

**Testimony before the District of Columbia Council
Committee on Human Services
Jim Graham, Chair**

**Special Invitational Roundtable
The State of Human Services in the District of Columbia:
The Views of Advocacy Organizations
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**Jennifer Mezey, Supervising Attorney, Public Benefits Unit
Monica Bell, Arthur Liman Public Interest Fellow
Legal Aid Society of the District of Columbia¹**

Although many agencies under the purview of the Human Services Committee play important roles in alleviating the problems facing our clients who are living in poverty, my testimony today focuses on the challenges and opportunities for improving programs administered by Income Maintenance Administration (IMA), including Temporary Assistance for Needy Families (TANF), Interim Disability Assistance (IDA), and Supplemental Nutritional Assistance Program (SNAP).

I. The Problem of Poverty in the District

Poverty in the District is a pervasive and persistent problem. Nearly 1 in 5 District residents -- and nearly 1 in 3 of the District's children -- live in poverty. An alarming 1 in 10 District residents has fallen into "deep poverty," living on less than 50% of the federal poverty line (or less than \$9,155 for a family of three). Although poverty has garnered more widespread attention since the onset of the recession, high poverty rates are not new to the District. One in five District residents was living in poverty even *before* the economic downturn. Moreover, District poverty is unusually persistent and intergenerational in nature. The prevalence and intractability of poverty in the District underscore the need for collaboration between government officials and advocates in finding solutions to this issue. Many parts of the District government have responsibility for poverty alleviation, but DHS is our "safety net" agency, which makes its mission unremittingly difficult.

II. Safety Net Programs Administered by IMA

As the District faces a serious and worsening fiscal situation, DHS is on the front line of casualties in the budget-cutting battles. Already understaffed, it is undergoing further staff reductions. Already underfunded, various DHS-administered programs are being cut further.

¹ The Legal Aid Society 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." Over the last 70 years, tens of thousands of the District's neediest residents have been served by Legal Aid staff and volunteers. Legal Aid has been practicing in the area of public benefits for a number of years, representing clients with TANF, Food Stamps, and Medicaid cases.

For example, the TANF program was cut by \$4.6 million in the FY 2011 budget, primarily through a mandatory 20% benefit cut for families who have been on the program for more than a cumulative total of five years. This across-the-board sanction will apply to longer-term TANF families who are survivors of domestic violence, caring for a child under the age of one year old, over 60 years old, or caring for a disabled family member. This benefit cut is a troubling development considering that ample research demonstrates that the families who tend to stay on TANF the longest are the ones headed by people with the most and most serious barriers to employment, including low IQ, mental and physical disability or language barriers.

In these economic times, the government must take a scalpel to each agency's budget, carefully removing unnecessary expenditures and inefficient programming. However, the approach taken to DHS's budget for safety net programs over the past few years has been more like a hacksaw, chopping away funding critical to keeping the District's most vulnerable adults and children clothed, housed, fed, and protected from abuse. The District's policies governing eligibility and coverage for public benefits are generally progressive, but the safety net is being jeopardized by budget cuts, negative policy proposals, staff shortages, and unduly complex rules and processes.

Although IMA administers several social safety net programs including TANF, Medical Assistance, the Supplemental Nutrition Assistance Program (SNAP) (formerly Food Stamps), the Child Care Subsidy, Burial Assistance, Emergency Rental Assistance (ERAP), Interim Disability Assistance (IDA), and Refugee Cash Assistance, my testimony focuses on three of those programs: TANF, IDA, and SNAP.

A. Temporary Assistance for Needy Families (TANF)

TANF is the District's cash assistance or welfare program. It is designed to be both a work support program -- providing assistance and work opportunities and supports to families who fall into short-term hardship and need a bridge to their next job -- as well as assistance to those who can't work due to the state of the economy, disability, domestic violence and other barriers.

The federal government gives the District a block grant to fund its TANF program, and the District also provides funds for the program. According to the most recently provided DHS figures, over 17,000 District families receive TANF. This figure has increased from the roughly 15,000 receiving TANF at the beginning of the recession, but is still down from the over 24,000 families receiving benefits in 1997.² Before Congress changed the program in 1996 through the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), the welfare program was known as Aid to Families with Dependent Children (AFDC) and was funded as a federal entitlement program for which states had to provide matching funds to draw down federal dollars. Among other requirements, TANF recipients must have a minor child and extremely low income. TANF families must meet work requirements and comply with agency efforts to collect child support from the non-custodial parent. The District requires 20 to 30 hours of participation in work activities each week; work activities involve working with one of six work vendors who

² See DC Fiscal Policy Institute, *Caseload Trends for the DC Temporary Assistance for Needy Families (TANF) Program 1* (July 2010), <http://www.dcfpi.org/wp-content/uploads/2009/03/7-6-10tanf.pdf>.

contract with the District to prepare recipients to find and retain unsubsidized employment. There are exemptions from the work requirements and child support requirements for reasons including domestic violence and disability, but DHS, by its own admission, does not adequately assess individuals for these exemptions.

Officials at IMA have acknowledged severe problems with the current TANF program. The program has employed an ineffective one-size-fits-all approach to preparing TANF customers for work instead of meeting each recipient where they are, figuring out their needs, and offering services based on those needs. The agency is in the middle of a massive TANF program redesign that is supposed to provide better and more individualized services to TANF recipients, including better case management, more information about educational and job training activities that will comply with work program requirements, and better assessment and identification of customers' barriers to work so appropriate services can be rendered. Council has helped move this approach along by passing the TANF Educational Opportunities and Accountability Act during the last legislative session. If given the chance to work, the reforms initiated by DHS and recommended by the Council will do more than time limits or sanctions to hold TANF parents accountable without hurting families.

The District should engage in a full and careful review of TANF policy in the city, and the Council can play a particularly critical role through monitoring the soon-to-be-made improvements. Council should refrain from engaging in deeper, more dramatic TANF cuts before giving these important improvements a chance to work.

B. Interim Disability Assistance (IDA)

Interim Disability Assistance (IDA) provides temporary cash assistance to the City's most vulnerable disabled residents while they wait months or even years to be approved for Supplemental Security Income (SSI). IDA serves as a loan to disabled adults while they wait for their application for SSI benefits to be approved. If the recipient's SSI application is approved, the District is automatically reimbursed for IDA benefits provided from the recipient's past-due SSI benefits.

Over the last four years, IDA's budget has been cut by approximately sixty percent. As a result, the program now has a limited caseload of 1,500 and a six-month waiting list of approximately 600 people. IDA recovers approximately 40% of its local funding from SSI reimbursement, comparable to other states with similar programs.

The Social Security application process is burdensome and bureaucratic. The majority of decisions at the initial application and first level of appeal are denials, but at the next stage of the appeal process, a hearing by an administrative law judge, most decisions are favorable to the claimant. (When clients are represented, over 90 percent of decisions are favorable to the recipient). Unfortunately, it can take as long as two years for a recipient to get before an administrative law judge. Without IDA, eligible individuals will be unable to pay for essentials such as food and modest contribution to housing – usually living with others. Without these meager benefits, most will end up homeless and relying on emergency services that are far more

expensive to the city with changes in the benefit structure tied to improvements in welfare-to-work policy.

It is critical that Council refrain from making further cuts to IDA and protect the program. IDA serves individuals with disabilities with no or very limited income who are unable to work and are waiting for a determination on their application for Supplemental Security Income (SSI) – a process which can take years from start to final appeal. If IDA is cut any further, it will essentially cease to exist. Instead, the Council should encourage DHS to make additional efforts to connect IDA recipients with pro bono and legal services attorneys who can help them with their cases, potentially resulting in additional reimbursement for the District.

C. Supplemental Nutrition Assistance Program (SNAP)

SNAP, formerly known as Food Stamps, is the District's nutritional assistance program for families and individuals at 200% of poverty or below. The federal government, through the US Department of Agriculture, fully funds SNAP. However, the District pays part of the costs associated with administering the program.

The District's administration of SNAP is a bright spot in social safety net implementation, primarily because the Council enacted a series of laws in recent years to improve the program. Unfortunately, DHS has been slow to implement many of these provisions.

The Council should continue to work with the Administration to expand access to SNAP. The Council can also play an important oversight role and work with the Gray Administration to see that enacted expansions are implemented in a timely manner.

III. Challenges Facing IMA in Administering Safety Net Programs

In addition to protecting safety net programs from budget cuts, there are systemic operational improvements that will be necessary to guaranteeing access to quality services and benefits. Council can play a critical role by overseeing operational improvements, authorizing funding for them, and holding the agencies accountable for making the improvements.

Because of the economic crisis, caseloads for TANF and SNAP are rising. IMA is not currently equipped to deal with this reality. Three central problems that consistently plague DHS and IMA are insufficient staff, outdated and inefficient technology, and lack of cross-agency information sharing.

A. Insufficient Staffing

As a result of budget cuts, eliminated positions, and hiring freezes, DHS lacks adequate staff to administer programs effectively and to creatively and deliberately design and implement more effective policies. We don't doubt that agency staff are working hard to serve the needs of their customers but they are clearly overwhelmed. As a result, we have seen eligible individuals

and families having their applications denied or their benefits terminated through no fault of their own, while the Department as a whole does not operate as efficiently and effectively as it could.

B. Outdated and Inefficient Technology

A second systemic problem is technology. Inadequate technology, in concert with inadequate staffing, make it difficult for the agency to implement program changes, process benefit applications and recertifications for benefits accurately, consistently and in a timely manner. The ACEDS computer system used by DHS also does not allow the production of legally adequate notices that protect clients' due process rights. Many states are far ahead of the District in using web-based programs for applications, recertification, and reporting of changes.

DHS is working to make greater use of electronic documents and web-based programs to operate its agency. We believe that the agency is also in the early stages of developing an RFP for a replacement for the ACDES database. However, during the time it takes to make these changes, the agency must make better use of the resources it currently has so that it can fulfill better its mission to provide benefits to families and individuals.

C. Lack of Cross-Agency Information-Sharing

There is a well-documented and continuing need for better linkages between agencies and among programs. For example:

- (1) The Department of Employment Services (DOES) is a particularly egregious example and should be a high priority for the attention of the Council. As DHS finally revamps its TANF employment program, the agency has to provide more individualized assessments and referrals to services and is expressing a commitment to improve linkages to education and training programs as well as vocational rehabilitation services and other supportive services. Linkages with DOES, which already has some job training programs, will be very important to the success of this effort.
- (2) Another example is the systemic problem of providing language accessible services to limited English proficient District residents; agencies do not do a sufficient job of identifying the language that the individual needs to be served in and transmitting that information to relevant agencies.
- (3) A third example is the non-existent connection between the School Free Meals program and IMA with regard to SNAP. SNAP beneficiaries are automatically eligible for the School Free Meals program and vice versa; however, there is no connection between the School Free Meals program and IM. Accordingly, families that receive free meals but not SNAP are not automatically enrolled in SNAP. The District's most vulnerable residents, therefore, lose the opportunity to get essential food support simply because agency officials do not, or cannot, communicate with each other.

IV. Solutions and Conclusion

The Council has been a catalyst for improving service delivery in the past, and it is critical that the Council maintain that role despite the temptations to lose sight of those values during a time of budget shortfall. Two priorities should shape the Human Services Committee's legislative agenda:

- (1) **Protecting and depoliticizing the safety net.** The Council should not impose any further budget cuts that will disproportionately harm the most vulnerable individuals and families. Cuts to safety net programs alone cannot close the budget gaps we face; any cuts should be shared evenly among District residents and accompanied by revenue enhancements.

This Committee should also work to reduce the political nature of discussions around TANF, IDA, and other basic assistance programs. These programs have serious shortcomings -- in ways that have real impacts on families. But most public debate has focused on blaming programs for poor performance and beneficiaries who need benefits. As a result, programs are cut, further hurting the families and individuals that rely upon them. This Committee can help lead the discussion about how to improve the quality of these programs, promote policies that will lead to better outcomes, and protect funding to allow them to become higher-quality programs.

- (2) **Holding DHS accountable for ensuring that eligible individuals and families can obtain and keep their public benefits (in part, by providing adequate notice of any requirements that have not been met and by explaining any benefit cuts in the notices).** Creating seamless ways for people to obtain public benefits, including multiple doors for benefit access including through brick and mortar service centers and on-line portals. The issues addressed above -- staffing, technology, and inter-agency communication and coordination -- are the kinds of improvements that may cost money in the short-term, but will save costs in the long-term because the programs will work more effectively. For example, a TANF program that screens for and addresses barriers -- including the need for education and training -- rather than merely sending people out to work who don't have the requisite skills can result in fewer families needing to rely on TANF. A SNAP program that more quickly and accurately provides benefits brings in additional federal dollars directly into the District's economy. These would be net positives for budgetary and humane reasons.

The District is at a crossroads in the administration of our social safety net. There is a perfect storm that, if not managed properly, could lead to the implosion of safety net programs and serious harm to the District's most vulnerable. The pile of resources is constantly shrinking, but more and more District residents are in need and services are being cut when they are needed the most. What we prioritize during these difficult economic times is reflective of our community values. Safety net programs are complicated and hard to run in the best of times, so it is critical that advocates work with the District government to ease these challenges and protect the safety net as much as possible for the most vulnerable in our community. We must come together to think about the best way to manage these issues intelligently so that the situation does not implode. The Legal Aid Society stands ready to work with the Council, agency officials, and other advocates to develop and implement better approaches that will serve our client community.

