

Coalition of Wisconsin Aging Groups1245 E. Washington Avenue
Madison, WI 53703-3040608/257-5660
FAX 608/257-8929**QUESTIONS AND ANSWERS ABOUT
THE GOVERNOR'S BUDGET PROPOSAL TO DECREASE
THE MEDICAL ASSISTANCE SPOUSAL IMPOVERISHMENT LIMITS****1. *What is Medical Assistance Spousal Impoverishment?***

These provisions, first enacted by Congress in 1989, permit the spouse of a nursing home resident to retain a certain amount of the couple's combined assets when one spouse enters a nursing home. Previously, when one spouse entered a nursing home, the spouse who remained at home ended up destitute before the nursing home spouse qualified for Medical Assistance. States were given latitude in selecting the minimum and maximum amounts protected.

2. *What is the current asset limit?*

In Wisconsin, under current law, a spouse of a nursing home resident may keep up to \$72,660 of the couple's combined assets. The car and home (primary residence) are not considered.

3. *How much assets do elderly Wisconsin couples have?*

According to the Wisconsin Bureau on Aging statistics, Wisconsin couples have very modest amounts of assets. 7% of couples have less than \$2,000; 5% have between \$2,000 and \$5,000; 14% have between \$5,000 and \$10,000; 12% have between \$10,000 and \$20,000; 18% have between \$20,000 and \$40,000; 11% have between \$40,000 and \$60,000 and less than 25% have more than \$60,000 assets.

4. *What provisions related to assets are in the Governor's proposed budget?*

The Governor has proposed changing the formula so that, in addition to the homestead and car, the at-home spouse could retain the greater of \$14,532 or half of the couple's assets, up to a maximum of \$72,660.

<u>Couple's Combined Assets Are:</u>	<u>Current Law - At-Home Spouse May Keep:</u>	<u>Governor's Proposal - At-Home Spouse Would Keep:</u>
\$0 - 14,532	ALL	ALL
\$14,533 - 29,064	ALL	\$14,532
\$29,065 - 72,660	ALL	HALF
\$72,661 - 145,320	\$72,660	HALF
\$145,321+	\$72,660	\$72,660

Continued on reverse

EXAMPLES:

Couple's Combined Assets Are:	Current Law - At-Home Spouse May Keep:	Governor's Proposal - At-Home Spouse Would Keep:
\$20,000	\$20,000	\$14,532
\$30,000	\$30,000	\$15,000
\$40,000	\$40,000	\$20,000
\$50,000	\$50,000	\$25,000
\$60,000	\$60,000	\$30,000
\$70,000	\$70,000	\$35,000
\$80,000	\$72,660	\$40,000
\$100,000	\$72,660	\$50,000
\$120,000	\$72,660	\$60,000

Thus, only the very lowest-asset couples (those with less than \$14,532) and those with the highest assets (those with more than \$145,320) would be unaffected. Couples with between \$14,533 and \$145,320 would all be hurt by this proposal. Again, note from above description, over 56% of elderly Wisconsin couples have less than \$40,000 in assets and over 70% have less than \$60,000 in assets.

5. *What provisions related to income are in the Governor's proposed budget?*

Currently, a spouse of a nursing home resident may retain all income received in his or her own name and receive an allocation from the nursing home spouse, if necessary, to bring the at-home spouse's monthly income up to \$1,816.50 (224% of poverty). The Governor's proposal would reduce that monthly income amount to \$1,640 per month (200% of poverty).

6. *Why is this issue so important to the elderly and their families? Isn't \$14,532 enough for the at-home spouse?*

Several factors are important here. First, the spouse remaining at home will have many of the same expenses -- mortgage, property tax, home repairs, utilities, health care, transportation. Second, declining interest rates means that income generated from retained assets will be minimal. Third, generally, the at-home spouse is the wife who can expect to live seven years after her husband dies, surviving on a widow's Social Security benefit and interest from protected assets. This spouse is herself at risk of becoming destitute and requiring government assistance. Finally, having to place a spouse in a nursing home is already an incredibly emotional and difficult experience. Making the at-home spouse financially destitute as well is devastating.

**CURRENT SPOUSAL IMPOVERISHMENT LEVELS
SHOULD BE RETAINED!**



Thomas L. Frazier, *Executive Director*

Coalition of Wisconsin Aging Groups

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TESTIMONY BEFORE JOINT FINANCE COMMITTEE, IN SUPPORT OF RETENTION OF MEDICAL ASSISTANCE SPOUSAL IMPOVERISHMENT PROVISIONS

**Presented by Bette Johnson, Co-Chair
Legislative Committee
March 27, 1995**

I speak to you today as immediate past-president of the Coalition of Wisconsin Aging Groups, co-chair of our Legislative Committee, a former nurse and an older woman deeply concerned about both the economic and emotional impacts of placing a spouse in a nursing home. We urge you to retain the Medical Assistance Spousal Impoverishment provisions that are contained in current law.

Before 1989, Wisconsin's elderly citizens faced a "double jeopardy" if their spouses needed nursing home care. First, was the psychological and emotional trauma of recognizing that one had run out of options and was no longer able to help keep a beloved spouse, often a spouse of 50 or more years, at home; instead a nursing home placement would be necessary. Second, the elder would soon find out that before the nursing home spouse could qualify for government assistance, BOTH spouses had to be reduced to below the poverty level, retaining only \$2,000 in assets between them.

But in 1989, Congress, in its wisdom, finally addressed this problem and passed "spousal impoverishment" laws to protect some of the income and assets of the spouse who remained at home, so that he or she, (and it is usually a "she") would be able to preserve modest income and assets that the couple had earned and saved together, with the spouse in the nursing home qualifying for assistance. Congress gave states options in setting the income and asset levels and Wisconsin compassionately selected the maximums. Twice since then there have been attempts to lower those limits and both times the Wisconsin legislature has carefully considered the issue and elected to retain our current provisions.

Wisconsin's elderly are not rich. According to the Wisconsin Bureau on Aging, over 75% of Wisconsin elderly couples have assets well-below \$60,000. Over 56% have assets under \$40,000. But the Governor has proposed slashing these asset levels to the minimum, resulting in almost all of these couples -- those with assets above \$14,532 being significantly hurt by this proposal.

-- over, please --

The real-life impact of this proposal on Wisconsin's elderly and their families would be devastating. The spouse remaining at home will have many of the same expenses -- mortgage, property tax, home repairs, utilities, health care, transportation. Second, lower interest rates means that income generated from retained assets will be minimal. Third, the at-home spouse is generally the wife, who can expect to live seven years after her nursing home spouse dies, surviving on a widow's Social Security benefit (approximately \$500 per month) and interest from protected assets. This spouse is herself at risk of becoming destitute and requiring government assistance.

The Coalition of Wisconsin Aging Groups has agreed with this legislature in urging restrictions on Medical Assistance eligibility by tightening up divestment loopholes and we have not objected to the Estate Recovery Program's liens and recovery for benefits paid for nursing home care. We have not objected to this program because it seeks reimbursement after the recipient and spouse's death. This proposal, however, will result in impoverishing the spouse at the front end and require repayment through estate recovery at the back end. This is unfair.

We recognize that funds are not limitless and that the elderly must pay their share. Indeed, a study prepared for the Governor recommended both addressing the divestment issue and initiating a vigorous estate recovery program. But that same study also recommended retaining strong spousal impoverishment provisions and thus we urge you to do so.

Wisconsin's elders are well aware of the need to balance the state budget and that this proposal was made based on that need. But we see this proposal as penny-wise and pound foolish. Making spouses of nursing home residents poor will make these individuals eligible for public assistance that much sooner. Elders without sufficient resources will deny themselves needed medical care and food, and thereby make themselves sicker and in need of more public services.

Placing a spouse in a nursing home is already an incredibly emotional and difficult experience. Making the at-home spouse financially destitute as well makes the experience devastating.

**WE URGE YOU TO RETAIN THE CURRENT SPOUSAL
IMPOVERISHMENT INCOME AND ASSET LEVELS.**

March 27, 1995

To Whom It May Concern:

I am writing to express my support for the creation of the University of Wisconsin Hospital and Clinics as a public authority. The public authority option gives the hospital and clinics the ability to be more proactive in implementing structures and processes to meet the needs of its customers because it is free from the entanglements of state bureaucracy and legislative time frames, yet it still retains its accountability to the public. It is crucial that if Madison is to retain an academic health care facility, that facility needs to respond as quickly (or quicker) to changes in the health care environment as its competitors; the inherent additional costs of an academic health care facility are only exaggerated when change is slowed by being tied to state government. I urge you to keep this proposal as part of the total budget bill and to support the creation of the public authority. Thank you for your consideration.

Sincerely,



Myra G. Enloe
1675 Mason Lane
Rewey, WI 53580

Testimony in support of UWHC Public Authority

I am very supportive of UWHC becoming a public authority in order to streamline operations and have the flexibility it needs to accomplish it's fourfold mission. Since being an employee of the hospital, I could give countless examples of delays in personnel management or purchasing that have impaired swift decision making. While the bureaucracy imposes rules that seem logical at the time imposed, the cumulative effect is that rarely are the rules practical when patient care needs are critical and these rules then become impediment to excellence in care. One such personnel example is when we decide to hire a new nurse for an entry level position, there are times that we need to consider at least as many as 100 candidates for a single position. Major capitol building projects are also subject to countless regulations that are not apparent in the private sector. An example is the building of our new 24 bed trauma unit, which was proposed in the early to mid 1980's and was finally open for patient care in April of 1993. The public authority would allow for patient care to continue in a less unencumbered fashion and allow the excellent care to continue

Madame Seba

TO WHOM IT MAY CONCERN

I find the 250 hours per person a year limit on personal care completely intolerable. That would mean that no matter how badly a person needed help, he or she could not receive it.

Even less compassion is shown if personal care is totally done away with.

Personal care for the aged and handicapped has proven very cost effective for the tax payer. When something is working WHY fix it?

My son has severe asthma. He needs oxygen at night in order to function. He lives on SSI and can hardly make ends meet now. Reduction of funding and related supplies for oxygen could result in death for many people. Oxygen is needed to sustain life. I hope you find it in your heart to give this more thought. I feel the breath of life is even more important than personal care. If a person dies from lack of oxygen they won't need personal care.

Sincerely,

Rose A. Engebretson

Rose A. Engebretson
1008 5th Street
Brodhead, Wisconsin
53520

Julie Klopff
308 W. Wilson
Madison, WI 53703

As a certified Nursing Assistant for the state of Wisconsin, I am opposed to personal care cuts. I support Senators Leon and Bransel in their proposals to come up with the money needed for attendant care. If personal care is reinstated, I would hope the spending cap of \$78.00 would be eliminated or increased.

As a nursing assistant for the past 5 years I have had an insiders look at how people function both independently and, in institutional settings.

The Nursing homes I've been employed at (which are reputed as two of the better nursing homes in Wisconsin) are more often than not understaffed because of high employee turnover due to burnout because of understaffing.

The best staffing situation I've seen is 9 nursing assistants to cover the basic needs of 60 residents for an 8 hour shift. This is considered a high resident to staff ratio.

I've also worked in situations where the ratio is 6 nursing assistants to 60 residents.

In both situations caregivers are overworked and hurried and although you try your best this is what results:

- 1) people who cannot feed themselves are not given enough time to eat at a relaxed pace necessary for residents in their situation. Food is spooned into their mouths faster than these people can chew.
 - 2) All residents are not given enough time to be toileted regularly. This leads to greater incontinence which means residents can and do sit in their own urine or excrement for up to 2 hours
 - 3) Residents are not given enough time for walks, exercise or, to simply get out of their room for a change of scenery.
- I've seen situations where people have not been bathed fully for five days at a time and, the only social contact they get is nursing assistants dressing them, feeding them and taking them to the bathroom.

This happens because: a) Institutions are understaffed for cost effectiveness.

b) Families of Residents cannot or do not take the time to visit daily.

c) Residents do not have family or friends living and they do not have volunteers from the community come to visit them and ask how things are going.

- Personal Attendant Care:
- a) keeps people integrated in the community as they should be because they are part of life and society.
 - b) Lets people maintain their dignity by setting their own schedules and maintaining as much independence as possible (this is important for the developmentally disabled as well).
 - c) It gives people the one on one attention they need- this is nearly lost in institutional settings.

It amazes me those who wrote this state budget proposal are literally moving backwards in time by proposing personal care cuts. There was a reason for deinstitutionalization and that was that people were being neglected and their needs were not being met. This does happen in institutions that are inspected by the state on a regular basis.

As a resident of Wisconsin who earns \$7.00 hourly wage I would be happy to pay more taxes if I knew the money was going to programs like personal care and medical assistance which allow people to stay in our community instead of building more institutions or, funding the Brewers Stadium. I think a lot of people have their priorities mixed up and it makes me ill.

I hope you are well aware as I am that you could be an accident victim sometime in your life, you could have a stroke sometime in your life and it is possible your daughter could have a child with a developmental disability. From my experience there are very few people I would encourage to seek Institutional care- it does not function properly in most cases.

- Julie Klopf
I can be reached for
questions or comments
at 251-5370



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RSVP - Superior
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RSVP
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(715) 985-2391**

Wisconsin Retired and Senior Volunteer Programs You Can See Us Working!

JOINT FINANCE COMMITTEE HEARING - 3/27/95

My name is June Divan. I reside in Beloit, WI and am the Director of the Retired and Senior Volunteer Program (better known as RSVP) in Rock County. Mary Stamstad, Director of the Dane County RSVP program, and I are here today to represent the Sixteen RSVP projects around the state.

Together, we have a combined total of over 12,000 volunteers, age 55 and older, enrolled in RSVP throughout the State. Their activities reduces the cost of providing human services to all segments of the population, young and old alike.

In 1994 our volunteers contributed over 1.2 million hours of service in their communities. At a minimal rate of \$8.00 per hour, this amounts to close to 10 million dollars, a substantial amount. The important thing is that this was accomplished at a cost of less than \$2.00 per hour.

Today, we come before you for two reasons:

First of all, we want to say "thank you" on behalf of our sixteen projects for the continued support you have shown our programs these past 15 years. The supplemental funding we receive from the State is vital and we could not operate at our present level without it. We are indeed grateful that the benefits of our program have been recognized and fully supported in the Governor's biennial budget for 1995-97.

Secondly, we urge you to consider restoring the personal care and spousal impoverishment provisions back into the state budget. These items vitally affect many of our volunteers as well as many other older adults around the state.

THANK YOU

June Divan
RSVP of Rock County, Inc.
419 Pleasant St., Suite 202
Beloit, WI 53511
608/362-9593

MARCH 27, 1995

Dēar Members of the Joint Finance Committee:

I am an employee at the Office of the Secretary of State and I am very concerned about the proposed break-up of this office.

Each day we have multiple customers that visit 2, 3, or all 4 working divisions of this office. The separation of these divisions will cause a huge "headache" for our customers that are used to the "one stop shopping" that is available to them at this time.

Our office staff has worked very hard over the past few years to make customer service the #1 priority because it is the customers that pay the over \$8 million in fees that our office collects each year. Of this \$8 million, over \$5 million goes into the general fund.

The corporation division alone receives over 500 phone calls every day. These calls come from our customers looking for some assistance, or just requesting information that is "public record".

To move this operation to an office that does not operate under "public record" requirements could be disasterous.

i am all for cutting back, tightening our belts, or whatever it takes to make our state government operate more efficiently. (a 39% cut in corporation staff is a little drastic...) But removing the corporation division and the uniform commercial code division from the secretary of state office does not save money! What it will do is cause a lot of confusion for the business communities both within and outside of Wisconsin.

I guess what it really boils down to is: IF IT ISN'T BROKE: DON'T FIX IT!

In closing, I would respectfully request that you look at this proposal again before tearing apart one of the very few public service state agencies.

Thank you very much,



Margaret Schmelzer
141 Amanda Ct
Oregon WI 53575

**Testimony to
The State of Wisconsin Joint Finance Committee
3/27/95**

Senator Leean, Representative Brancel, distinguished committee members:

I am honored to appear before you this afternoon to encourage your continued support of the legislation to create a UW Hospital public authority. I am a 15-year employee of University Hospital, and would like you to know that there is a broad base of employee support for this proposal.

This public authority will allow the flexibility and speed to respond to a complex and rapidly changing marketplace. This need to compete in the marketplace is unique to University Hospital among other State agencies.

Currently, the Hospital funds 99% of its operations from patient revenues and not tax dollars. These revenues provide funds for the care of indigent patients and the costs associated with the important job of training medical professionals for the citizens of the State. If the Hospital is unable to maintain these patient revenues by being a flexible competitor in the market, an increasing burden will be placed on the budget and taxpayers of our fine State.

This legislation would allow the Hospital authority and its Board to

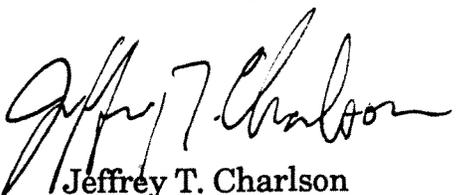
- create new classifications of employees in a timely manner,
- evaluate employee re-classifications without multiple agency delays to the affected employee,
- retain specialized legal counsel when appropriate,
- responsively plan, begin, and complete projects relating to facilities enhancements
- shorten recruitment approval delays from weeks to hours, and
- eliminate purchasing red-tape which in many cases results in delays in obtaining needed equipment or supplies.

Opponents to this plan have commented that "the Hospital is not broken, so don't fix it". I disagree with this argument. Managed Care health plans have conclusively shown that preventive medicine is far more cost effective than treating or curing disease once it is allowed to happen. I'm asking that you continue your proactive stance and immunize the medical center to allow it to maintain it's health and ability to serve the public.

This is not a pro-management or a pro-union issue—it is a pro-employee proposal. For instance, the participation in the WRS is important to all of us. I am told that an amendment to this legislation has recently been proposed to mandate (rather than allow) the authority to participate in the Wisconsin Retirement System, thus ensuring my fellow employees and I access and continuing participation in one of the finest portfolio of benefits and employee services that is currently available.

Some may erroneously infer that the oversight of the Hospital would be eliminated via this public authority. The president of the University's Board of Regents, the Chancellor, a UW-Madison health sciences dean, the Secretary of DOA, and 5 citizens nominated the Governor and approved by the Senate are capable of providing equal or better oversight to this entity. The authority would still be subject to open records and meetings laws, LAB audits, lobbying regulations, and a code of ethics, among other accountabilities built into the legislation.

In any change there is a certain amount of risk. However, the risk inherent in maintaining a status quo in an uncertain market looms larger than the creation of the flexible, accountable governance structure set forth in this legislation. The proposal does not remove oversight. It removes inefficient bureaucracy to allow a sustained ability to meet the missions of the Hospital and serve the taxpayers of the State.



Jeffrey T. Charlson
5843 Schuman Drive
Madison, WI 53711

March 27, 1995

Senator Joseph Leraan, Co-Chair
Representative Ben Brancel, Co-Chair
Joint Finance Committee
Public Hearing
113 South Capitol

Dear Committee Members:

My name is Yvonne Pola. I am an employee of the University of Wisconsin Hospital and Clinics. Today I would like to request your support for the portion of the budget bill which deals with the restructuring of University Hospital to a Public Authority.

There are many reasons for restructuring the University Hospital; this institution is staffed by renowned physicians, scientists and support staff who have brought the practice of medicine to great heights and public acclaim. However, the patient population continues to be eroded by the inability of our hospital leaders to join forces with other healthcare providers in a market that has become highly competitive with rapid changes. University Hospital and Clinics continues to play a major role in the national healthcare forum as a leader in providing state-of-the-art medical care. Without your support to reorganize this institution we could easily find ourselves in the position of no longer providing the outstanding care and education for which we are known. The newspapers are filled with reports of other academic institutions which have not fared well in the wave of healthcare reform.

I hope you will not be dissuaded from supporting this portion of the budget bill by those who claim that the hospital will stray from its mission to treat indigent patients and patients without insurance. Yet others claim that the hospital leadership seeks to undermine the employees' ability to be represented and to negotiate collective bargaining contracts. These are insupportable and hollow accusations. Surely, our leadership does not wish to empty the hospital of all the employees who have contributed to its vast success. Neither do administrators wish to deny care to those in need. The new governing board of the hospital is designed to meet the current mission of this hospital without change.

Thank you for your consideration and support for the restructuring of University Hospital.

Sincerely,



Yvonne Pola
1417 Ravenoaks Trail
Oregon, WI

LEGAL ACTION OF WISCONSIN, INC.

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TO: Joint Committee on Finance
Assembly Welfare Reform Committee
Senate Committee on Health, Human Services and Aging

FROM: Bob Andersen 

RE: Elimination of General Relief by the Biennial Budget Bill

DATE: March 24, 1995

I. History

The existence of General Relief in this state dates back to the beginning of the state in 1848. It has its roots in the English "Poor Laws" which originated in the 1600's. Initially, state laws contained a general statement of the obligation of municipalities to support the poor.

In the 1930's, several session laws were enacted as emergency relief. They provided relief in the form of emergency relief to the unemployed, emergency forestry work for the unemployed for the promotion of forest fire protection, emergency licensing of chain stores, emergency extension of the redemption period of mortgages, efforts to advance highway and bridge construction by extending the borrowing power of counties, and loans for needy students. These session laws are described in the attached explanatory note to the comprehensive bill which was enacted to replace them in 1945 (Chapter 585 of the Laws of 1945). Chapter 585 was an omnibus bill making a comprehensive revision of all public assistance laws, in an effort to "modernize" them. This comprehensive revision of public assistance in 1945 is essentially the body of law for all public assistance today, including General Relief.

The emergency relief session laws were also replaced because of conflicts among their provisions and because of confusion concerning their continuing applicability. The explanatory note explains the conflicts that existed, including those caused by one session law that provided that the state shall reimburse local units not less than 50% of total local relief expenditures and a second session law that provided that the state shall reimburse the local units not less than 5%.

These session laws were replaced by a single definition of General Relief in the 1945 act. In 1961, the enactment of Chapter 462 added the provision that relief may be furnished

"at such times and in such amounts as will in the discretion of the relief official or agency meet the needs of the recipient and protect the public." According to the fiscal note that accompanies this enactment, this provision allowed relief agencies to increase the frequency and amounts of relief. In 1983, the law was changed to replace the more than 600 municipal and county programs with county administration and was changed to provide for partial state reimbursement of the costs.

II. Who Receives General Relief?

General Relief is the public assistance program of last resort. It is the only public assistance available for basic subsistence for persons who do not qualify for other forms of public assistance (e.g., AFDC, SSI, SSDI, VA, UC). It provides food, shelter, fuel, medical care, and other necessities of life. While Food Stamps may be available for potential General Relief recipients, other forms of public subsidies for housing, medical care, and fuel are severely limited.

Persons who receive General Relief are single persons; childless couples; unemployed persons awaiting for or not eligible for unemployment compensation; retired elderly persons who do not yet qualify for Social Security benefits; a limited number of families who do not receive AFDC; and persons with disabilities who do not receive SSI or SSDI or who are awaiting determination of eligibility for such benefits. In this last category alone are a substantial number of disabled people who have to wait an average of more than one year from the date of application for a determination of their SSI eligibility.

The breakdown of the types of persons who are General Relief recipients is best illustrated by the attached analysis done by the Wisconsin Social Services Association. According to their survey of county General Relief programs, 48% of recipients are disabled or incapacitated, 61% are males and 39% females, 23% are age 18-29, 54% are age 30-49, and 23% are over the age of 50.

These statistics debunk the myth that is the basis for a large part of the rationale for the elimination of this program -- that General Relief recipients are young employable males. That these statistics accurately portray the characteristics of the General Relief population is supported by the findings in other states where General Relief has been terminated or severely limited. See the attached summaries of reports of the Michigan League for Human Services, the General Assistance Termination Project of the University of Michigan School of Social Work, and the Center on Social Welfare Policy and Law.

III. What Will Happen if General is Eliminated?

The reports referred to above explain what the consequences were in Michigan, Ohio, Illinois and Pennsylvania, where General Relief was either terminated or severely limited.

- Former recipients are less employable in Michigan 15 months after termination of assistance than they were when the General Relief stipend was stabilizing their housing situation
- 83% of former General Relief recipients were unemployed in Michigan
- Local communities and their network of private emergency services providers in Michigan were not able to meet the increased need for services which followed the elimination of General Relief and the reductions in the emergency needs and indigent health care problems
- 20,000 former recipients in the counties surveyed in Michigan had no regular place to stay
- the percentage of former recipients who were homeless increased from 2% to 25% within 7 months after the General Relief program ended in Michigan
- homelessness increased 17% within six months of the General Relief reductions in Ohio
- 27,000 former recipients in the study counties in Michigan went without food for 24 hours or more since the elimination of General Relief
- the number of community based emergency services organizations in Michigan which are providing health related services increased by 48% following the dramatic reduction in General Relief medical services
- the assumption that terminating General Relief would completely remove recipients from welfare dependency (Food Stamps and medical assistance) was disproved in Michigan when the same percentage of persons (43%) were still dependent on these other benefits 27 months after the termination of General Relief
- the proportion of Cuyahoga County, Ohio recipients surveyed who said they were unable to obtain needed medical care rose from 20% to 33% following termination
- a Pennsylvania survey showed that 26% of former

recipients surveyed stated that their health was worse after leaving General Relief and 33% reported that "health problems kept them from working"

IV. Wisconsin Should Retain at Least a Six Month Durational Benefit Program, Coupled with a Revision of the Requirement that Counties Establish a Standard of Need

Given the fiscal constraints that confront the state at this time, the state should adopt the recommendation of the Wisconsin Social Services Association to convert the existing General Relief program into one which has a six month durational limit on benefits (except for persons who are unemployable -- for whom SSI benefits should be sought) and into one which operates under a revised standard of need. This should be coupled with the kind of work program requirements which have achieved some success in Milwaukee County.

A six month durational benefit program is utilized by the State of Minnesota and is a far better approach than the drastic elimination of General Relief undertaken by the states of Michigan and Illinois.

STATE DOCUMENT
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EXPLANATORY NOTES

Bill No. 269, S.

REPEALING CONFLICTING AND OBSOLETE SESSION LAWS

RELATING TO POOR RELIEF.

OBJECTIVES: The objective of this bill is to repeal obsolete and conflicting session laws enacted as emergency relief legislation which were given no section numbers and therefore do not appear in the revised statutes. It is obvious, however, that these session laws are still at least partially valid since it was ruled in 24 Ops. Atty. Gen. 270 that "It is clear that Ch. 363, Laws 1933, is a general act and, since it has not been repealed, is still in full force and effect, except as amended by Ch. 15, Laws 1935. State ex rel Atwood vs Johnson (1919), 170 Wis. 218, 175 N.W. 589; State ex rel Madison vs Industrial Com. (1932), 207 Wis. 652, 242 N.W. 321; Van Dyke vs Wisconsin Tax Com. (Decided by the Wisconsin Supreme Court March 5, 1935), 259 N.W. 700." As stated in a revisor's note following sec. 72.74, Stats. 1943, in part: "The legislature never indicated, according to 'joint rule 7, forms of bills, 4,' that these acts were to be printed in the Wisconsin Statutes. Accordingly, they were at first omitted from the statutes. Confusion and complaints followed. As a partial solution of the problem, the acts were printed in the Wisconsin Statutes of 1937 and in later editions, under the bracketed section numbers 72.75, 71.50 and 71.60. The taxing portions of these emergency tax acts are now given statute section numbers. That does not affect in any way any other parts of these acts. Those other parts may be found by reference to the session laws or to the 1941 and earlier editions of the statutes."

Two serious and obvious conflicts are apparent since Ch. 363, Laws 1933, as amended by various subsequent session laws, provides that the state shall reimburse local units not less than 50 per cent of the total local relief expenditures, whereas Ch. 15, Laws 1935, as amended by various subsequent session laws, provides that the state shall reimburse the local units not less than 5 per cent. The

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construction, however, is that the appropriations under those acts have lapsed. The second conflict relates to administration of poor relief since Ch. 363, Laws 1933, as amended by subsequent session laws, sets up an elaborate set of relief standards to be administered by the state, whereas Ch. 14, Laws Special Session 1937, Section 7, provides: "Relief shall be administered in accordance with rules and regulations to be adopted by the industrial commission or such agency, with the exception that standards and eligibility shall be determined by the individual local unit of government administering relief." It is submitted that the first step towards revision and codification of the relief and welfare laws in preparation for the future is the repeal of these confusing and hidden provisions. They are booby traps which must be removed.

The Bill, however, preserves the provisions for loans to needy students as originally made by Ch. 363, Laws 1933, as amended by Ch. 10, Special Session 1933-34, and Ch. 17, Laws 1935. An appropriation for this purpose is assigned Section No. 20.17(35), and the administrative provision is assigned Section No. 46.30 of the statutes.

After careful consideration and conference with Mr. Ott of the Legislative Reference Library, Mr. Brossard, Revisor of Statutes, and Mr. Teschner of the Department of Taxation, the Bill safeguards and preserves the levy, assessment and collection of any taxes under the repealed provisions.

The bill also creates sec. 48.015 providing for two annual meetings of a "Board of Juvenile Court Judges" similar to the Board of Circuit Court Judges and the Board of County Judges. This is deemed to be noncontroversial and necessary to advance the interests of juvenile law and combat the rise in juvenile delinquency.

Summary of session laws repealed: Ch. 29, Laws Special Session 1931-32.

This Act contains 10 sections to provide emergency relief to the unemployed, and emergency forestry work for the unemployed by aid to forestry and promotion of

forest fire protection, to levy emergency taxes upon incomes and to provide for emergency licensing of chain stores, to provide for an emergency extension of the redemption period of mortgages, to advance highway and bridge construction by extending the borrowing power of counties, providing penalties and making appropriations.

Ch. 363, Laws 1933, comprising 9 sections, repealed subsection (5) of section 2 of Ch. 29, Laws Special Session 1931-32, levied taxes for emergency relief purposes and provided for an extensive form of administration of relief which was not incorporated into Ch. 49 of the Revised Statutes. This enactment really started the difficulty and one line of session laws affecting relief administration.

Ch. 450, Laws 1933, made a few formal changes in subsection (3) of section 2 and subsection (2) of section 3 of Ch. 363, Laws 1933. This appears to be mere numbering in section 11.

Ch. 470, Laws 1933, by section 18 affected appropriations made under subsection (1) of section 7 of Ch. 363, Laws 1933.

Ch. 10, Laws Special Session 1933, affected Ch. 363, Laws 1933, by appropriating a part of the available funds for relief purposes to be used for loans to needy students.

Ch. 15, Laws 1935, levied taxes for emergency relief purposes and amended subsection (1) of section 4 of Ch. 363, Laws 1933, by imposing an emergency tax upon transfers of property.

Ch. 17, Laws 1935, appropriated certain sums for loans to needy students and made amendments to paragraph (c) of subsection (6) of section 7 of Ch. 363, Laws 1933, or Ch. 10, Laws Special Session 1933-34 relating to moneys repaid on such loans.

Ch. 286, Laws 1935, made a nonlapsible appropriation from the general fund of the revenues derived from Ch. 15, Laws 1935, for emergency relief.

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Ch. 490, Laws 1935, repealed subsection (1) of section 4, and subsections (1) and (2) of section 5 of Ch. 15, Laws 1935, and renumbered section 11 to be section 13 of said Ch. 15, Laws 1935, relating to emergency relief tax on utilities and transfers of property for the correction and clarification of the emergency relief act.

Ch. 524, Laws 1935, amended subsection (1) of section 5 of Ch. 15, Laws 1935, as amended by Ch. 490, Laws 1935, by striking therefrom the word "water", wherever it appears. This is not important but should be mentioned.

Ch. 32, Laws 1937, amended subsection (2) of section 3 of Ch. 15, Laws 1935, and the introductory paragraph of subsection (1) of section 4 of Ch. 363, Laws 1933 (as amended by Section 7 of Chapter 15, Laws 1935) relating to emergency taxes on transfers of property for relief purposes.

Ch. 263, Laws 1937, created paragraphs (c) and (d) of subsection (2) of section 4, Ch. 363, Laws 1933, relating to the method of determining the value of transfers subject to gift tax.

Ch. 265, Laws 1937, amended Ch. 15, Laws 1935, relating to taxes for emergency relief purposes.

Ch. 302, Laws 1937, repealed and recreated subsection (5) of section 4 of Ch. 363, Laws 1933, relating to transfers exempt from gift tax.

Ch. 306, Laws 1937, repealed paragraph (c) of subsection (3) of section 4 of Ch. 363, Laws 1933, and created paragraph (f) of subsection (4) of section 4 of Ch. 363, Laws 1933, relating to an emergency gift tax.

Ch. 307, Laws 1937, repealed and recreated subsection (7) of section 4 of Ch. 363, Laws 1933, relating to administration and adjustment of gift taxes.

Ch. 308, Laws 1937, repealed and recreated subsection (6) of section 4 of Ch. 363, Laws 1933, relating to personal exemptions from gift tax.

Ch. 408, Laws 1937, appropriated \$750,000 from the general fund to the agency designated by the governor pursuant to the provisions of Ch. 286, Laws 1935, to

administer the provisions of Ch. 363, Laws 1933, and Ch. 15, Laws 1935, and acts amendatory thereof for emergency relief, and to provide for reimbursing the general fund from transfer and gift taxes collected pursuant to the provisions of Ch. 32, Laws 1937.

Ch. 14, Laws Special Session 1937, repealed and created many parts of Ch. 363, Laws 1933, and Ch. 15, Laws 1935. This made substantial changes in the law but did not repeal the previous enactments entirely.

Ch. 14, Laws 1939, appropriated \$600,000 to the Industrial Commission or such agency as the governor may designate to administer relief.

Ch. 412, Laws 1939, affected Ch. 363, Laws 1933, relating to the method of assessments and collection of income taxes by the Tax Commission.

Ch. 63, Laws 1941, affected Ch. 363, Laws 1933, relating to a continuance of certain taxes expiring in 1941.

Ch. 367, Laws 1943 (Sections 1 and 3) amended Ch. 15, Laws 1935, and Ch. 363, Laws 1933, relating to a continuance of certain taxes otherwise expiring in 1943, including references to parenthetical sections 71.50 and 72.75. Revised Statutes 1941.

Ch. 369, Laws 1943 (Sections 11 and 12) refers to parenthetical section 72.75 of the revised statutes of 1941 which was derived from Ch. 363, Laws 1933, as variously amended by subsequent chapter laws and relating to the assessment of taxes.

Ch. 513, Laws 1943, renumbered section 4 (1) (c) to be section 4 (1) (d) of Ch. 363, Laws 1933 (72.75 Statutes of 1941), and created section 4 (1) (c) of Ch. 363, Laws 1933 (72.75 Statutes of 1941), relating to taxes on transfers of property.

It should be obvious that the legislature has continued to keep breathing life into these confused session laws even as late as the 1945 session. Would it not seem that it is high time that order be brought out of this chaos?

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For referenc we call attention to parenthatic sections 71.60 and 72.75, Statutes of 1941, which represent the conception of the Revisor of Statutes as to the effect of the various session laws at that date. Even this is of necessity conflicting and confusing.

WISCONSIN SOCIAL SERVICES ASSOCIATION
GENERAL RELIEF COMMITTEE

to comp Gen get rid of gen relief but need \$ 5.

REASONS TO SUPPORT CONTINUATION OF STATE FUNDING FOR GENERAL RELIEF AND STATEWIDE AVAILABILITY OF GENERAL RELIEF.

1. GENERAL RELIEF IS A LOW COST, TEMPORARY FORM OF FINANCIAL AND MEDICAL ASSISTANCE FOR THE DESTITUTE.

1993 GR Budget (the last year for which complete figures are available)

State GPR Allocation	\$13.7 million
State MA share (Title 19)	\$ 7.8 million
Federal MA share (Title 19)	\$12.0 million
County Cost	\$43.9 million
Total Cost	\$77.4 million

Medical Assistance (Title 19) pays close to \$20 million towards GR costs. These funds are for hospitals serving a disproportionate share of low income people. These funds will be spent regardless of the status of General Relief.

Actual state savings based on 1993 figures are \$13.7 million.

2. WHAT WILL HAPPEN TO RECIPIENTS WHO CANNOT CARE FOR THEMSELVES?

- * 48% of GR recipients are disabled or incapacitated.
 - Disabled recipients have applied for SSI. This process takes 6 months to 2 years.
 - Incapacitated recipients are temporarily sick or injured.
- * 52% are considered to be able bodied.

Among these are many low functioning, borderline mentally ill, chemically dependent, personality disordered individuals who are able to work seasonally or sporadically but who will never be successfully self supporting without help, treatment, training, or counseling.

Others have experienced loss of employment or other crises and need temporary help to get back on their feet.

There are those who try to take advantage of the system. Strict Work Programs and strong sanctions eliminate these individuals from the system quickly.

3. THE MICHIGAN EXPERIENCE.

Michigan eliminated GR funding for the able bodied in

1991. A study by the University of Michigan found that employment rates for former GR recipients fell dramatically, from 77% prior to termination to 32% after termination. This experience showed that simply eliminating the program did not make the problems go away. Problems increased and costs were shifted elsewhere.

4. WSSA REFORM RECOMMENDATIONS OFFER A REASONABLE, COST EFFECTIVE ALTERNATIVE TO GR ELIMINATION.

3/2/95

**WSSA GENERAL RELIEF COMMITTEE
COUNTY GENERAL RELIEF SURVEY RESULTS - 1995**

The WSSA General Relief Committee conducted a survey of Wisconsin County General Relief Programs in December 1994 and January 1995. The program demographics are for the October 1994 caseload. 56 counties responded. Milwaukee County did not provide demographic information.

AVERAGE MONTHLY GRANT FOR A SINGLE PERSON: \$203

GENDER: Percent of recipients who are male or female.

MALE - 61%
FEMALE - 39%

AGE RANGE: Percent of recipients who fall into specified age ranges.

Age 18-29 23%
Age 30-49 54%
Age 50-59 18%
Age 60 + 5%
Age 50 + 23%

MONTHS OF RECEIPT OF GENERAL RELIEF: The number of months recipients received financial GR (basic living needs) in the 12 months prior to and including 10/94.

1-3 MONTHS - 40%
4-6 MONTHS - 24%
7-12 MONTHS - 17%
12+ MONTHS - 19%

LESS THAN 6 MONTHS 64%
LESS THAN 12 MONTHS 81%

ABLE BODIED: PERCENT OF GR RECIPIENTS WHO ARE CONSIDERED TO BE ABLE TO PERFORM GAINFULL EMPLOYMENT. PERCENT OF RECIPIENTS WHO ARE CONSIDERED TO BE DISABLED OR INCAPACITATED.

ABLE BODIED 52%
DISABLED OR INCAPACITATED 48%

REASONS FOR APPLYING FOR GENERAL RELIEF: COUNTIES WERE ASKED TO RANK IN ORDER OF IMPORTANCE THE REASONS WHY PEOPLE APPLY FOR GENERAL RELIEF. THE FOLLOWING IS THE RANKING.

1. SHORT TERM MEDICAL PROBLEM.
2. ALCOHOL OR DRUG ABUSE.
3. LONG TERM MEDICAL PROBLEM.
4. LACK OF EMPLOYABLE SKILLS.
5. LACK OF MOTIVATION UNRELATED TO MENTAL PROBLEM.
6. MENTAL ILLNESS.

7. LOSS OF EMPLOYMENT NOT THE FAULT OF THE RECIPIENT.
8. LEARNING DISABILITIES.
9. LACK OF TRANSPORTATION
10. RECENTLY RELEASED FROM PRISON.
11. CRIMINAL HISTORY.
12. LACK OF JOBS IN AREA.
13. ADVANCED AGE.
14. DISPLACED HOMEMAKER.
15. LANGUAGE BARRIERS.
16. UNDOCUMENTED ALIENS.

POLICIES, OR ISSUES NECESSARY TO RESOLVE, FOR RECIPIENTS TO BECOME SELF SUFFICIENT: COUNTIES WERE ASKED TO RANK THESE ISSUES IN ORDER OF IMPORTANCE. THE FOLLOWING IS THE RANKING.

1. EFFECTIVE TREATMENT OF LEGITIMATE MEDICAL PROBLEMS.
2. REQUIRE AODA ASSESSMENTS AND TREATMENT.
3. REQUIRE 32 HOURS OF WORK PROGRAM PARTICIPATION PER WEEK..
4. PROVIDE BASIC NEEDS ASSISTANCE FOR MAXIMUM OF 6 MONTHS IN YEAR.
5. SANCTION UNTIL RECIPIENT PERFORMS REQUIREMENTS.
6. EFFECTIVE TREATMENT OF MENTAL ILLNESS.
7. MORE JOBS OF ALL KINDS.
8. BECOMING ELIGIBLE FOR OTHER PROGRAMS.
9. INCREASING SANCTIONS FOR RULE VIOLATIONS.
10. PROVIDE A FOUNDATION FOR A SUCESSFUL LIFE: HOUSING, TRANSPORTATION, ETC.
11. MORE TRAINING.
12. MORE SHELTERED WORKSHOPS.
13. REQUIRE SSI APPLICATION.
14. OTHER.
15. ELIMINATE GR.