

TESTIMONY
of
The Federation of Protestant Welfare Agencies
Before the
New York City Council General Welfare Committee

Oversight Hearing: Examining HRA's Public Assistance Enrollment

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My name is Bich Ha Pham and I am the Director of Policy, Advocacy and Research at the Federation of Protestant Welfare Agencies (FPWA). I would like to thank Chairwoman Palma and members of the General Welfare Committee for the opportunity to testify today and for your leadership on behalf of low-income New Yorkers.

FPWA is a membership organization with a network of human service organizations and churches that operate over 1,200 programs throughout the New York City metro area. Together we serve over 1.5 million low-income New Yorkers of all ages, ethnicities and denominations each year.

Since 1989, FPWA has led the Economic Justice and Social Welfare Network (EJSWN), which was founded to provide a forum for welfare recipients and advocates to promote and advocate for an adequate and accessible public assistance system. Several years ago, the EJSWN's Policy Advocacy Committee (PAC) launched the Access to Assistance Campaign, to work to dismantle barriers and increase access to public assistance benefits for eligible New Yorkers.

Responsiveness to the Recession and Slow Recovery – Caseload Trend Comparisons

I will begin my testimony with an excerpt from a Bloomberg Businessweek column from May 2010 entitled "The Mystery of Welfare and the Recession."

"It doesn't make sense," says Ron Haskins, who helped author the fundamental change in social policy as a staff director for the GOP majority on the House Ways & Means Committee. "Unemployment is at 9.9% and nearly 40 million people are on food stamps. But between mid-2008 and mid-2009, as the recession took hold, New York, New Jersey, Michigan, and Texas were among states where cash assistance dropped, even as it rose sharply in Nevada, California, Colorado, and elsewhere."

According to the Fiscal Policy Institute analysis of caseload data from the NYS Office of Temporary and Disability Assistance (OTDA), the number of public assistance recipients grew by a third outside of New York City between September 2008 and October 2012 while the city's caseload remained stagnant. With New York City's unemployment rate reaching 10.5% in December 2009 and the current slow economic recovery, access to the welfare safety net is more critical than ever to meeting the basic needs of low-income and unemployed New Yorkers. Welfare is the income source of last resort. Unfortunately, as documented in a 2009 FPWA report that examines the outcomes of the first decade of welfare reform in New York State, numerous barriers have prevented low-income New Yorkers from accessing public assistance. These include high denial rates due to burdensome application requirements, long wait times at application centers with little and incorrect information provided, presumptive fraud investigations, agency mishandling of client cases, failed communication systems, and the rampant and arbitrary sanctioning of clients.

Over the past decade, the welfare caseload has declined dramatically despite an increase in applications – there was a 35% increase in applications comparing 1997 and 2007. For those same years denials jumped from 26% in 1997 up to 42% in 2007. In addition, a much smaller share of needy New York families now receive TANF compared to 16 years ago. According to the Center on Budget and Policy Priorities' analysis of TANF caseload data, in 1994-95, for every 100 New York families in poverty, the AFDC program served 81 families. In 2010-11, only 35 families participated in TANF for every 100 in poverty.

The Supplemental Nutrition Assistance Program (SNAP - formerly the Food Stamp program) and Medicaid caseloads trends have gone in the opposite direction and have risen as expected during the deep recession. This is the result of proactive government initiatives that ease the application processes, facilitate enrollment, and produce highly visible advertising

campaigns that effectively de-stigmatized the program. By contrast, New York City's welfare caseload remains largely unresponsive to the rising poverty and unemployment ensuing from the recession.

From March 2006 to March 2011 the number of Food Stamp recipients in New York City increased by 66% and the Medicaid roles increased by 10%. During that same period the public assistance caseload dropped by 12%. Since income eligibility standards for Family Assistance/Safety Net Assistance are lower than those for Food Stamps and Medicaid, welfare eligible households are poorer than the general Food Stamp and Medicaid population. This means that the poorest New Yorkers are encountering many unnecessary barriers when trying to access this critical benefit program.

Ensuring that eligible households are able to get and retain needed benefits has economic implications that reach way beyond an individual household. As with Food Stamps, welfare income also has an immediate, stimulative effect on the local economy because poor families spend their benefits in their communities.

Keeping the Cash Assistance Caseload Low

The New York City welfare system's stringent requirements and punitive policies have largely resulted in unemployed and needy families not being able to get help. First let's consider the sheer number of mandatory eligibility appointments most applicants need to attend before receiving an eligibility determination. There are roughly 26 required appointments for applicants with children (20 of which require reporting for 7 hour days to a vendor to fulfill application stage work requirements) and 36 for households without children (with 30 that require a full 7 hour day). Despite an applicant's best efforts there is the very real fear of missing an appointment and having the application rejected. Many applicants are in crisis with no income

for food, housing eviction threats, health problems, or domestic violence situations – crises that are compounded by the challenge of meeting onerous welfare program requirements.

Unlike some other benefit programs, welfare applicants must apply in person at a Human Resources Administration (HRA) center where some encounter misinformation, face unlawful diversions from center staff before even submitting an application, or are subjected to extraordinarily long wait times with no guarantee of an appointment with an HRA caseworker on the day that they appear. Numerous follow up appointments are usually required to comply with a variety of additional application requirements such as mandated fingerprinting, reporting to bureau of eligibility review, and fraud investigations. Additionally, there is inadequate screening for exemptions from mandatory work requirements and disrespectful, intrusive and insulting treatment by HRA caseworkers who hold a great deal of discretion when determining if an applicant is deemed compliant with requirements.

Barriers and Agency Error have Direct and Expensive Results

According to data compiled by Professor Vicki Lens as part of the EJSWN PAC work, New York City accounts for the vast majority of the fair hearings held in the state; out of the 70,277 hearings held in fiscal year 2010, 65,827 (94%) emanated from there. New York City also has a poor track record in defending its decisions to sanction. In fiscal year 2010 its withdrawal rate for sanctions related to work activities was 63% (in contrast, the withdrawal rate in the rest of the state was half that, or 29%). A withdrawal means that the agency has decided to withdraw its decision to sanction the appellant; thus it is an admission that it is unable to defend its decision. New York City also has a substantial failure rate in those hearings when it does defend its decision to sanction individuals. Specifically in fiscal year 2010, HRA won only 23% of fair hearings involving sanctions related to work activities (compared to a success rate of 66% in the rest of the state).

Results of a survey conducted by the EJSWN to gather information about barriers faced in the welfare application process are stark, but not surprising. Survey respondents indicated that for applicants who could not access assistance: 36.9% faced eviction/homelessness, 73.8% experienced food insecurity – either did not know how they would feed their families presently or in the immediate future, 32% were unable to maintain or pursue employment, and 27% experience health problems or were unable to receive care. By not remedying preventable crisis, the city pays a far greater expense, for example, in the form of costly homeless shelters.

HRA's Employment Assertions

HRA consistently claims that people who either don't make it through the welfare application process or have cases that are closed are working and doing just fine. However, according to United States Department of Health and Human Services data on the employment status of NYS TANF adults with closed cases from October 2005 to September 2008, 79% were without employment. (US DHHS, "Characteristics and Financial Circumstances of TANF Recipients," <http://www.acf.hhs.gov/programs/ofa/character/index.html>).

Recommendations

FPWA and the EJSWN Policy and Advocacy Committee (PAC) have developed a series of recommendations for changes that are needed to address the major barriers faced by applicants and recipients. Though HRA has addressed our concern about not being able to reach their workers because of full voicemails by updating the capacity of their voicemail systems, many of the other recommendations have not been implemented by the city.

Problem: Onerous application requirements

Solutions:

- Bring the Cash Assistance application process in line with the Food Stamp and Medicaid processes. These programs have made the application process more accessible thereby reaching a higher percentage of income eligible households.
- Implement online benefits screening and application, facilitated enrollment, phone interviews or home appointments.
- Proactive screening and assistance for applicants who need help getting through the application due to disability, low literacy levels, domestic violence.
- Adopt adequate screening of applicants for exemptions from job search requirements due to food or housing crises, disability, domestic violence, child care needs, etc.
- Ensure that notices are written at the appropriate reading level.
- Increase capacity to meet the need for translation and interpretation services.
- Applicants should have developed an individualized employment plan that includes their employment goals/work and educational interests which should include ABE, GED, college courses, and employer-sponsored trainings. New York City should allow for maximum access to education and training for welfare recipients up to the 30% of the caseload allowable under federal law.

Problem: Illegal Diversion – both before and after submission of application

Solutions:

- Make the application process more open and transparent. For example, provide clear information to applicants of their rights during the application process (e.g. right to submit an application); develop a "Know your Rights" document to be included in the client orientation materials and to be posted on the walls at HRA centers.
- Ensure that clients get applications as soon as they walk in the door (e.g. provide a bin at the doorway, assign an HRA greeter to hand out the applications and direct applicants to the appropriate place).

Problem: Failure to adequately screen for disabilities and barriers

Solutions:

- Develop and implement a proactive screening process to assess physical and mental health disabilities, work limitations, domestic violence issues, low literacy levels, limited English skills and lack of child care. HRA should actively help clients through the application process, provide services and provide exemptions from work requirements where needed.
- New York City does not currently comply with US DHHS guidelines on screening for disability and is not in compliance with the Americans with Disabilities Act (ADA). New York City needs to come into compliance with these federal disability laws.
- HRA should develop an ADA compliance plan that lays out how it will comply with disability laws and provide HRA worker training on the plan.

Problem: System/Staffing/Worker Accountability

Solutions: HRA administrators, managers and line workers need to be held accountable for proper application processing and customer service (e.g. ensuring applicants get all emergency and ongoing benefits for which they are eligible.)

Problem: Communication system problems (computer scheduling of conflicting appointments with no mechanism for rescheduling, and not issuing receipts to verify attendance at key appointments and submission of documents).

Solutions:

- Provide receipts for documents.
- To improve communications to applicants/recipients with limited reading skills we recommend that workers be required to proactively identify and assist people with limited reading skills, notices need to be simplified and increased use of copies of notices be sent to additional person or organization designated by the applicant/recipient.

Problem: Failure to adequately assess and provide for immediate needs and supports

Solution:

- There is a concern that not all applicants are screened for emergency conditions and issued appropriate services such as emergency cash assistance grants.
- Distribute and post clear and visible notice of clients' rights to be screened for emergency assistance.

Problem: Very high sanction rates

Solutions:

- HRA needs to implement stronger protections to prevent wrongly applied sanctions. An agency and worker accountability system needs to be put in place.
- HRA should end the use of auto-posting.
- HRA needs to follow basic childcare protections and not assign parents to job search or other work activity without proper assistance to find suitable and safe care.

Thank you again for the opportunity to testify today. FPWA looks forward to working with the Council to bring about these necessary changes.