

**Testimony of Carolyn Rumer
Equal Justice Works Fellow Sponsored by Latham and Watkins, Public Benefits Unit
Legal Aid Society of the District of Columbia**

**Before the Committee for Human Services
Council of the District of Columbia**

Budget Oversight Hearing Regarding the Department of Human Services

April 12, 2018

On behalf of the Legal Aid Society of the District of Columbia,¹ D.C.'s oldest and largest general civil legal services program, I submit this testimony to raise our concerns regarding the impact of the Mayor's proposed FY19 budget for the Department of Human Services (DHS) on safety net benefits that are critical to the lives of all too many of our clients. As the Council and this Committee knows, Legal Aid represent some of the most vulnerable individuals in the District, many of whom are caretakers, children, survivors of domestic violence, or people with disabilities and depend on programs like Temporary Assistance for Needy Families (TANF), D.C. Healthcare Alliance (Alliance), and the Supplemental Nutrition Assistance Program (SNAP) to meet their needs. As we testified during the Department's performance oversight hearing, DHS faces a number of challenges across its programs, and often struggles to be responsive to the needs of the customers and communities it is responsible for serving.² While the Mayor's proposed budget for the Department contains important positive elements, we remain concerned about whether the Mayor's budget positions the Department to make progress in addressing these challenges.

On a positive note, the budget includes an increased allocation to fund the elimination of the TANF 60-month time limit and TANF cost of living adjustments. While the Committee should continue to monitor how the Department implements planned TANF reforms, we are pleased to see these changes reflected in the FY19 proposed budget. We are also encouraged to see proposed funding for 25 new FTEs at ESA service centers. This infusion of additional staff at these severely under-resourced offices is much needed. That said, we urge the Committee to inquire about how the agency plans to allocate and utilize these new staff, to ensure that they are effectively deployed.

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." Over the last 80-plus 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 *Testimony of Damon King, Senior Policy Advocate, Legal Aid Society Before the Committee on Human Services* (March 8, 2018), <https://www.legalaiddc.org/wp-content/uploads/2018/03/Legal-Aid-FY17-18-Performance-Oversight-Testimony-re-DHS-Intro-and-Overview-FINAL-3-12-2018.pdf> .

On the other hand, we are deeply disappointed that the Mayor declined to fund any changes to the Healthcare Alliance program to eliminate the onerous six month, in-person recertification requirement for Alliance enrollees – a decision that has serious implications for service centers.³ In doing this, the Mayor ignored the will of the Council, which unanimously passed two pieces of legislation last year that were specifically aimed at easing burdens on the service centers and, more importantly, ensuring that Alliance enrollees do not lose their health coverage because of bureaucratic obstacles.

Finally, we remain concerned that this budget does not adequately reflect further internal changes that DHS needs to make in order to better serve District residents who turn to the agency for help. An increased budget allocation for (among other items) targeting fraud in social safety net programs is a poor allocation of very limited resources. It also suggests that the Department is continuing to operate on, and perpetuate, troubling stereotypes about the populations it is supposed to serve, even as it struggles to effectively serve them. The Committee should ask Director Zeilinger where efforts to address service delivery problems raised during performance oversight are reflected in this budget.

TANF

Legal Aid thanks Chairperson Nadeau, this Committee, and Director Zeilinger for working with the Mayor’s office and advocates to pass, fund, and implement the elimination of the 60-month TANF time limit. Legal Aid supports increased allocations for the full implementation of the new policy ending the TANF time limit, which went into effect on April 1, 2018, and a cost of living adjustment for TANF. The elimination of the draconian 60-month time limit is critical for the approximately 4,000 families and 7,800 children living in the District who have been receiving TANF for more than 60 months.⁴

However, in addition to funding the cash assistance extension, successful implementation of this program requires that DHS staff and vendors are trained effectively so that they provide clear, consistent, and accurate information about TANF reform and program requirements. As we noted during performance oversight, the agency and vendors have struggled to provide accurate information to families in TANF and POWER, or to coordinate with each other when appropriate – particularly for families trying to access POWER.⁵

³ We recognize that the Healthcare Alliance program’s funding is in budget for the Department of Healthcare Finance. However, as we discussed during performance oversight, the Alliance program’s recertification process has a direct effect on the performance of the service centers, where enrollees go to recertify.

⁴ See Dep’t Human Services, *FH19 DHS Budget Overview*, (Apr. 2018) at 12, <https://dhs.dc.gov/sites/default/files/dc/sites/dhs/publication/attachments/FY19%20DHS%20Budget%20Overview.pdf>.

⁵ Since October 2017, our clients have encountered a disturbing amount of misinformation from frontline staff surrounding TANF and POWER. One mother reported to us that she was told by a DHS caseworker that she was no longer eligible for TANF/POWER because “Trump cut the budget until April.” TANF vendors often convey information or take actions that are inconsistent with TANF regulations and DHS policy. One vendor took the position that it is the client’s duty to inform the vendor of DHS’s exemption

We urge the Committee to ask DHS about specific plans that the agency has to use budget increases to ensure comprehensive training for service center staff and oversight of vendors in order to facilitate the effective implementation of the TANF program changes.

SERVICE CENTERS

Legal Aid is encouraged to see that the Administration is requesting funds for additional staff at service centers and is discussing opening its service centers earlier in the morning. During performance oversight, we noted that we continue to observe customers lining up early in the morning outside service centers, with the first customer in line often reporting arriving at 3:00 to 4:00 a.m. (or even earlier) to avoid being turned away later in the morning. Adding staff and opening service center doors earlier have the potential to provide some relief.

However, as with TANF reform implementation, how these new resources are used matters just as much as the allocation itself, and the Department needs to provide additional information. The Committee should ask for further details about how the additional staff will be deployed, including how it will address language capacity and other obstacles to service delivery at the service centers.

HEALTH CARE ALLIANCE

Legal Aid is disappointed that the Mayor's proposed FY2019 budget does not include any funding for legislation that the Council passed in 2017 to address the broken Alliance recertification process. This Committee must demand full funding to implement the changes contained in that legislation. Although DHS might intend for some of the increased funding for service center staff to help the Alliance applicants and beneficiaries, that intention alone is insufficient. Failing to properly fund the Alliance recertification changes will harm enrollees who arbitrarily lose coverage due to these requirements, and leave unaddressed, which the Council tried to address in the 2017 legislation, the fundamental unfairness of requiring only one part of the population who receives health insurance through the District to recertify every six months at the service centers with an in-person interview. Further, given the extent of delays and inefficiency at service centers, we are concerned that the proposed funding by itself will be insufficient to resolve the delays caused – at least in part – by an entire population of benefit program enrollees having to re-certify twice a year.

In the fall of 2017, the Council recognized District residents' concerns by unanimously passing two different pieces of legislation aimed at fixing the same problem: Alliance recertification requirements that create barriers to services for individuals and increase the demand for service center resources.

determination rather than the vendor's duty to get that information from DHS (or DHS's duty to convey the information to its agent, the vendor). *See Testimony of Curt D. Campbell Jr., Staff Attorney, Public Benefits Unit, Legal Aid Society of the District of Columbia Before the Committee on Human Services (March 8, 2018), <https://www.legalaiddc.org/wp-content/uploads/2018/03/Legal-Aid-FY17-18-Performance-Oversight-Testimony-re-DHS-TANF-FINAL.pdf>.*

- In December 2017, the Council passed the DC Healthcare Alliance Re-Enrollment Reform Amendment Act of 2017, introduced as Bill 22-231, which would repeal the current six month, in-person recertification requirement and replace it with an annual certification schedule similar to what is already in place for Medicaid enrollees. Further, it would allow enrollees who need to recertify to do so at community health centers, rather than going to service center sites. The Act passed the Council by votes of 13-0 and 12-0,⁶ reflecting widespread recognition that current policy is unnecessary, harmful, and needs to change.
- In October 2017, the Council enacted the DC HealthCare Alliance Recertification Amendment Act of 2017 (introduced by Chairperson Nadeau), which would allow Alliance recipients to complete one bi-annual recertification interview by phone rather than in-person at the service centers. This legislation also passed the Council by votes of 13-0 and 12-0.⁷

Rather than acting to implement changes that the Council has identified as necessary to fix a broken link in the Alliance program, the Mayor chose not to fund either law.

Clearly the Administration is not concerned about the burdens it is placing on an already marginalized group of District residents, its immigrant population. Therefore, Legal Aid requests that this Committee do what the Mayor did not, and work with the Committee on Health to fund the DC Healthcare Alliance Re-Enrollment Reform Amendment Act of 2017. As we discussed during performance oversight,⁸ funding this law would significantly ease the burdens on enrollees, who would no longer have to worry about losing their health coverage every few months and would provide them with the option of recertifying in settings with fewer lines and greater language capacity, should they need it. Further, it would also ease the burden on the service centers by both cutting the number of re-certification trips Alliance enrollees would have to make in half and diverting a number of enrollees to health centers, away from service centers entirely. This would be beneficial, not just to enrollees, but to everyone who is involved in or dependent on the service centers' operations.

Alternatively, Legal Aid requests that this Committee identify funding for the DC HealthCare Alliance Recertification Amendment Act of 2017, which would alleviate some of the burden placed on Alliance beneficiaries by providing the option for one of the bi-annual recertification interviews to be conducted by phone each year. While Legal Aid appreciates the reduction in barriers to Alliance beneficiaries, the benefits of this law are not as far reaching as

⁶ See, <http://lims.dccouncil.us/Legislation/B22-0231?FromSearchResults=true>

⁷ See, <http://lims.dccouncil.us/Legislation/B22-0194?FromSearchResults=true>

⁸ See *Testimony of Carolyn Rumer, Equal Justice Works Fellow Sponsored by Latham and Watkins, Public Benefits Unit, Legal Aid Society of the District of Columbia Before the Committee on Human Services* (March 8, 2018), <https://www.legalaiddc.org/wp-content/uploads/2018/03/Legal-Aid-FY17-18-Performance-Oversight-Testimony-re-DHS-Service-Centers-Alliance-SNAP-FINAL.pdf> .

the DC HealthCare Alliance Re-Enrollment Reform Amendment Act. Significant time and resources would be required for caseworkers to facilitate and complete telephone recertifications and Alliance beneficiaries would still be subject to an additional recertification each year that is not required of Medicaid beneficiaries. If the Committee pursues this option, a long-term fix to the Alliance re-certification process would still be necessary.

In addition to improving the operation of DHS service centers, the funding of either piece of legislation would send a message to the District's immigrant community that the Council does not believe that they are any more likely to commit fraud than other recipients of public benefits. Alliance and Medicaid beneficiaries have virtually identical demographics. They are all low-income, and they are all District residents. In fact, many mixed immigration status households contain both Alliance and Medicaid beneficiaries. The only difference between the two populations is the fact that Alliance beneficiaries do not have the federally required immigration status to obtain Medicaid benefits. The District should not continue to elevate this difference into a burdensome requirement that translates to disrupted coverage for a population that is already struggling under policies of the current federal Administration.

PROGRAM IMPLEMENTATION AND SERVICE DELIVERY

Effective implementation of DHS programs is critical to ensuring that District families and children are able to access program benefits, and yet, it is not clear how improvements to service delivery are prioritized in this budget. For example, as we discussed during oversight, since implementing DCAS in October 2016, the agency has experienced a significant increase in agency errors in the processing of SNAP applications and recertifications, providing SNAP notices, and loading benefits to EBT cards.⁹ The Department needs to explain, in detail, how it will address these problems, as well as how the proposed FY19 budget reflects sufficient resources to ensure timely receipt of benefits.

Troublingly, at the same time that the Department struggles to ensure that customers actually receive their SNAP benefits, the agency is requesting an increase of more than \$2,000,000 and 28.4 FTEs to support various initiatives that include the need to investigate Electronic Benefit Transfer (EBT) and SNAP Fraud. We are particularly concerned that the agency seeks more FTEs to support this "fraud investigation" work than it is seeking to support service delivery (25 FTEs). This concern is heightened by the presence of new ads blanketing the District implying that SNAP recipients are engaged in widespread fraud – a practice that we, at least, have no reason to believe is an overwhelming phenomenon worthy of such an infusion of funding to investigate. Legal Aid therefore urges this Committee not to give DHS a blank check in pursuing fraud claims against beneficiaries, especially when there are better uses for these resources.

⁹ See *Testimony of Carolyn Rumer, Equal Justice Works Fellow Sponsored by Latham and Watkins, Public Benefits Unit, Legal Aid Society of the District of Columbia Before the Committee on Human Services* (March 8, 2018), <https://www.legalaiddc.org/wp-content/uploads/2018/03/Legal-Aid-FY17-18-Performance-Oversight-Testimony-re-DHS-Service-Centers-Alliance-SNAP-FINAL.pdf> .

CONCLUSION

We thank Chairperson Neadeau, Mayor Bowser, and Director Zeilinger for their leadership on TANF and the increased funding for service center improvements. Legal Aid asks that this Committee work with the agency and the Mayor to fund changes to the Alliance recertification program and focus on improvements to the SNAP program, and service delivery generally.