



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

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Testimony of Jeff McCue, Commissioner
Department of Transitional Assistance
Fiscal Year 2020 Budget, House 1 Recommendation
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Good morning Vice Chair Friedman, Representative Garballey and members of the Committee.

My name is Jeff McCue and I am the Commissioner of the Department of Transitional Assistance (DTA). I appreciate the opportunity to come before you today to provide an overview of the Department and our proposed Fiscal Year 2020 budget investments.

We're happy to be here in Arlington, a town with which we've had a wonderful relationship over the past few years thanks to the dedicated work of several folks in the town.

The Arlington Council on Aging works with the Department as one of our 70 (and growing) contracted SNAP outreach partners, helping us reach seniors. The team at the Council on Aging has jumped on the opportunity to engage their constituents about the food assistance resources available to them using SNAP. And, the Arlington Council on Aging has been a wonderful conduit to other parts of the town on spreading the word about SNAP and other DTA services throughout the town. Over the past year, they've been hosting a coordinated campaign to reach out to seniors and others who might fall into the SNAP gap – those who are accessing other services that might be eligible for SNAP.

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 self-sufficiency, including food and nutritional assistance, economic assistance, and employment supports. DTA serves one out of every eight people in the Commonwealth including working families, children, elders, and people with disabilities.

I proudly represent the more than 1,630 public servants who make up DTA's workforce in 23 locations throughout the state. DTA staff have a range of responsibilities from benefit eligibility, employment and training assistance, program integrity, legal, policy development, and fair hearings. More than 80% of

the Department's active employees are deployed in one of our 22 local Transitional Assistance Offices across the Commonwealth, helping clients via telephone and face to face.

I'd be remiss if I did not take an opportunity at the start of my testimony to commend our staff for their willingness to go above and beyond their day to day responsibilities when they're called upon to serve their communities.

Earlier this year, DTA staff mobilized almost immediately to aid clients who were affected by the Merrimack Valley natural gas disaster. As a part of the recovery effort, DTA staff were stationed at the Greater Lawrence Recovery Center, where they utilized the DTA Connect mobile app to expedite the processing of replacement benefit claims and to take new applications. DTA coordinated and verified area resources for Mass 211 and supported the establishment of the Greater Lawrence Disaster Relief Fund. All told, the Department replaced SNAP benefits for more than 3,000 families who lost food due to the disaster.

More recently, our staff moved mountains to maximize available federal funds as the state and the nation navigated an unprecedented shutdown of the federal government, which threatened to impact clients' February SNAP benefits. In a matter of days, the Department was able to affect an early issuance of the February SNAP benefits, to provide nutrition assistance benefits to 93% of our caseload in mid-January and to ensure that the remainder of eligible households were able to receive SNAP for the month. This involved a tremendous collaborative effort to make significant technological changes, train staff in revised procedures, and provide clear communications. I'm extremely proud of these efforts.

Today, the Department of Transitional Assistance is in a good place, due in part to the strong, dedicated workforce I just discussed. In recent years, we've also benefited from our improved business model, which has led to more efficient administrative processing and more meaningful client engagement. Our average days for document processing are down from 33 days in 2015 to just 2 days by the end of 2018. Our average SNAP application processing time is currently 13 days, down from 20 days in 2015. In that same time, the caseload increased from 442,700 households in 2015 to 452,700 households in 2018. All in all, the Department is working efficiently and engaging with clients more timely.

But there is more we need to do. When I came before this Committee last year, I highlighted the Department's commitment to working against multigenerational poverty with a two-generational approach.

We come to you again, on behalf of the Baker-Polito Administration, with a proposal that aims to further streamline and untangle our economic assistance programs to continue to better support families in poverty. The Governor's H.1 budget proposal builds on the changes in place today in meaningful ways which I hope you'll support.

Governor Baker's FY20 budget includes \$655 million in funding for DTA. The proposal includes significant reforms for families participating in the Transitional Aid to Families with Dependent Children (TAFDC) program that promote a more equitable and streamlined approach to the calculation of benefits while eliminating certain restrictive program requirements that are counterproductive to the support of families seeking self-sufficiency and a pathway out of poverty.

Before I get further into the specifics of our proposals for this fiscal year, I'd like to take a moment to review the Department's core programs and some of our recent initiatives and accomplishments.

CORE PROGRAMS AND RECENT INITIATIVES

DTA's core programming encompasses two main areas of focus: supplemental nutrition assistance and economic assistance. Our largest program, the federally-funded Supplemental Nutrition Assistance Program (SNAP), helps one in nine families in the Commonwealth supplement their monthly food budgets. We also offer an array of economic assistance programs and supports that afford a sense of stability for low-income families, who are often in deep poverty, and connect individuals with paths to return to or advance meaningfully in the workforce whenever possible.

Supplemental Nutrition Assistance Program

Residents of the Commonwealth who participate in SNAP are primarily families with children, elders, and persons with disabilities. As of January 2019, there were 769,900 SNAP recipients – 20% of whom are over 60, 35% of whom have a disability, and 35% of whom are children -- and the average SNAP benefit for a household in Massachusetts was \$215. In addition to administering this federal program, our SNAP team works alongside sister agencies and community partners to bolster food security in the Commonwealth.

Launched in 2017 as a federal grant administered by DTA, the Healthy Incentives Program (HIP), now fully state funded, continues to provide matching benefits for SNAP fruit and vegetable purchases made from participating Massachusetts vendors at farmers' markets, farm stands mobile markets and more. To date, nearly \$9 M in incentives have been issued to more than 54,000 SNAP households. In FY19 to-date \$4.3 M in incentives have been issued to 37,000 households. To provide clients and farmers with stability and to optimize resources during popular seasonal markets, we've established HIP as a seasonal program, which operated through February of 2019, and is slated to resume for the spring/summer growing season on May 25, 2019. The FY2020 proposal includes \$5M for the program.

At DTA we have a dedicated SNAP Outreach Unit that focuses on community engagement and enhancing partnerships with sister agencies and community-based organizations to best serve our clients and educate individuals on the nutritional benefits of SNAP. The work of the outreach unit has grown the number of contracted outreach partners from 35 in FFY15 to 68 in FFY19, including several Councils on Aging, community colleges, food banks, and other community-based organizations. Outreach partners work in collaboration with DTA to provide direct support and access points to clients within the communities they serve, including seniors, veterans, and college students. Between November 2017 and November 2018, the national SNAP caseload declined by almost 7% while Massachusetts saw a slight increase in its caseload during that same timeframe. Though slight, the caseload change was larger than all but two states. DTA's caseload increase was driven primarily by a 4.5% increase in the senior SNAP population, which is partly attributable to our continued efforts to mitigate the SNAP gap for seniors across the Commonwealth.

To support the needs of our increasing senior SNAP population, DTA launched a Senior Assistance Office (SAO) in January 2018 that is staffed by specialized DTA caseworkers. Located out of the Holyoke Transitional Assistance Office, this new office processes simplified SNAP elder applications statewide, and helps individuals who call the new SNAP senior assistance line (1-833-712-8027). The line is specifically tailored to provide a better experience for SNAP seniors, including direct access to a case manager without requiring use of automated prompts and the ability to leave voice mail messages. Since its creation, the Senior Assistance Office has handled 9,221 phone calls from SNAP seniors.

In the same spirit, DTA recently requested and received federal approval of a waiver that will make it easier for seniors and individuals with disabilities to apply for and maintain their SNAP benefit. The Elderly and Disabled Simplified Application Project (EDSAP) allows households, where everyone is a senior (age 60+) or a person with a disability, to have a 36-month certification period. The waiver also simplifies the reporting and recertification processes for these households.

Additionally, Massachusetts is the first state to implement an innovative policy approach to reduce the burden of claiming medical expenses, ensuring seniors are receiving the highest benefit they are eligible for.

Similarly, DTA and the Department of Veterans Services have been working collaboratively to reduce food insecurity for veterans across the Commonwealth. Over the next year, we'll be working with one another to recruit Veterans Service Organizations as outreach partners, host regional trainings on veteran food security, creating a SNAP for Veterans resource guide, and more.

In addition to the work of our SNAP staff to improve service to clients directly, the Department has made significant investments in client service and access through an "on-demand access" model. The "on-demand access" model promotes access from anywhere at any time by way of a client-facing mobile application and web portal. Following the success of the mobile app that launched in August of 2017, the Department streamlined its [web-based platform](#) – also called DTA Connect – to include a shortened SNAP eligibility screener, an intuitive, guided online SNAP application, a self-service client portal, and a provider portal. Hundreds of thousands of people are using both the DTA Connect mobile application and web portal. The app has been downloaded nearly 400,000 times since its release.

DTA also supports employment opportunities for our unemployed or under-employed SNAP clients through SNAP Path to Work. The program connects interested SNAP clients with community-based employment and training providers and community colleges who provide skill building and job support opportunities to better compete in today's workforce. Programs include job readiness training, education, vocational skills training, apprenticeships and job retention support.

Economic Assistance Programs

In addition to our nutrition assistance program, DTA administers three main programs that constitute our Economic Assistance programming, which includes Emergency Aid to the Elderly, Disabled, and Children (EAEDC), the State Supplemental Program (SSP), and Transitional Aid to Families with Dependent Children (TAFDC).

The Department administers two economic assistance programs to support the elderly and disabled as well as certain children not eligible for other programs. The Emergency Aid to the Elderly, Disabled, and Children (EAEDC) provides approximately 19,100 EAEDC recipients with an average monthly grant of \$308. The Supplemental Security Income (SSI) State Supplement Program (SSP) supports 193,000 recipients with an average monthly grant of \$77 to supplement their SSI payments.

TAFDC, our largest economic assistance program, is a state and federally funded program that provides financial assistance to families with children, and pregnant women, with little or no assets or income. Participants are supported with referrals to employment supports and job search assistance, as well as receive child care and transportation. As of January 2019, there were 58,300 TAFDC recipients – 68% of whom were children, and 8% of whom have a disability -- who received an average monthly grant of \$448.

It is primarily through reforms in this program that the Department's Economic Assistance and Employment teams have been working to disrupt multigenerational poverty, by implementing a culture shift towards two-generational programming and partnering with clients to achieve economic mobility through career pathways. The changes have been incremental over the last several years, but consistently focused on meeting this goal and in simplifying the policy so that clients can clearly understand how their participation in work activities can help them and their families. In addition, DTA has engaged in collaboration with other state agencies and community partners to improve the overall support network for the clients we serve.

Beginning in June 2016, the Department began redoubling case management efforts in working with clients to maximize employment and opportunity and minimize time on benefits. As a result, the Department has seen an overall increase in the percent of cases closing for earned income (employment) from 12% to 20%. In this same time period, DTA has also seen the percent of cases closing for sanction (non-compliance with work program requirements) decrease from 12% - 8%. More recently, DTA has piloted a new approach to client engagement in four DTA Offices that has resulted in an increase in the percent of clients engaged in the first 60 days following their TAFDC case opening.

With the support of the Governor and the Legislature through the FY19 budget, the Department has implemented research-informed policy changes that simplify program rules and incentivize work. These changes include grant simplification, an asset limit increase from \$2,500 to \$5,000, and a 100% earned income disregard for a six-month period to stabilize income while families work. These changes are designed to allow clients to more easily plan for their future while building their résumés and assets.

DTA has been a key partner in the state's implementation of the Workforce Innovation and Opportunity Act (WIOA). We are working with the Department of Career Services (DCS) to increase the opportunity for DTA clients to fully participate in and benefit from the state's broader workforce development strategy through an annual \$1M investment in the MassHire One Stop Career Centers. As a result, the number of clients accessing Career Centers has doubled from 6% to 12% of Career Center customers. More than 2,000 DTA clients have received job placement and coaching through the MassHire Career Centers with more than 200 entering formal trainings programs and more than 150 getting a job.

We have also engaged in an innovative partnership in the past year with the Massachusetts Rehabilitation Commission (MRC) to provide work opportunities for our TAFDC clients with disabilities. The initiative, *Empowering to Employ*, is designed to promote and engage our clients in meaningful workforce services and appropriate vocational supports that lead to increased skill development, competitive employment, and economic independence and stability.

Launched in July of 2018, our Brockton, Lawrence and Quincy offices formed interagency teams with fully dedicated and specialized MRC staff co-located in their offices. Working together, the teams collaborate on strategies to engage and empower clients with individually tailored pathways towards employment outcomes. Through this pilot, we are identifying promising and effective practices for improving outcomes for our clients who have historically sat on the employment sidelines.

Within the last year, we've re-procured two significant employment programs with a strong focus on outcome-based programming and pay-for-performance. The Young Parents Program was redesigned to help more young parents graduate from high school, enroll in college, and enter a career track profession. The program now also focuses on meaningful long-term outcomes for both the parents and

their children, applying our whole family approach to serving clients. Similarly, the Secure Jobs program, the goal of which is to connect homeless families to workforce development to increase their opportunity to find a path to economic stability, was re-procured with a focus on the outcomes of education and career, housing and economic stability, and family stability and well-being. To expand the reach of our whole family approach, the Department is now in the process of re-procuring its largest employment program, Competitive Integrated Employment Services (CIES).

In recognition of our work in these areas, DTA was recently accepted as a peer leader into a new Policy Academy for Innovative Employment Strategies (PAIES) being convened and hosted by our federal regulating body for Temporary Assistance for Needy Families (TANF), the Office of Family Assistance (OFA) at the Administration for Children and Families (ACF). Membership in this selective academy brings with it both technical assistance opportunities for Massachusetts and the responsibility to share best practices and knowledge with other states doing similar work.

Program Integrity

As with any government program, and especially with taxpayer funded benefit programs, it is essential that program integrity efforts are continuously reinforced to prevent and address fraud, waste, and abuse. DTA's Program Integrity Unit is a critical component of the Department's work in administering its assistance programs. Over the past few years, DTA has taken steps to continue to improve compliance and program integrity efforts across the board.

As of this year, the Department has signed a record 200 SLEB (State Law Enforcement Bureau) agreements with local law enforcement agencies, allowing DTA to partner with local law enforcement to investigate SNAP Trafficking. DTA's efforts augment the federal government's program integrity arm.

Additionally, the Department has built and continues to strengthen its program integrity data analytics team and capacity, enabling it to monitor and identify patterns in the wealth of data around EBT usage, transactional history, and potential trafficking. The Governor's budget proposal for FY20 invests in these efforts, funding six additional Program Integrity staff.

As the recreational marijuana industry has become operational in the Commonwealth, the Department has taken seriously its obligation to ensure the public assistance benefits it oversees are not spent on recreational marijuana. To date, 9 retail establishments are operational across the state. Our program integrity staff has contacted each store and successfully blocked appropriate terminals at each location. As a result, the Department has proactively blocked nine attempted prohibited transactions and worked with clients to make them aware that recreational marijuana is a prohibited purchase under state law.

To compliment the Department's commitment to preventing the misuse of benefits, DTA received federal approval to adjust its approach to collecting on overpayment of benefits, in order to prioritize collection in cases of fraud over cases of unintentional program violations or agency error.

FY20 PROPOSED REFORMS

As mentioned earlier, over the past few years the Department of Transitional Assistance has undertaken an effort to reform and simplify the Commonwealth's core economic assistance program – Transitional Aid to Families with Dependent Children (TAFDC). Governor Baker's Fiscal Year 2020 budget proposal (H.1) for the DTA builds on this multi-year effort with an emphasis on simplifying and streamlining program rules and requirements for working families, better incentivizing and supporting employment

and employment related activities, and easing the “cliff effect” during transition to economic self-sufficiency.

Simplifying TAFDC rules and grant calculations eases the administrative processes for both DTA Case Managers and the people we help, allowing interactions to focus on transitions and employment goal setting. Through these changes, DTA seeks to empower TAFDC clients to plan and execute their own roadmap to economic stability.

The proposed reforms are designed to help meet the state’s demand for skilled labor by enabling and empowering those currently receiving public benefits to move into meaningful employment and aligning rules with those of other public benefits in Massachusetts.

Identifying Asset Limits that Best Support Working Families:

The Governor’s budget proposal removes the first vehicle asset limit – currently the value in excess of \$15,000 -- for TAFDC families. This proposal would bring the TAFDC vehicle policy in-line with other public benefit programs including SNAP, MassHealth, child care, and housing subsidies.

Reliable transportation is a primary barrier to low-income families attaining employment, and ownership of a reliable vehicle has also been linked to improved employment outcomes for parents, and improved health, nutrition, and education outcomes for children.

As of 2012, twenty-two states disregard the full value of all vehicles in their comparable economic assistance program; another fourteen states disregard the full value for at least one vehicle. The current \$15,000 first vehicle asset limit is arbitrary, not linked to research or other benefit systems. Access to a vehicle is much more critical in rural parts of the state. Having a one-size-fits-all vehicle asset limit means families in urban areas with access to transit are in a better position to pursue employment requiring transportation, while families in rural areas/transit deserts are left with fewer options.

Child Care for Working Relative Caregivers:

This proposal would provide child care subsidies for working relative caregivers to support them in maintaining employment and to promote stable, family-based placements for children, working in conjunction with the Department of Children and Families and funded through the Department of Early Education and Care. Since 2015, DTA has seen a steady increase in the percent and number of grandparent caregivers in the TAFDC caseload as they step in to care for and raise their grandchildren when the parents are not available, in many cases due to substance use disorders.

. Research has clearly demonstrated the benefits of children staying with their families. Children in kinship placements experience less trauma and have improved behavioral and health outcomes. They maintain stronger connections to their school and community, leading to better educational and life outcomes. Providing childcare for these households will further stabilize the children and enable the grandparents or other relatives to work while providing this critical care.

Eliminate Deduction for Families in Shelter:

The Governor’s proposal eliminates a grant deduction that homeless TAFDC families are currently subjected to that makes it more difficult for families in shelter to accrue resources, to become housed, and to continue to work while living in shelter. This proposal is in-line with an FY19 budget change that eliminated a comparable deduction for homeless individuals that receive EAEDC.

Repeal of the “Family Cap” Exclusion Rule and “Count the People, Count the Income”:

Repeal of the “Family Cap” Exclusion Rule:

The Governor’s FY20 budget proposal also repeals the “family cap” exclusion rule that research has shown to be ineffective in reducing subsequent births and has been shown to exacerbate poverty. Removing this exclusion rule would recognize and account for all children in a family in the TAFDC assistance unit, rather than excluding them.

End the Supplemental Security Income (SSI) Exclusion Rule:

This proposal would eliminate the exclusion of SSI recipients from a TAFDC household, enabling the program to count the people and the income of all household members, when calculating the benefit amount. This would align TAFDC countable income rules with the rules of other public benefit programs in the Commonwealth.

Supporting the alignment of policy rules across benefit programs is a key goal of DTA, as well as the Learn to Earn Initiative. Counting “all the people and all the income” in the eligibility and grant calculation for TAFDC is critical to facilitating integrated eligibility processes across programs and will also allow families enrolled in multiple benefit programs to more easily navigate our systems, understand the impact of work (earnings) on their benefits, and plan for life after TAFDC.

CONCLUSION

DTA’s Fiscal Year 2020 budget seeks to further untangle convoluted and antiquated public benefits policies for the ease of the people we serve and the staff that determines eligibility and explains them. Furthermore, this critical work will not only better prepare families to achieve economic stability but will also support Massachusetts’ workforce development efforts. I respectfully request your full support of these changes and look forward to continued partnership as we strive to serve the most vulnerable citizens of the Commonwealth.