



*Commonwealth of Massachusetts*  
*Executive Office of Health and Human Services*  
*Department of Transitional Assistance*

CHARLES D. BAKER  
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KARYN POLITO  
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AMY KERSHAW  
Commissioner

**Testimony of Amy Kershaw, Commissioner**  
**Department of Transitional Assistance**

**Fiscal Year 2021, House 2 Recommendation**  
**Joint Hearing of the House and Senate Committees on Ways and Means**  
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**Duxbury, MA**

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Good morning Representative Cutler, Senator Lovely, and members of the Committee on Ways and Means.

My name is Amy Kershaw and, as the Commissioner of the Department of Transitional Assistance, I appreciate the opportunity to be in Duxbury today to share with you the work underway at DTA, some of our recent successes, and how the Governor's proposed Fiscal Year 2021 budget investments will enable us to continue our work.

I had the honor of being appointed to this position by Secretary Sudders and sworn in by Governor Baker at the beginning of this year. Previously, I served as DTA's Associate Commissioner for Economic Assistance and Employment.

In my time with the agency, I have developed a deep appreciation for the enthusiasm, talent, and dedication our staff brings to this work every day. We employ more than 1,600 public servants, working in 23 locations across the state, who administer \$1.6 billion in state and federal benefits annually and provide an array of additional support services to our clients who represent one in nine of your collective constituents.

Thanks to your support and the hard work of DTA's staff over the last several years, I am happy to say that I step into this role at a time when the Department is in a very strong position

operationally. In just five years, DTA has made major improvements in caseload stabilization, client access, program integrity, and technological capabilities.

For example, in 2015, it took 33 days on average to process SNAP documents – today that process typically takes just over one day. In that same time, the agency eliminated a backlog of 25,000 documents. DTA's digital access points have increased our clients' ability to engage with DTA from their mobile phone, a computer at a public library, a kiosk in a local community site, or their home. As a result, we've seen decreases in the number of paper documents being mailed into the agency, calls to the Assistance Line, and walk-in visitors to our local offices.

These efficiencies in our operations and improvements to our clients' ability to access services have afforded us the opportunity to think creatively about how we can further improve our service delivery, simplify and align our programs, and engage clients in meaningful supports on their path to economic mobility.

### **DTA House 2 FY21 Budget**

DTA's mission is to assist and empower low-income individuals and families to meet their basic needs, improve their quality of life, and achieve long-term economic self-sufficiency. We offer a comprehensive system of programs and supports to help individuals and families achieve greater economic mobility, including supplemental food and nutritional assistance, economic assistance, and employment supports. Our clients include working families, children, older adults, and people with disabilities.

One of our primary goals is to disrupt the cycle of intergenerational poverty too many of our families experience. We would like to work with you to see more of our clients successfully move off our programs by providing the supports they need to find meaningful career pathways that lead to longer term positive outcomes for them and their children.

The Governor's proposed FY21 Budget strongly supports DTA's projected needs in three primary areas: food security, economic assistance, and employment supports. I respectfully request this same level of support as you work through the budget development process.

### **Food Assistance**

The Supplemental Nutrition Assistance Program (SNAP) is one of the leading tools against food insecurity in the Commonwealth. SNAP benefits help families supplement their food budgets to afford nutritious food. The majority of SNAP recipients are families with children, older adults, and persons with disabilities. While administered by DTA, SNAP benefits are 100% federally-funded and are regulated by the U.S. Department of Agriculture (USDA). The USDA reimburses the Commonwealth 50% of the costs of administering the program. On any given day, more than 450,000 households in the Commonwealth benefit from SNAP.

Addressing food insecurity in the Commonwealth, however, requires more than what DTA can do alone. We partner with many of our fellow state agencies as well as community-based organizations, and work with a network of contracted vendors to ensure SNAP benefits and related services are available to all eligible Massachusetts households. In federal fiscal year (FFY) 2019, DTA contracted with 80 providers, known as SNAP Outreach Partners, to support client outreach and education efforts, and assist with new applications and re-certifications.

We are also working with MassHealth to prioritize efforts to reduce what is commonly known as the “SNAP Gap.” The term refers to Massachusetts residents who receive MassHealth benefits, appear to also be eligible for SNAP benefits, but are not currently receiving them. Through this partnership, we are working on multiple initiatives intended to reduce the SNAP Gap, including the development of a joint application pilot, robust outreach utilizing technology resources including text messaging, and enrolling MassHealth Certified Application Counselors who assist with MassHealth applications as outreach partners.

Since November 2018, DTA and the Department of Veterans’ Services (DVS) have been partnering to focus on expanding SNAP access for our veterans. In the last year, we’ve collaboratively produced two new resources to assist veterans and organizations that serve veterans: a SNAP Veterans’ Guide for organizations and a Food Assistance for Prior and Active Service Members Brochure. As a part of this work, DTA’s SNAP Outreach staff joined DVS in hosting five regional trainings for Veteran Service Officers (VSOs) and participated in DVS’s annual VSO conference. To date, three VSOs have become Outreach Partners and additional VSOs have expressed interest in becoming future partners.

The Healthy Incentives Program, or HIP, is an additional tool in DTA’s efforts to promote food security. The program provides incentives for SNAP clients to purchase fresh, local fruits and vegetables at participating agriculture retailers, including farmers’ markets, farm stands, mobile markets, and Community supported agriculture (CSA) farm share programs. HIP was originally created as a pilot through a \$3.4 M award from the federal Food Insecurity Nutrition Incentive (FINI) grant program, expected to sustain the program for three years. When participation in the program exceeded expectations, HIP became a state-based program. Between May and November 2019, an average of five percent of the SNAP caseload (19,000 households per month) used HIP to buy fresh fruits and vegetables from local producers. Our FY21 budget proposes to bring greater stability and predictability to this program by running it on a seasonal timeline that aligns with the state’s peak growing and selling season. By aligning the program with the growing season, we will ensure that more SNAP clients are able to use the program when the most product and vendors are available.

### **Economic Assistance**

DTA administers three main cash assistance programs for eligible individuals and families:

***Transitional Aid to Families with Dependent Children (TAFDC)*** is a state- and federally-funded program that provides economic assistance and employment support to approximately 31,000 households consisting of families with children, and pregnant women, with little or no assets or income. TAFDC is operated under the federal Temporary Assistance for Needy Families (TANF) block grant. TAFDC clients are eligible for child care and transportation supports to help them participate in employment or employment-related services. Some TAFDC clients are required to participate in work-related activities as a condition of eligibility.

The Governor's budget proposal increases funding by \$14.9M for the TAFDC program, to reflect the caseload upticks due to nearly 13,000 children coming onto the caseload after the repeal of the Family Cap, and the anticipated impacts of DTA's six-month earned-income disregard, which allows families to build earnings and assets before losing eligibility. The budget also changes the clothing allowance from a one-time \$350 payment to two \$175 payments, to be issued to eligible children currently on TAFDC in the months of September and March, to reflect children's seasonal needs for clothing.

***Emergency Aid to the Elderly, Disabled, and Children (EAEDC)*** is a state-funded program which provides economic assistance primarily to older adults or persons with disabilities. With a caseload of approximately 19,300, EAEDC serves individuals unable to work due to a physical or mental incapacity that are waiting for Supplemental Security Income payments to begin, and older adults with no other source of income.

DTA also contracts with the University of Massachusetts Medical School to administer the state-funded ***State Supplement Payments (SSP)***. This program provides a supplement to the federal Supplemental Security Income (SSI) program that provides cash assistance to the elderly, disabled, and blind. The SSP caseload is approximately 190,000 individuals.

### ***Program Simplification & Policy Alignment to Better Support Work***

DTA has been working to simplify and streamline program rules to better support and incentivize employment, particularly in our TAFDC program, but also across programs. With the support of the Legislature, in FY19 and FY20, the Administration implemented important changes to TAFDC policies. These include the sixth month earnings disregard for working families, restructuring of grant payments, providing child care for working relative caregivers, excluding one household vehicle from the asset limit for TAFDC eligibility, and eliminating a grant reduction for homeless families.

Today, I am very pleased to share that our initial results show these policy reforms are having the intended effect of encouraging more clients to work and allowing them to hold onto more income and assets before they transition off TAFDC. Some key outcomes are:

- 89% increase in the number of clients with earned income
- 34% increase in the average number of hours worked per client
- 21% increase in the number of households with assets

These policy reforms not only better support working caregivers, but also align TAFDC policies with those of other means-tested benefit programs in the state.

The impetus for many of these reforms came directly as a result of DTA's participation as a key partner in Governor Baker's Learn to Earn Initiative (LTE), a cross-secretariat Working Group (including K-12 Education, Higher Education, Child Care, SNAP, TANF, Medicaid, MRC's Vocational Rehabilitation program, Housing, Workforce Development) convened out of the WIOA state plan to analyze existing "safety net" benefit programs and develop policy recommendations to address "cliff effects" and promote employment, wage growth, and permanent exit from public benefits.

A new data sharing agreement among five Secretariats (EOHHS, EOLWD, EOHED, EOE, EOTSS) and nine agencies (DTA, MRC, Medicaid, DCS, DUA, DHCD, EEC, DESE, and DHE) is in development to understand shared clients "cliff issues," and potential gaps in support. Another exciting product under development is CommonCalc, an online tool for case managers, clients, and policymakers to understand the impact of work and earnings on public benefits, and to help individuals plan for economic independence.

### **Supporting Clients Moving to Work**

The Massachusetts economy remains the strongest it has been in a generation, and we have been working with our partners in the workforce system to provide our clients opportunities to participate in the labor market and to help meet employers' demands for skilled labor. DTA is focused on using our employment program resources strategically by forging new partnerships to expand opportunity for all DTA clients, including young parents, those with disabilities, returning citizens (i.e. formerly incarcerated), homeless families, as well as those with education or behavioral health barriers, to participate in activities that will increase their skills, employability, and economic independence. In the past two years, with your support, we have also opened our employment programs to non-custodial parents, usually fathers, who have historically been left out of our employment programs.

In the past year, DTA has enhanced its partnership with the MassHire Career Centers to better track employment outcomes for shared customers and expand opportunities for SNAP clients. The Department also re-procured the Competitive Integrated Employment Services (CIES) program, DTA's largest training and employment services program. Through this procurement, DTA significantly changed the payment structure to pay for outcomes and incentivize placements in career-path jobs that will ultimately pay a living wage. In this fiscal year to date, CIES has enrolled more than 4,400 clients, and H.2 includes funding for 7,455 enrollments in FY21.

DTA expanded its partnership with the Massachusetts Rehabilitation Commission (MRC) to engage parents with a disability who have historically had trouble accessing effective

employment supports. The program, *Empowering to Employ*, expanded to operate in five of our local offices. The program is jointly funded by DTA and MRC, and provides access to enhanced vocational services and competitive employment. The results of these pilots are promising: clients have secured jobs with wages averaging \$14.93/hour and are working 29.4 hours per week, on average.

DTA is also an essential partner in Massachusetts' implementation of the federal Workforce Innovation and Opportunity Act (WIOA). WIOA seeks to integrate states' workforce systems to better serve employers and jobseekers. Signed into law in 2014, WIOA reauthorized the nation's employment, training, adult education, and vocational rehabilitation programs for the first time in 16 years. WIOA's emphasis is on targeting low-income adults and youth with limited training and skills, as well as individuals with disabilities, to help them overcome barriers to economic success.

Since the passage of WIOA, DTA has worked closely with the Executive Office of Labor and Workforce Development (EOLWD) to implement a new, more integrated system of workforce development for DTA clients and others with significant barriers to work. The aim of this collaboration is to:

- Develop meaningful pathways to work and economic self-sufficiency for low-income, disabled, and chronically un/under-employed individuals/families.
- Ensure that DTA clients and families with significant barriers can access the workforce with the support needed to attain and sustain employment.

This partnership has allowed DTA to provide additional employment supports to TAFDC and SNAP clients through the network of MassHire Career Centers. Located throughout Massachusetts, each MassHire Career Center offers services to DTA clients through the Work Participant Program (WPP). Through the WPP, clients receive access to individualized career counseling and guidance, workshops, job fairs, employer recruitment, and access to free resources to assist with their job search and applications. Since its beginning, WPP succeeded in doubling the percentage of TANF/SNAP clients served, enrolling more than 3,000 DTA clients and placing more than 1,800 in jobs. This work continues in FY20, with nearly 900 clients enrolled to date, 223 of which have secured employment.

We are also working hard to increase work opportunities among our SNAP clients. The SNAP Path to Work program is designed to assist unemployed and under-employed SNAP participants to gain valuable skills and experience, and secure employment in a career-path job through a network of contracted community partners.

DTA has contracts with 52 SNAP Path to Work providers across the state and the statewide MassHire Career Center network to provide services to program participants. The USDA has approved provider reimbursements of approximately \$6.6M as part of the FFY20 SNAP Employment and Training State Plan.

Finally, in September 2019, DTA was awarded \$1.6M in pledge funds from the USDA, designed to serve SNAP clients subject to the Able-Bodied Adults Without Dependents (ABAWD) work requirement. DTA is using these funds to further expand our partnership with the Department of Career Services through the MassHire Career Centers to expand recruitment and engagement of SNAP clients, including those subject to the ABAWD work requirement. In January of this year, the Trump administration issued a new rule restricting the state's flexibility in addressing the needs of our SNAP clients who are subject to the ABAWD work rules. We anticipate that the expanded partnership with the MassHire Career Centers will, in part, help us address needs and support stability in access to food and nutrition benefits for this vulnerable population.

### **Program Modernization and Integration**

The Governor's FY21 budget proposal includes important new investment in information technology, that will support DTA as we build our capacity to provide clients with modern and varied methods to do business with the agency. These investments are also a key part of the Executive Office of Health and Human Services' (EOHHS) efforts to move towards ***Integrated Eligibility and Enrollment (IE&E)*** across public benefit programs. DTA has been an "early adopter" in this work, initiating policy and procedural changes, culture shifts, and updates to our technology to create a more streamlined and client-driven experience.

In 2019, DTA further expanded the self-service capabilities of DTA Connect by developing the ability for clients to complete their interim report and recertification online. Traditionally only available in paper form, this enhancement broadens the options clients have to provide the Department with the documents required to continue providing benefits. This is beneficial to both DTA and the client as it reduces the administrative burden associated with churn, ensuring stability in a client's ability to access nutritious food.

These innovations build on work from 2018, when DTA expanded the DTA Connect platform to include a web-based portal, which provided clients with access to a streamlined eligibility screener, an interactive, user-friendly online SNAP application and a client and provider web portal. Also in 2018, DTA began installing self-service kiosks in all 22 Transitional Assistance Offices (TAO) to provide clients with access to DTA Connect. During the past year, DTA expanded access to these self-service kiosks by partnering with organizations in community locations that are not in close proximity to a local office. To date, we have placed 24 kiosks in community locations including senior centers, community health centers, WIC offices, and others.

### **Program Integrity**

All of the Department's efforts to deliver on improvements in client access, simplify our program rules, and expand employment opportunities rely on our ability to ensure program integrity. Ensuring that essential benefits are available to the individuals and families who are

eligible for them is the foundation on which all of our work is built. Nearly all the families and individuals receiving public assistance through DTA use the benefits as intended – to meet their family’s basic needs. The potential for fraud, however, is a reality of our business, and preventing, detecting and addressing fraud requires constant vigilance by our program integrity team, fraud investigators, and all staff in the agency. The Governor’s budget proposal for FY21 allows DTA to maintain this team, which has grown by ten employees to a total of 54, enabling us to continue this important work.

Since 2013, DTA has partnered with state and local law enforcement agencies to investigate retailers that are suspected of SNAP trafficking. As of December 2019, 218 State Law Enforcement Bureau (SLEB) agreements have been signed with local law enforcement agencies, the Massachusetts State Police, and the Office of the Attorney General. While DTA does not have the legal authority to enforce trafficking laws regarding retailers, these partnerships allow the state to work in concert with the Federal government to ensure SNAP benefits are being utilized properly.

In 2019, we implemented a policy aimed at dis-incentivizing client participation in SNAP trafficking schemes. The policy, in which a client requesting 4 or more EBT cards in a 12-month period is screened for potential fraud or for additional supports or referrals, is based on a successful pilot program that demonstrated a 20% reduction in excessive replacement cards and generated more than 200 client referrals to domestic violence and substance abuse programs, as well as other critical support service providers.

DTA uses enhanced data analytics to monitor eligibility information, recipient and retailer patterns, and transactions to ensure that only those who meet eligibility standards receive benefits and that these benefits are used as intended. We conduct upwards of 20 data matches with other state and federal agencies to provide up-to-date information that can verify eligibility for clients applying and receiving benefits. DTA is also strengthening program integrity efforts around out-of-state utilization of funds, consistent with state law. This information is used to halt fraud before it can occur and allows us to swiftly address cases where client eligibility is in question.

## **Conclusion**

Thank you for your continued partnership in addressing food insecurity, promoting economic opportunity, and improving the customer service experience for our clients. I am grateful for the opportunity to provide this testimony and to share some of the Department’s accomplishments and our priorities for the coming year. I look forward to working with you and I am happy to take any questions committee members may have.