

SENATE BILL REPORT

2SHB 2782

As Reported by Senate Committee On:
Human Services & Corrections, February 25, 2010
Ways & Means, March 8, 2010

Title: An act relating to establishing the security lifeline act.

Brief Description: Concerning the security lifeline act.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Dickerson, Appleton, McCoy, Carlyle, Morrell, Kagi, Kessler, Green, Ericks, Moeller, Roberts, Nelson and Orwall).

Brief History: Passed House: 2/12/10, 55-41.

Committee Activity: Human Services & Corrections: 2/23/10, 2/25/10 [DPA-WM].
Ways & Means: 3/02/10, 3/08/10 [DPA, DNP, w/oRec].

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.

Signed by Senators Hargrove, Chair; Regala, Vice Chair; Stevens, Ranking Minority Member; Brandland, Carrell and McAuliffe.

Staff: Jennifer Strus (786-7316)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Fairley, Hobbs, Keiser, Kline, Kohl-Welles, McDermott, Murray, Pridemore, Regala and Rockefeller.

Minority Report: Do not pass.

Signed by Senators Zarelli, Ranking Minority Member; Honeyford and Pflug.

Minority Report: That it be referred without recommendation.

Signed by Senators Brandland, Hewitt, Parlette and Schoesler.

Staff: Michael Bezanson (786-7449)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background: Access to Benefits. Individuals are currently able to apply for and renew public assistance benefits online from their home and from kiosks located in the waiting areas in the offices of Department of Social and Health Services (DSHS). The benefits available through this online service access application include food assistance, cash assistance, medical assistance, drug or alcohol treatment, assisted living, child care, and in-home care.

Since the summer of 2009, DSHS has been working with a steering committee composed of nonprofit organizations, government agencies, and community organizations to develop a web-based benefits portal to allow eligible persons to apply for and access additional benefits such as energy assistance, federal student aid, housing assistance, and others. A request for proposals is being developed, and the steering committee is seeking private funding for the portal project.

Food Stamp Employment and Training Program. The Food Stamp Employment and Training Program (Program) was established and administered through the Employment Security Department (ESD) and DSHS pursuant to a provision in the Washington Administrative Code. Recipients of assistance under the Basic Food Program, unless they are exempt, are required to participate in the Program. Program participants engage in job search workshops and receive assistance in job placement.

Emphasis in the Program is given to participants who have been assessed as needing basic education, a General Equivalency Diploma (GED), English as a second language, or vocational training in order to increase their opportunity for employment. Currently 12 community colleges participate in the Program.

General Assistance Program. The General Assistance Program (GA) is a public assistance program for low income individuals. Recipients are eligible for a cash grant, food assistance, and medical care, including mental health care. Individuals who are eligible for GA are not eligible for other federal assistance other than food assistance, and to qualify for GA they must be incapacitated from gainful employment because of a physical or mental infirmity that will likely continue for at least 90 days. If the infirmity is primarily due to a drug or alcohol addiction, a person is not eligible for GA. The monthly cash grant amount for GA is \$339.

Summary of Bill (Recommended Amendments): Opportunity Portal. DSHS will serve as the executive branch sponsor of the Opportunity Portal. DSHS must select an appropriate solution and acquisition approach for the project. By July 1, 2012, DSHS must develop a plan for implementing paperless application processes for the services included in the Opportunity Portal. The plan must comply with federal law, and DSHS must provide the plan to the relevant legislative committees by November 15, 2011.

DSHS must ensure that the project maximizes available federal and private funds for the development and initial operation of the Opportunity Portal. Incidental costs to state agencies are to be derived from existing resources. If private funding sufficient to implement and operate the Opportunity Portal is not secured by December 31, 2010, the section authorizing its implementation becomes null and void.

DSHS must submit an annual report to the Legislature and the Governor regarding implementation, outcomes, and use of the portal. The first report is due on December 1, 2011.

Expanding the Food Stamp and Training Program. DSHS, ESD, and the State Board for Community and Technical Colleges must work in a partnership to expand the Program. Subject to federal approval, the Program will be expanded to three additional community colleges in 2010 and will expand capacity of the 12 currently participating colleges.

The agencies working in partnership must seek out community organizations that can provide support services and case management to participants in the Program, and they must identify funds with which to draw down federal matching funds for employment and training services. Support services provided by community-based organizations must supplement, and not replace, the positions or work of DSHS employees.

Employment and training funds may be allocated for skill development for employment, vocational education, English as a second language, job readiness, tuition, housing, counseling, transportation, and other services.

DSHS must annually track and report outcomes, including federal funding received, the number of participants served, completion rates, wages, and other outcome-related data. The report must be submitted to the Governor and appropriate legislative committees on November 1 of each year, beginning in 2010.

Disability Lifeline Program. GA is renamed the Disability Lifeline Program. All of the eligibility requirements that were in place for GA remain.

A person who meets the eligibility requirements and who has a drug or alcohol addiction but is still incapacitated because of mental or physical infirmity and cannot work, must go to treatment. If he or she participates in the treatment program, he or she will receive a \$50 monthly stipend and a housing voucher. If the recipient refuses to participate in treatment or does not complete treatment, then he or she is ineligible to receive the \$50 stipend and housing voucher but would still be eligible for medical and food benefits.

A person who meets the eligibility requirements and is homeless must enter a housing program as designated by the department. If the recipient participates in the housing program, he or she will receive a \$50 monthly stipend. If the recipient refuses to participate in the housing program, DSHS must terminate the stipend but cannot terminate the recipient's medical and food benefits. If a housing program is not available, the recipient must receive a housing voucher until a slot in the housing program becomes available.

If a recipient is neither homeless nor addicted to drugs or alcohol and is otherwise eligible for disability lifeline benefits, he or she will receive a monthly cash stipend of \$50 and a housing voucher.

After January 1, 2011, all disability lifeline benefits recipients must be assessed to determine whether they would likely benefit from a program offered by the Division of Vocational Rehabilitation (DVR). If the assessment indicates they might benefit then ESA must make a

referral to DVR. If placed in a program at DVR, the recipient must participate in the program in order to maintain his or her disability lifeline benefits. If he or she refuses to participate, then he or she is ineligible to receive the stipend and housing voucher but may continue to receive medical and food benefits.

The Economic Services Administration (ESA) must work jointly with the Division of Vocational Rehabilitation (Division) to develop an assessment tool which must be used to determine whether the programs offered by the Division could assist Disability Lifeline Recipients in returning to the work force. The assessment tool must be completed no later than December 1, 2010. ESA must begin using the tool no later than January 1, 2011. No later than December 30, 2011, DSHS must report on the use of the tool and whether the programs offered by the Division have been successful in returning disability lifeline recipients to the work force.

As part of the application process for disability lifeline benefits, the department must ask every applicant whether he or she ever served in the US military. If so, the department must confer with the state or federal Department of Veterans Affairs to determine whether the applicant is eligible for any benefits or programs offered to vets either through the state or federal government.

Disability Lifeline Expedited Program. DSHS is required to create a pilot project in King, Pierce, and Spokane counties under which it will enter into performance-based contracts with the managed health care system that provides Disability Lifeline health care benefits for services related to the transitioning persons receiving Disability Lifeline benefits to Disability Lifeline Expedited and federal benefits. Functional assessments are included in the information that must be reviewed to determine whether an applicant or recipient is likely eligible for federal benefits. The pilot project is authorized to operate from July 1, 2010, through June 30, 2012. DSHS may terminate the project before June 30, 2013, if the savings associated with the project do not exceed the costs.

DSHS must enter into performance-based contracts with one or more managed health care systems for Disability Lifeline medical benefits, and the contract must include integrated delivery of medical and mental health services.

Basic Health Plan Enrollment. Individuals who have lost eligibility for Disability Lifeline Program benefits due to improvements in their health status and who are eligible for subsidized basic health coverage must be given high priority for enrollment in the Basic Health Plan.

Access to Chemical Dependency Treatment. If DSHS or an entity that has contracted with DSHS to provide medical care services to Disability Lifeline Program clients determines that chemical dependency treatment is necessary to improve his or her health status for transition to employment or transition to federal disability benefits, DSHS or the contracting entity must give the client high priority to enroll in chemical dependency treatment within funds appropriated for chemical dependency treatment. The first priority goes to pregnant women and parents. This requirement expires on June 30, 2013.

Housing Trust Fund. The Department of Commerce is directed to designate 3 percent of its current and future housing construction contracts for the housing needs of homeless Disability Lifeline Benefits recipients.

Funding for the Act. The provisions of this act must be implemented within the amounts appropriated specifically for their purpose in the Omnibus Operating Appropriations Act.

Section 5(1) and (3), section 6, and section 7 are made contingent on funding provided in the biennial appropriations act.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Amendments): Made section 5(1) and (3), section 6, and section 7, contingent on funding provided in the biennial appropriations act.

EFFECT OF CHANGES MADE BY HUMAN SERVICES & CORRECTIONS COMMITTEE (Recommended Amendments): Requires recipients with drug or alcohol addictions to attend a treatment program to receive a \$50 monthly stipend and a housing voucher. Requires homeless recipients to participate in a housing program; if they do not they will not receive the \$50 stipend and housing voucher. Requires assessment and possible referral to DVR. Requires referrals to the Department of Veteran's Affairs in certain situations.

Appropriation: None.

Fiscal Note: Available on the original bill.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony on Proposed Amendments As Heard in Committee (Human Services & Corrections): PRO: A lot of veterans use GAU and the little money they get each month can go a long way. GAU offers alternatives to incarceration so that law enforcement does not have to intervene. Incarceration and other outcomes are much more expensive than GAU. If folks eligible for GAU have options, they are much less likely to end up in the criminal justice system. This bill builds on the positive reforms started last year in GAU. There are some modifications to the program in the striker that are worrisome. Reducing the cash stipend to \$50 a month means that private social services agencies will be depended upon to assist GAU recipients to close an even larger gap than they do now. If there is no housing available under the bill, would recipients still receive a full grant? Not sure there will be enough housing; the Jewish Federation cannot find housing it needs for the refugees it is trying to help. People who have health issues and cannot work need the assistance that is provided by GAU. There is confusion between what the striker says and what the Senate budget says. Sixty-five to 70 percent of the folks on GAU have housing. The SSI facilitation project included in this bill is significant. The medical evaluation is critical to success in obtaining SSI and this bill will greatly assist with that for the first time. If the initial SSI application is denied, it can take up to two years to go through the appeals process before one can receive SSI. About 90 percent of SSI determinations are overturned

on appeal if the client is represented by an attorney. The facilitation project in the bill will assist with that issue. Fifty to 60 percent of GAU applicants are sent on to the GAU program. The housing pilot project contained in the original House bill was stepped down from what the sponsor wanted originally because there is such a housing shortage for GAU folks and others. The best kind of housing is supportive housing which is designed around mental health and chemical dependency services provided on-site. Could use housing vouchers but there is a delay in getting housing built and available for this population.

OTHER: Governor agrees with general intent of the bill but is concerned because the bill as written does not provide DSHS with the authority to effectively manage cash and medical assistance for GAU in the current budget environment. In addition, some of the projects and reports in the bill will place administrative burden on DSHS that cannot be absorbed within existing funding levels.

Persons Testifying (Human Services & Corrections): PRO: Representative Dickerson, prime sponsor; Tracy Chapman, Lutheran Compass Center; Dick Reed, Seattle Police Dept.; Xavier-Alexis Garay, citizen; Zach Carstensen, Jewish Federation; Carol Wood, United Way of King County; Tony Lee, Solid Ground; Robin Zukoski, Columbia Legal Services; Nick Federici, Washington Low Income Housing Alliance; Rebecca Kovoussi, Community Health Plan and Community Health Network of WA.

OTHER: Alexis Oliver, Executive Policy Office.

Staff Summary of Public Testimony on Recommended Amendments (Ways & Means): PRO: Last year, the Legislature moved to a managed health care pilot and provided mental health services. Many GAU participants have mental illness and the focus on mental health support will bring the caseload down. We have concerns with the housing vouchers. We support efforts to provide housing; however at the moment, we are not sure if the housing exists. Only giving a housing voucher and cash, does not provide flexibility for other things.

OTHER: The opportunity portal is an opportunity with the Gates Foundation. Food Stamp Employment and Training is an opportunity to use federal and local monies to expand training. We have concerns around providing housing vouchers for those who already have housing or are able to obtain housing. This seems to add a burdensome layer of bureaucracy. The GAU reforms being made now will cut down on length of stay either through moving more people to employment or to federal Supplement Security Income (SSI). The managed health care provider will be able to get medical documentation faster enabling participants to move onto SSI. If federal health care reform passes, the expansion of Medicaid will cover this population.

GAU participants cannot support themselves. The current grant is barely enough to meet basic requirements. The emergency shelter and low cost housing is in short supply and reducing the cash grant to \$50 will be devastating. This places a large strain on local governments.

Persons Testifying (Ways & Means): PRO: Robin Zukoski, Columbia Legal Services.

OTHER: Tony Lee, Solid Ground; Carol Wood, United Way of King County.