## Testimony of Department of Health and Human Services Sam Adolphsen, Chief Operating Officer, DHHS

## Before the Joint Standing Committee on Health and Human Services

In Support of LD 368
An Act to Integrate the State's General Assistance and Temporary Assistance for Needy
Families Programs

In Support of LD 369
An Act to Align Municipal General Assistance Programs with the Immigration Status Policies of the Department of Health and Human Services

In Opposition to LD 632
An Act to Require the State to Administer and Fund the General Assistance Program

In Support of LD 722
An Act to Strengthen Penalties for Abuse of General Assistance

Neither For Nor Against LD 1035

An Act to Create a 9-month Time Limit on General Assistance Benefits

In Support of LD 1036
An Act to Prioritize Use of Available Resources in General Assistance Programs

Neither For Nor Against LD 1037
An Act to Establish a 180-day Residency Requirement for Welfare Benefits

Hearing Date: April 15, 2015

Senator Brakey, Representative Gattine, and members of the Joint Standing Committee on Health & Human Services, my name is Sam Adolphsen and I am the Chief Operating Officer, of the Maine Department of Health and Human Services. My testimony will cover all seven of the General Assistance bills being discussed today.

Before I comment on the specific bills, I would like to take a brief moment to discuss the General Assistance (GA) program generally. The GA program is an important program, and it is designed to play a key role in helping Mainers. This temporary assistance program is designed to help a family who has lost their home due to a disaster, or assist someone in town who was injured or sick and can no longer cut firewood or go fishing to earn a living for a couple months.

This program is designed for communities, with help from the state, to help those neighbors and families who need a temporary hand up to get back on their feet. Most municipalities are doing just that and are doing it well.

However, the program has taken on a different form in some areas. It has grown tremendously in recent years, doubling in cost since 2005. It has moved from a temporary assistance program for Maine residents to a long-term housing and supports program that it was never meant to be. It has become the go-to resource to supplement a broken immigration system. It has become the operational funding for city-run shelters with wayward budgets, and it has become a program that can no longer be sustained by the taxpayers of Maine.

It's time for the GA program to return to its original and vital intent. For communities and the state to partner together to give Maine families in need a helping hand, to help them back on their feet and back to independence and self-sufficiency. All of the Department's testimony and initiatives will reflect this goal.

The Department is in support of LD 368, which makes individuals who have reached the 60-month lifetime limit for benefits under the Temporary Assistance to Needy Families program ineligible for municipal general assistance. The TANF program, consistent with the federal Personal Responsibility and Work Opportunity Act enacted in 1996, caps TANF benefits at 60 months (absent extensions granted for good cause). The rationale for the limit is to emphasize the temporary nature of the program and to incentivize participants to become self-sufficient. The TANF program is not meant to be a lifelong welfare program, it is meant to be a temporary work-support program. It's critical that this focus is shared in other welfare programs like General Assistance, so that the clear mission of "a hand up, not a handout" is not undermined.

LD 369 reaffirms that non-citizens who are ineligible to receive benefits administered by the Department on the basis of law, rule or regulation, relating to the person's immigration status, are ineligible for General Assistance. The Department supports LD 369. This bill is consistent with Maine law, with federal law and with our GA program operations. Maine's GA program does not allow DHHS to reimburse municipalities for GA expenses for non-citizens who are ineligible based on federal law.

LD 722 provides that a person, who makes a false representation of a material fact to obtain municipal assistance, is ineligible to receive further assistance for a period of the longer of 120 days or until that reimbursement is made. Public welfare programs, except General Assistance, have payback and penalty provisions when a client is overpaid benefits or received benefits due to false representation. The Department supports LD 722 and we agree that the General Assistance program needs an established overpayment process that requires the municipality to recoup benefits that were overpaid. These procedures would need to include a requirement that the state is paid back for any portion that was reimbursed to the municipality for the

overpaid amount. This bill helps to ensure that state taxpayer resources go to those who are truly needy and not those who have fraudulently received assistance.

LD 1035 limits the amount of time an able-bodied individual without dependents can receive General Assistance, to a maximum of 275 days in a 5 year period. As I indicated in my opening remarks, and in support of other measures being discussed here, The Department supports and encourages the concept of time limits in benefits programs, including General Assistance, and we are willing to work with you to establish what these time limits will look like.

LD 1036 strengthens and clarifies the requirement of the use of available resources in the General Assistance program. The General Assistance program is intended to be a program of last resort. Applicants need to avail themselves of all other resources prior to becoming eligible for General Assistance. The Department also supports the disqualification period for which an applicant will be ineligible for assistance due to forfeiting a resource for reasons outlined in LD 1036.

LD 1037 seeks to establish a 180-day residency requirement for public welfare benefits. We are constantly working to improve the integrity of our public benefits programs, and that includes doing everything we can to ensure that only eligible residents are receiving Maine benefits. We are sometimes limited in those efforts by various laws and regulations, but in cases where we can demonstrate someone is not actually living in Maine, we are able to move them off Maine benefits. We have ongoing initiatives designed to identify individuals who are receiving Maine benefits but may not be living in Maine. We follow up on those red-flag cases for potential removal from Maine welfare programs and investigation of possible fraud.

LD 632 would require the State to take over all administration of the General Assistance program. The Department opposes LD 632. The General Assistance program is intended to be a local program, overseen and partially funded by the state. This design is wise, in that it allows those individuals who understand the circumstances and needs of their local community members to make good decisions regarding those members of their town who will receive welfare benefits.

This is being done effectively across our state in most cases, outside of isolated issues that we are working with certain municipalities to correct. We believe that local control, within the guidelines of the program, is the appropriate structure and leads to the best outcomes for those in need, as well as for Maine taxpayers.

To reinforce this local control, the Governor's budget proposal would provide an enhanced 90% state reimbursement upfront to municipalities. This would ensure fairness by giving every town some funding at 90%, it would correct the improper incentive to spend more to reach the old 90% threshold and it would bring much needed stability to the GA and state budget.