



District of Columbia  
Primary Care Association

*Action And Innovation For Health Equity.*

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# **Council of the District of Columbia**

FY 2012 BUDGET HEARING on

## **DC Department of Human Services**

May 6, 2011

**Committee on Human Services**

**The Honorable Jim Graham, Chairperson**

By

**Howard Liebers, MPH**

**Director of Policy**

**District of Columbia Primary Care Association**

Good morning Chairman Graham and distinguished members of the committee. My name is Howard Liebers, Director of Policy for the DC Primary Care Association (DCPCA). The mission of DCPCA is to facilitate the development and sustainability of an effective integrated health care system in the District of Columbia that guarantees access to primary health care and eliminates disparities in health outcomes. The vision of DCPCA is a community based and primary care-focused system that guarantees DC residents the right care, in the right place, and at the right time. I am here today to testify on the FY 2012 budget for the Department of Human Services (DHS), and how through action and innovation we might achieve health equity in the District. Today I would like to focus my testimony on the DC Healthcare Alliance face to face recertification, cuts to TANF, and the elimination of Interim Disability Assistance.

### ***Alliance Face to Face Recertification***

As you know, government has expressed concern with the growing Alliance enrollment even as we move many people over to Medicaid, and are concerned that individuals from surrounding states may be getting enrolled or that other fraud is taking place. Continued enrollment in the Alliance now requires face to face every 6 month recertification to more closely monitor eligibility. DCPCA understands the need to do recertification and offer several recommendations:

- The Department of Human Services has offered to look at making a policy concession to not require families who have somebody receiving other DC benefits (ie TANF or Medicaid), who presumably have face to face interaction with DHS, to re-certify.
- There has been a backlog in eligibility processing, and DCPCA is glad that there will be an influx of 15 new FTE's via the Mayor's FY 2012 budget. DCPCA urges DHS to not begin conducting recertification until these staff are sufficiently trained, and to consider placing some of these workers directly in our community health centers or creating a process to permit existing staff at community health centers to process eligibility internally.

### ***Temporary Assistance for Needy Families (TANF)***

DCPCA is deeply concerned with persistent and generational poverty in the District where:

- Nearly 1 in 5 residents live in poverty;
- About 1 in 3 children live in in poverty; and
- Roughly 1 in 5 workers has a job that won't lift a family out of poverty.

DC receives \$92 million in federal TANF block grant funds, and in return must spend about \$75 million in local funds, although not all funds have to be spent on direct TANF services. Programs

like TANF (Temporary Assistance for Needy Families) and Earned Income Tax Credits (EITC) give parents who are unemployed or underemployed extra income to meet their family's basic needs. The FY 2012 proposed budget reduces the cash assistance portion of the TANF budget by \$11 million, primarily due to several major changes to TANF benefits: a new —full-family sanctions policy that would eliminate benefits entirely for noncompliance with program rules; a new five-year lifetime limit on TANF benefits that would be phased in substantially by October 2011 and fully by October 2013; and the addition of staff to help TANF recipients with disabilities apply for federal SSI benefits. Historically, the city has not used a time limit for TANF benefits -- until now. We understand why the District is taking a hard look at this, and has made some policy concessions in that recipients who are at the 60-month limit will not be immediately cut off, but will see reductions in benefits they are currently receiving. However, DCPCA recommends that:

- Before anybody is cut off TANF, or even has their benefits reduced further, there be substantial case review to see what training and support has been offered to that family and what reasons exist for preventing the individuals in that family from finding suitable employment. If it is determined that adequate assessment, training, and support has not been offered, remedial action should be taken before any further benefit reductions are put in place.
- An analysis should also be done of the contractors for the welfare to work programs. Which ones have shown success and who has done a good job of helping DC families access jobs that have a fighting chance at rising above poverty? And new contracts will include additional pay for performance incentives for finding long-term employment, the POWER-to-SSI Initiative, etc. An RFP process for new contractors was supposed to be implemented, yet has continued to be delayed.

**A recent review of TANF cuts by the DC Fiscal Policy Institute shares that:**

*Studies have shown that most long-term welfare recipients have multiple complex barriers to employment, such as physical and mental disabilities or domestic violence. The District's current assessment and screening process does not adequately identify such barriers, and the proposed time limit policy offers very few extensions and exemptions for hardship. Further, most states that have implemented a time limit policy have done so prospectively—meaning that the time clock would start when the policy was adopted, rather than counting months of assistance before the time limit policy was in place. This allows the time limit to serve its motivational purpose and offers families adequate time to prepare for benefit reductions. By opting to implement the time limit retroactively, nearly 7,000 District families will see benefits drop by 40 percent – from \$428 to \$257 for a family of three –with just a few months' notice.*

### ***Interim Disability Assistance (IDA)***

IDA began as a relatively small program in FY 2002, serving an average of 420 individuals per month. Over the following five years, local funding grew and recovery funds added to the budget, allowing IDA to serve more residents with disabilities. By 2008, Interim Disability Assistance served nearly 2,800 residents with disabilities each month, but ever since the program has been in jeopardy: In FY 2009 the Council cut funding to address a mid-year budget gap, and enrollment contracted. Additional cuts in subsequent years eventually led to a 1,500 cap in mid-FY 2010 – a decrease unrelated to program demand. In January 2011, the program stopped enrolling new participants, due to an unexpected reduction in funds mid-year.

*Mayor Gray's FY 2012 budget proposal would **eliminate all funding for Interim Disability Assistance**, effectively ending the program in September 2011.* IDA serves as a vital lifeline for 1,500 of the District's most vulnerable residents with disabilities – individuals who cannot work and have no other income – while they await a decision on their federal Supplemental Security Income application. Without this modest, temporary cash benefit of \$270 per month—which is partially Federally reimbursable—many individuals may likely turn to more costly emergency services, creating a greater strain on the District's budget. This program is crucial for the District because it:

- **Reduces reliance on costly services** such as emergency shelter or unreimbursed medical care.
- Helps residents with disabilities **move quickly out of homeless shelters** through access to housing programs with minimum income requirements.
- **Maximizes enrollment in Federally funded medical assistance** for District residents with high medical costs, reducing long-term reliance on locally-funded aid.

### ***Conclusion***

The bottom line is that these programs help people to maintain a little dignity, meet their basic needs, and stay connected to support networks that help people find jobs, access education, see their doctor or social worker, and get their prescriptions. For some, the health insurance or extra income from TANF or IDA even helps prevent them from becoming homeless or move out of homelessness. We hope the government of the District of Columbia continues our partnership by providing the resources and support that we need to achieve health equity for all District residents. Thank you for the opportunity to testify on this important issue. I am happy to answer any questions you may have.