Rumer, Legal Aid Society of the District of Columbia, on the Budget Oversight Hearing of the Department of Human Services, June 14, 2021, *available at:* https://www.legalaiddc.org/wp-content/uploads/2021/06/Legal-Aid-FY22-DHS-Budget-Testimony-ESA-Alliance-FINAL.pdf.

¹⁸ See Testimony of Satcha Robinson, Legal Aid Society of the District of Columbia, on the Performance Oversight Hearing of the Department of Human Services, Feb. 24, 2022, available at: https://www.legalaiddc.org/wp-content/uploads/2022/02/Testimony-before-the-Committee-on-Human-Services-regarding-the-DHS-Satcha-Robinson.pdf.

¹⁹ New Hampshire Bureau of Family Assistance Program Fact Sheet, *available at:* https://nhfv.org/wp-content/uploads/2021/01/1-21-fam-asst-fact-sheet.pdf.

• Pass the Diaper Affordability and Access Act of 2022. Low-income families have long struggled to afford to buy sufficient diapers for their young children.²⁰ This issue became even more pervasive during the pandemic.²¹ The Diaper Affordability and Access Act aims to remedy the diaper need, by providing a supplemental benefit to TANF recipients to help with the cost of diapers each month. Legal Aid urges the Council to pass this act.

Conclusion

Legal Aid thanks the Committee for the opportunity to submit testimony on the proposed FY23 budget for DHS. We look forward to continuing to work with the Committee to improve the budget prior to final approval, and more broadly, to ensure that DHS effectively meets the needs of Washingtonians seeking assistance through the District's safety net programs.

²⁰ See Megan Cerullo, *Pandemic has Exacerbated "Diaper Need" in the U.S.*, CBS News, Oct. 8, 2021, *available at:* https://www.cbsnews.com/news/diaper-prices-going-up-pandemic/.

²¹ *Id*.