

**Testimony for Public Oversight Hearing on the Performance of the Economic
Security Administration of the Department of Human Services**

**District of Columbia City Council Committee on Human Services
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The Economic Security Administration (ESA) of the Department of Human Services (DHS) provides vital safety net benefits to the most vulnerable District residents. Benefits such as the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) are essential income sources for a significant number of our clients—many of whom are mothers raising children alone, seniors, or individuals with serious disabilities. Navigating these assistance programs, as well as others such as Medicaid and Alliance, can be daunting for those struggling with other personal challenges. Through our roles as advocates, the attorneys at the Legal Aid Society of the District of Columbia (Legal Aid) frequently interact with the staff and systems of the ESA. Our experiences helping clients obtain or keep crucial benefits give us insight into the ways in which ESA is succeeding and the areas in which it must improve its efforts to better serve our community.

The effects of the recession of the last several years continue to be borne disproportionately by those least able to do so. Figures released by the US Census Bureau show that the number of Americans in poverty in 2010 (46.2 million) is the largest number in the 52 years for which poverty estimates are available.² District residents fare worse than many others in this grim picture. The poverty rate is higher in the District than in the nation as a whole. Eighteen and half percent of Washingtonians now live below the poverty line,³ a fact that reflects the heightened need in our community. Two years after the start of the recession, the number of District families receiving SNAP had increased by 33.4% and the number of families receiving TANF had increased by 10.8%.⁴

Unfortunately, ESA is not fully meeting the challenges poised by these difficult times. We believe that the agency is on the right path towards improving both its

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 80 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, SNAP, and Medicaid cases.

² About Poverty – Highlights – U.S. Census Bureau,
<http://www.census.gov/hhes/www/poverty/about/overview/index.html> (last visited 2/27/2012).

³ District of Columbia QuickFacts from the U.S. Census Bureau,
<http://quickfacts.census.gov/qfd/states/11000.html> (last visited 2/28/2012); *see also id.*

⁴ LaDonna Pavetti, et al, Center on Budget and Policy Priorities, TANF Responded Unevenly to Increase in Need during Downturn App. B (2011).

programs and operations, but we also know that more can be done—both by the agency itself and by other actors in the District government.

I will focus much of my testimony on concerns related to the administration of the TANF program, including the Program on Work, Employment, and Responsibility (POWER) which serves TANF recipients with disabilities. Specifically, we are concerned that:

- the recent implementation of reductions to the TANF benefits of long-time recipients and their families does not provide recipients with enough time to make use of the programmatic improvements planned by ESA;
- the new TANF time limits fail to account for the possibility that certain hardships may impede a recipient's ability to gain employment; and
- ESA staff is failing to identify and refer many TANF recipients with disabilities to POWER.

I will also testify on two additional issues of concern related to ESA's administration of other key public benefits programs. We are concerned that:

- the future of the Interim Disability Assistance program (IDA) is affected by funding reductions and ESA's failure to make these benefits fully accessible, and
- the current level of operations at ESA service centers does not promote the effective administration of its public benefits programs.

I. TANF benefits are reduced without providing long-time recipients with additional time to receive new employment-related services, evaluating the hardships experienced by recipients, or considering all families' eligibility for POWER.

We commend ESA for carefully examining and revamping its TANF program to offer recipients better quality, individualized services that will help better prepare employable individuals to succeed in the work place as well as better identify and address barriers to employment. We appreciate the agency's willingness to discuss their plans with advocates and hear our concerns about how best to protect our clients.

However, at odds with this new approach is a policy adopted last year as part of the Fiscal Year 2012 budget process—the imposition of a 60-month time limit for families receiving TANF benefits. Families receiving TANF for 60 months or more now face a graduated system of reductions to their monthly benefits. Implementation began in 2011, even though recipients have not yet received substantive help preparing to find jobs in the weak employment market. If the Administration and the Council do not take action soon, as of October 1, 2012, about 8,000 families will reach the 60-month mark and face a benefit reduction of 40 percent. In other words, a family of three headed by an individual who has potentially received few if any services or supports and likely

faces great employability barriers will only receive a monthly benefit of \$205—\$65 per month less than the TANF grant for one person just entering the program.

The strict enforcement of these time limits represents an unnecessarily harsh break from the District's previous approach to TANF. Unlike many other jurisdictions that have adopted time limits, the new rules in place in the District include only narrow exemptions for certain individuals with disabilities enrolled in POWER and child-only families. With these changes, the District has now become one of the most restrictive jurisdictions nationwide in its management of TANF benefits.

Legal Aid recommends three steps that would be consistent with ESA's stated commitment to improving employability outcomes while protecting vulnerable families: (1) provide TANF recipients with additional time to be assessed and receive services before additional benefit reductions occur; (2) expand the exemptions and extensions from benefit cuts to TANF recipients; and (3) improve the POWER program so that individuals with disabilities can receive appropriate assistance and potentially have an easier path towards receiving Social Security disability benefits.

Provide additional time for assessment and matching with services. Legal Aid opposes policies that will dramatically and suddenly reduce the assistance available to already struggling families. Families who reach the 60-month mark are more likely than other TANF recipients to suffer from mental and physical health problems or have other significant barriers which reduce their chances for stable employment.⁵ Families reaching time limits are also more likely to have experienced severe domestic violence.⁶ Parents in these families are often not equipped to transition to the work place and may need additional help if they will ever be able to do so. We believe instead that the solution to helping families is to provide individualized, quality job-readiness supports and services to recipients and properly apply limited sanctions when recipients do not meet their individualized employment-related goals.

Simplify the system of benefit reductions and expand the exemptions and extensions from benefits cuts to TANF recipients. If time limits for TANF must be adopted, the District's policy should align incentives and reductions as well as make some allowances for recipients suffering particular hardships. We applaud the bill recently introduced by Councilmembers Jim Graham and Michael Brown which would simplify the current system of TANF reductions and would give recipients time to get the training and help they need to prepare to enter the workforce. The bill, the Temporary Assistance for Needy Families Time Limit Amendment Act of 2012, would also create exemptions for TANF recipients who are experiencing significant barriers to employment—such as minor parents enrolled in school, elderly parents or caretakers, and

⁵ LaDonna A. Pavetti & Jacqueline Kauff, Mathematica Policy Research, Inc., *When Five Years Is Not Enough: Identifying and Addressing the Needs of Families Nearing the TANF Time Limit in Ramsey County, Minnesota* 10-11 (2006).

⁶ See Kristin Seefelt and Sean Orzol, National Poverty Center, *Watching the Clock Tick: Factors Associated with TANF Accumulation* 19 (2005).

parents who are the victims of domestic violence. Exemptions and extensions such as these would better align the District's TANF program with those offered in other states and would incentivize employment while recognizing the special barriers experienced by some families who receive TANF.

Improve access to POWER. The POWER program provides benefits and services to TANF families in which the parent or caretaker is not likely to meet TANF work requirements due to short-term physical or mental health problems or who would need extra support to meet work goals. Parents who have severe disabilities that qualify them for POWER may likely also be eligible for SSI or SSDI.

We are concerned that many families who could otherwise qualify for this program are not being identified as potential POWER recipients. These families may be missing out on key services and supports that they would otherwise be entitled to if they were enrolled in POWER.

Currently, POWER is something of a stealth program. Parents or caretakers cannot apply to it directly and many TANF recipients are not aware of its existence. Families are admitted to POWER after they are affirmatively identified as possible recipients by workers at ESA and a medical review of the parent's condition is completed. It is unclear whether this screening system, which relies on an individual ESA worker to make an initial decision about a parent's possible eligibility, sufficiently locates all qualified POWER recipients. Not all disabilities are obvious—some disabling conditions cannot be immediately observed. Those TANF recipients and applicants who do not advertise to ESA staff that they have a serious mental or physical health condition will have little chance of ever having their family selected for POWER. Without more information about POWER, many parents may not realize that openness about their health conditions may result in their qualification for additional assistance.

We suggest that ESA take steps to increase awareness of the existence of POWER among both TANF applicants and current recipients. ESA should provide more clarity to ESA consumers and advocates about the procedures ESA staff use to assess eligibility. Agency policies should also be revised to allow TANF recipients and new applicants to apply directly for POWER. ESA staff should connect TANF and POWER recipients who are not expected to find employment due to a disability with social and legal service providers who can help them to complete the application process for SSI, compile necessary medical and psychological documentation, and possibly provide representation at hearings or meetings with the Social Security Administration.

II. The future of IDA is affected by funding reductions and ESA's failure to make these benefits fully accessible.

Interim Disability Assistance provides temporary cash assistance to individuals who are waiting for their SSI application to be approved and have no other means of support. Unlike TANF and POWER, childless adults may apply for IDA. IDA recipients use the funds to cover their basic living expenses, which often means that they do not

need to rely on other expensive emergency District services such as emergency rooms and shelters. IDA brings federal dollars to the District by ensuring that recipients can afford to follow through with the long waiting process required to get federal disability benefits. If an SSI application is approved, the federal government reimburses the District for IDA assistance paid during the application period.

In the last couple of years, the future of IDA has become increasingly uncertain due to both funding reductions and problems with the program's administration. **We ask that Committee members commit to restore funding to IDA. We also recommend that ESA manage the IDA application and waitlist process in a transparent way to ensure that all qualified residents with disabilities are able to access this program in a timely manner.**

Nationally, more people than ever before are applying for federal disability benefits as many people with disabilities lose their jobs and cannot find new work in this economy.⁷ This trend likely parallels a rise in SSI and SSDI applications in the District. Despite the continuing relevance of a program such as IDA, local funding for IDA has been reduced from \$5.6 million in Fiscal Year 2008 to just \$1.5 million in the current fiscal year. Currently, only 1,200 residents are able to receive assistance each month—significantly fewer than the 2,900 residents who were typically able to rely on IDA in previous years. Without a commitment to IDA from the Council, it is expected that fewer residents will be able to receive assistance even though the need for help remains significant.

High demand and limited funding has led ESA to create a waitlist for IDA. Although the presence of waitlist may be a necessity, our clients have expressed confusion with how that list is managed; one SSI/SSDI applicant reported to us that ESA staff would not accept his application for IDA and would not place his name on the waitlist. Because this program is partially funded through the lump sum SSI awards issued after a disability application is granted, IDA is less successful at reimbursing its own costs if fewer people are able to participate. With a greater number of qualified SSI applicants enrolled in IDA, ESA would increase its chances of getting reimbursed by the federal government and would better serve District residents with disabilities.

III. District residents lose important public benefits due to operational issues and staffing problems at ESA.

ESA's programs and services have been in great demand in the last several years, as many try to right themselves in these trying economic times. We recognize that this increased need places pressure on ESA staff. As with any agency of its size, there will be inevitable mistakes or staffing issues. Despite this, we remain concerned about ESA's performance. Our clients report a range of difficulties in their experiences at the agency in addition to those already described above. For example:

⁷ Stephen Ohlemacher, *Social Security disability on the verge of insolvency*, MSNBC, Aug. 22, 2011, http://www.msnbc.msn.com/id/44220205/ns/politics-more_politics/t/social-security-disability-verge-insolvency/#.T01sE1b6kdU.

- Face-to-face recertification interviews for the Alliance program are scheduled for a particular time, but when the recipient arrives at the service center, the planned appointment is not kept.
- Recipients have been terminated from Medicaid for failure to recertify despite having provided all necessary documents on multiple occasions. Re-certification paperwork is “lost” by the agency.
- A recipient attempts to contact ESA by telephone but cannot get connected to the main line or is placed on hold for long periods of time. ESA staff does not return messages left by the recipient.

We are sympathetic to the burdens placed on the frontline ESA staff. However, these issues have often had serious implications for our clients. One client had been without Medicaid for five months and had gone without dental and medical care by the time she came to us for assistance. She re-applied for Medicaid and was able to regain coverage, but she missed months of necessary treatment.

Much can be done to improve ESA’s operations. **We recommend that the Committee consider the creation of additional policy and staff positions at ESA to better accommodate the increased number of benefits applications and improve program administration. Additionally, there also must be clearer ways for advocates and individuals to resolve problems without needing to resort to more formal fair hearing requests.**

These fixes are necessary both for our clients and the other District residents who rely on ESA’s programs, but also to improve the morale of the employees who are the face of the agency. ESA must do more to ensure that its resources are used to promote the efficient administration of safety net programs. Even if budgetary constraints limit the ability of the Council to appropriate additional funds for the hiring of substantial numbers of new ESA staff, at a minimum, a thorough analysis of the agency’s current deployment of its resources may be in order. Through continued training and oversight of its employees, for instance, ESA can improve the quality of service provided by each employee. The agency can invest managers with the ability to fix minor problems and mix-ups—thus reducing the number of issues that get escalated to the fair hearing level. Lastly, ESA can be more transparent about its processes so that advocates and benefit recipients can play a role in making sure that programs are functioning as they should.

IV. Conclusion

We understand that many difficult decisions lie in front of our District government leaders. However, we urge the District to recognize the difficulties faced by its most vulnerable residents and commit to continuing the benefits these residents depend on to support themselves and their families.