Committee Name: Joint Committee on Finance – Budget Hearings (JCF_BH)

Appointments

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Clearinghouse Rules

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Committee Hearings

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Committee Reports

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Executive Sessions

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Hearing Records

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Record of Committee Proceedings

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Welfare + W-2

Policy Group on Welfare Reform A Coalition of Religious Groups, Direct Service Providers and Non-Profit Organizations

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1999 W-2 LEGISLATIVE ISSUES

After a year of operation, it has become apparent that W-2 must be changed if we are to succeed as a state in moving people out of poverty and into the work force. The Policy Group recommends that the legislature make the following changes:

- 1. Expand education and training opportunities and support to enable families to escape poverty and become self-sufficient.
 - a. Allow those who lack basic skills, English language skills, and high school degrees, to concentrate on mastering those skills and obtaining degrees by being assigned up to 30 hours per week for education and training. Stipulate that any work assignments may not be allowed to interfere with their progress toward achieving these goals.
 - b. Provide that $\hat{W}-2$ participants may pursue post-secondary training likely to lead to improved employment opportunities as long as they participate in up to 20 hours of subsidized or unsubsidized work activities, remain in good standing, and make reasonable progress.
 - c. Provide for child care eligibility for non-W-2 parents in education and training programs without a work requirement if they meet financial requirements, are in good standing, and are in a program likely to lead to employment.
- 2. Provide better income support for families of marginal workers to prevent destitution of children.
 - a. Pay benefits to all applicants who meet eligibility requirements, deemed "job ready" or not, within 30 days. Those required to do an up-front job search should be placed in a W2 work activity after 30 days, if they remain unemployed, and receive W-2 benefit payments for the month of job search.

 b. Require agencies to place low-income, part-time workers in W-2 work or training positions and provide pro-rated W-2 benefits.
- 3. Provide accountability and fairness in the system by restoring fair hearings and continuing benefits and providing a mechanism for participants to evaluate the program.
- 4. Improve access to W-2 and assessment of participants to make sure that low-income families are provided help when they most need it and are provided the kind of support they need to become self-sufficient.
 - a. Provide mandatory training for all W-2 agency employees in dealing with special populations, including those with issues of domestic violence, homelessness, language and cultural barriers to employment and self-sufficiency, learning disabilities, AODA or other mental health problems.
 - b. Require DWD to promulgate rules setting standards for individualized assessments and improved services for the above populations, including counseling, legal services, transitional and subsidized housing, child care, and instructions for using available public transportation.
 - c. Require DWD to promulgate rules setting standards for intake and review procedures, access to emergency assistance and expedited food stamps, telephone access to agency workers, the right to be accompanied at interviews.
 - d. Provide rules that also cover timely access to county workers for those applying for food stamps, child care or medical assistance without applying for W-2 benefits.

- 5. Improve the quality of child care, and make it more affordable and accessible in order to ensure healthy children and more successful workers.
 - a. Remove the requirement for co-payments for families with incomes below the federal poverty level, for foster parents and for those providing kinship care and reduce maximum co-payments to 10% of income.
 - b. Increase eligibility limits for child care to 225 % of the federal poverty level.
 - c. Restore the training requirement for all certified providers and increase the minimum training in child development.
 - d. Expand eligibility for in-home child care for second and third shift workers and sick children, regardless of the availability of out-of-home care.
- 6. Improve transportation support to all low-wage workers, including public transportation, voucher systems and help with buying cars, reinstating licenses and obtaining occupational licenses.
- 7. Ensure adequate support for families with adults or children with disabilities or other significant barriers to work so that the basic needs of children are provided for while parents who are able to do so are helped to become self-sufficient.
 - a. Increase the C-Supp benefit to \$250 for the first child and \$150 for each additional child of SSI parents.
 - b. Extend eligibility for C-Supp benefits to children of minor children of SSI parents.
 - c. Define as a W-2 work activity the care of a child with special needs or the care of a disabled member of the participant's immediate family.
 - d. Extend eligibility for child care services **to** 13 to 18 year old children with special needs.
 - e. Increase the benefit level for W-2T placements to equal the CSJ benefit.
 - f. Provide for eligibility for W-2 services (except for cash benefits) for SSI parents.
 - g. Eliminate the 2-year time limit for W-2 T placements.
- 8. Support healthier babies by providing cash assistance to pregnant women and reducing work requirements for mothers of infants.
 - a. Exempt parents of infants from work activities, except on a volunteer basis, for the first 12 months and provide voluntary parenting and mentoring support services.
 - b. Extend eligibility for W-2 work program placements to women in their last trimester of pregnancy, even if they have no other children.
- 9. Expand eligibility for W-2 work programs to non-custodial parents.
- 10. Provide special attention to teen parents to set them on the road to self-sufficiency at the earliest possible time.
 - a. Allow parents who are still eligible to attend high school to do so without any additional work requirement.
 - b. Exempt parents attending high school from child care co-payments while they are attending school.
 - c. Allow minor parents to apply for child care assistance on their own when a parent or guardian is unable or unwilling to do so.
- 11. Expand eligibility for emergency assistance to those facing evictions, and make such assistance available to this new group as well as those who are homeless once every 12 months.

These proposals are supported by the following organizations:

Wisconsin Council on Children and Families
Grandparents United for Children's Rights, Inc.
Wisconsin Women's Network Child Care Task Forces
Lutheran Office For Public Policy in Wisconsin
Churchwomen United
League of Women Voters of Wisconsin
Family Enhancement
YWCA - Madison
YWCA - Green Bay
Western Dairyland Equal Opportunities Commission
National Association of Social Workers, Wisconsin Chapter
Wisconsin Coalition Against Domestic Violence
Community Coordinated Child Care, Inc. (4 C's)
Madison Urban Ministry Justice Issues Task Force
Wisconsin Women's Network Economic Security Task Force



THE LEAGUE OF WOMEN VOTERS OF WISCONSIN, INC.

122 State Street, Madison, Wisconsin 53703-2500 608-256-0827 FAX 608-256-2853

Statement to the Joint Committee on Finance on the Human Services Provisions in AB 133/SB 45

April 1999

Over the years the League of Women Voters has developed through its study and member agreement process many positions concerning human services. On the basis of those positions, we have a number of comments and suggestions to make concerning the provisions in AB 133/SB 45.

We commend the Governor for working toward a performance- based determination of W-2 agencies' profits. We believe this change will help to make the agencies' performance better and more accountable by requiring them to show that their clients are getting all the services they need to really be able to get and keep jobs.

We also commend the governor for realizing that the 16% per cent of income limit for child care is too high but we believe that lowering it to 12% not enough. We believe that there should be no co-pay if a family is at less than poverty level and that the limit should be 10% for those above it. We also believe that eligibility should be extended to 225% of the poverty level. Families within this limit are close to the edge of making it when such demands are made on their limited means. Child care providers often must eat the loss when families cannot make the co-payment, putting their own businesses and the availability of child care at risk.

We are also concerned about the lack of child care support for in-home care for second and third shift workers. Children who must have their sleep interrupted to be taken out and picked up are under a severe burden. A parent should be able to get reimbursement for someone who will care for the children at home. We also believe that all certified child care workers need training, including training in child development.

There are a number of problems with W-2 that we urge the legislature to correct. The fair hearing process for dealing with complaints should be restored to what it was under AFDC. It cannot be considered a fair method of handling complaint appeals when the Department of Workforce Development sits in judgement, with no other recourse, on the program which it runs. Given that 2/3 of the complaints under AFDC were found to be justified by independent hearing officers, it is probable that a similar situation may exist under W-2. We do not think it is the intention of the legislature to have a program that is run capriciously.

We believe that W-2 would help people become truly self-sufficient if real educational opportunity were provided. We urge the legislature to allow those lacking basic skills, English language skills and high school diplomas be allowed to use up to 30 hours per week of education to meet their work requirements, and that no work requirements be allowed as long as they are in good standing and making progress toward their education goals. We also believe that W-2 participants should be allowed to pursue post-secondary education programs as long as they work up to 20 hours a week, remain in

good standing and make reasonable progress. Better educational opportunities would be a help to employers, too, by increasing the supply of more skilled workers.

The W-2 program set up four job categories. We are concerned that a fifth category has developed - that of "job ready." These people receive no benefits once they are so labeled. If for whatever reason they cannot find a job, they are left without any resources. We ask the legislature to provide benefits whether "job ready" or not, if employment is not found within 30 days. We also ask that those who are only paid for part-time work be provided with pro-rated benefits.

There is considerable evidence that W-2 has not been easily accessible and that, because of poor assessments, participants are not getting help when they most need it. W-2 agency employees are not adequately trained to deal with special populations, such as victims of domestic violence, those with cultural and language barriers to employment, the homeless, those with learning disabilities, AODA or mental health problems. The DWD should be required to establish standards for assessments and for the provision of services, such as counseling, legal services, etc. While we understand that agencies need flexibility in meeting the needs of participants, that is not inhibited by defining what constitutes those services. Participants also need to be informed what their rights and responsibilities are. Those applying for food stamps, medical assistance and child care without applying for W-2 benefits should be served promptly. The DWD would actually be assisting the agencies in performing better by clarifying these issues through a good rule-making process.

Families with either an adult or a child with disabilities face major problems. When the adult has a disability, we agree with the Governor that the allowance for the children should be increased. However, we ask that the allowance for the first child be increased to \$250, with \$150 per child for each additional child. This added supplement would help the family to meet the greater expenses caused by a first child. When a child has a disability, child care support should also be provided until the child is 18. Since care for severely disabled children may be very difficult to find, care of that child should be considered a work activity in meeting W-2 work requirements. The benefit level for W-2T should be raised to equal the grant for CSJ benefits and the two year limit should be eliminated for those with disabilities which are not covered by SSI.

We urge the legislature to exempt new mothers from work activities for the first 12 months. With the high cost and lack of availability of child care for infants and the research that shows the importance of the child's first years in determining its future, parents should be offered voluntary parenting and mentoring support services during that first year. In addition, pregnant women should be eligible for W-2 services in the last trimester, even if they have no children. This is not a time when they can easily find jobs and they need services to ensure healthy babies. Teens also need some special treatment. They should be allowed to complete high school with no additional work requirements and should be exempted from child care co-payments while doing so. This will allow them to give their full attention to completing school, better preparing them for achieving self-sufficiency.

Finally, we ask that emergency help be available once every 12 months to those facing evictions as well

We recognize that all of these changes would require money. However, since there is a large excess of as those who are homeless. Temporary Assistance to Needy Families funding, we believe that those funds should first be used to meet the needs described above of W-2 participants who are trying to become self-sufficient. If then there is left-over money, it can be used for other human service needs.

Among those other needs is increased funding for Community Aids. This funding has not been increased in several years. W-2 is not a substitute for Community Aids; it provides services for all parts of the population, not just the poor, and is used to provide services for a variety of needs. Wisconsin has a proud history of providing assistance for all sorts of vulnerable people and it should not let that assistance deteriorate further. The burden for meeting these needs will increasingly fall on the local community or be abandoned to the detriment of these citizens. We urge the legislature to at least provide an increase to cover inflation.

LWVWI Contacts:

Sally Phelps, Legislative Committee or Beverly Speer, Legislative Research Associate

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Associate

W-2 POLICY GROUP: 1999 LEGISLATIVE ISSUES (3/17/99 Draft)

After about a year of operation, it has become apparent that W-2 must be changed if we are to succeed as a state in moving people out of poverty and into the work force. The Policy Group on Welfare Reform, a coalition of statewide service, religious and non-profit organizations, recommends the following:

- 1. Expand education and training opportunities and support to enable families to escape poverty and become self-sufficient.
 - a. Allow those who lack basic skills, English language skills, and high school degrees, to concentrate on mastering those skills and obtaining degrees by being assigned up to 30 hours per week for education and training. Stipulate that any work assignments may not be allowed to interfere with their progress toward achieving these goals.
 - b. Provide that W-2 participants may pursue post-secondary training likely to lead to improved employment opportunities as long as they participate in up to 20 hours of subsidized or unsubsidized work activities, remain in good standing, and make reasonable progress.
 - c. Provide for child care eligibility for non-W-2 parents in education and training programs without a work requirement if they meet financial requirements, are in good standing, and are in a program likely to lead to employment.
- 2. Provide better income support for families of marginal workers to prevent destitution of children.
 - a. Pay benefits to all applicants who meet eligibility requirements, whether deemed "job ready" or not, within 30 days. Those required to do an up front job search should be placed in a W-2 work activity after 30 days, if they remain unemployed, and receive W-2 benefit payments for the month of job search.
 - b. Require agencies to place low-income, part-time workers in W-2 work or training positions and provide pro-rated W-2 benefits.
- 3. Provide accountability and fairness in the system by restoring fair hearings and continuing benefits and providing a mechanism for participants to evaluate the program.
- 4. Improve access to W-2 and assessment of participants to make sure that low-income families are provided help when they most need it and are provided the kind of support they need to become self-sufficient.
 - a. Provide mandatory training for all W-2 agency employees in dealing with special populations, including those with issues of domestic violence, homelessness, language and cultural barriers to employment and self-sufficiency, learning disabilities, AODA or other mental health problems.
 - b. Require DWD to promulgate rules setting standards for individualized assessments and improved services for the above populations, including counseling, legal services, transitional and subsidized housing, child care, and instructions for using available public transportation.
 - c. Require DWD to promulgate rules setting standards for intake and review procedures, access to emergency assistance and expedited food stamps, telephone access to agency workers, the right to be accompanied at interviews.
 - d. Provide rules that also cover timely access to county workers for those applying for food stamps, child care or medical assistance without applying for W-2 benefits.
 - e. Require the DWD to develop a Rights and Responsibilities statement and informational brochures for distribution at a potential applicant's first contact with the W-2 agency.

- 5. Improve the quality of child care, and make it more affordable and accessible in order to ensure healthy children and more successful workers.
 - a. Remove the requirement for co-payments for families with incomes below the federal poverty level, for foster parents and for those providing kinship care and reduce maximum copayments to 10% of income.

b. Increase eligibility limits for child care to 225% of the federal poverty level.

- c. Restore the training requirement for all certified providers and increase the minimum training in child development.
- d. Expand eligibility for in-home child care for second and third shift workers and sick children, regardless of the availability of out-of-home care.
- 6. Improve transportation support to all low-wage workers, including public transportation, voucher systems and help with buying cars, reinstating licenses and obtaining occupational licenses.
- 7. Ensure adequate support for families with adults or children with disabilities or other significant barriers to work so that the basic needs of children are provided for while parents who are able to do so are helped to become self-sufficient.
 - a. Increase the C-Supp benefit to \$250 for the first child and \$150 for each additional child of SSI parents.
 - b. Extend eligibility for C-Supp benefits to children of minor children of SSI parents.
 - c. Define as a W-2 work activity the care of a child with special needs or the care of a disabled member of the participant's immediate family.
 - d. Extend eligibility for child care services to 13 to 18 year old children with special needs.
 - e. Increase the benefit level for W-2T placements to equal the CSJ benefit.
 - f. Provide for eligibility for W-2 services (except for cash benefits) for SSI parents.
 - g. Eliminate the 2-year time limit for W-2 T placements.
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 - a. Exempt parents of infants from work activities, except on a volunteer basis, for the first 12 months and provide voluntary parenting and mentoring support services.
 - b. Extend eligibility for W-2 work program placements to women in their last trimester of pregnancy, even if they have no other children.
- 9. Expand eligibility for W-2 work programs to non-custodial parents.
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 - a. Allow parents who are still eligible to attend high school to do so without any additional work requirement.
 - b. Exempt parents attending high school from child care co-payments while they are attending school.
 - c. Allow minor parents to apply for child care assistance on their own when a parent or guardian is unable or unwilling to do so.
- 11. Expand eligibility for emergency assistance to those facing evictions, and make such assistance available to this new group as well as those who are homeless once every 12 months.

TESTIMONY
BEFORE THE JOINT COMMITTEE ON FINANCE
BY THE WISCONSIN CHAPTER OF NASW
APRIL 1999

While social workers across the state work in a number of areas affected by budget changes, I would like to highlight three areas of concern for our chapter: long term care redesign, W-2, and child abuse and neglect prevention. Along with today's testimony, I have attached the NASW-WI position statements prepared by the Legislative and Social Policy Committee for our recent lobby day.

Family Care

NASW supports the development of Family Care through pilot projects. However, we oppose the proposed management of Family Care. NASW supports public administration of Family Care through the Counties. Also, the counties should have more than two years to establish their long term care programs before bids from private agencies are requested to operate the Family Care program. Finally, the NASW supports an increase in funds for the Community Options Program (COP) for the counties not in the pilot program so that they may prepare the way for the development of Family Care in these counties.

Child Abuse and Neglect Prevention

Despite the recommendations of the 1997 Joint Legislative Council Committee on Prevention, the Governor has not included funds in his budget to extend the Prevention of Child Abuse and Neglect (POCAN) program for this biennium. In addition to the expansion of POCAN, the NASW supports the fulfillment of the 1% for Children initiative as intended in the *Truth in Sentencing* legislation. This funding should be made available to make home visiting and family resource services available to all parents of newborn children. We believe that this funding should: be new money, be dedicated to primary prevention, provide enough flexibility for comprehensive, community wide involvement in the development and delivery of services.

W-2

The NASW Wisconsin chapter supports the following improvements in W-2 to be incorporated into the budget bill:

1. The NASW supports the recommendations of the SSI Parents Coalition for families headed by a parent or parents on SSI. The added cost to the Caretaker Supplement program is small compared to the security it offers families that are already burdened by the stress of a disabled parent. We also recommend that this increase start

July 1, 1999 rather than the October 1, 1999 start date in the current budget proposal.

2. Members of the NASW have several concerns regarding the contract process for W-2 agencies. NASW recommends the following: W-2 agencies should be required by contract to inform clients of <u>all options and services available to them</u> and the agencies should be required to follow up on clients once they leave W-2 to ensure that they are gaining independence and self-sufficiency, as opposed to simply leaving the "welfare rolls". Explicit guidelines and standards for follow-up should be provided in the contract. In addition, broad-based community participation, including input from clients, advocates, service agencies and community advisory groups should be a required part of all W-2 contract development. All W-2 agencies should be required by contract to participate in an ongoing basis with such groups. Explicit guidelines and standards for collaboration with community groups and individuals as well as for the utilization of their input should be provided in the contract.

3. The NASW supports the Governor's budget initiatives to lower child care co-payments; however, we recommend that the child care co-payments be waived for W-2 participants living below the poverty line, minor parents, kinship care relatives, and foster parents.

minor parents, kinship care relatives, and loster parents.

Testimony submitted to the Wisansin Public Hearings of Joint Finance Committee in Madison on April 15, 1999

by Kim Barovic on behalf of NASW-Wisconsin

attachments: position papers from NASW-US



MAKING W-2 WORK

NASW-WI believes that W-2 (Wisconsin Works) must be modified if it is to succeed as a program to move people out of poverty and into economic independence. Although W-2 was "designed to reinforce behavior that leads to independence and self-sufficiency," its success has been defined in terms of caseload reduction instead of client independence and self-sufficiency.

Problems with W-2

Simply reducing the welfare rolls is not the stated goal of W-2. We must look beyond this to the genuine welfare, the health and well-being, of all who live in Wisconsin. We must ask ourselves and our elected representatives, what do we have to offer in terms of career jobs, living wages, education, and support to families to make independence and self-sufficiency a reality and not just a catch phrase? For those for whom independence and self-sufficiency are not entirely attainable goals, how can we as a democratic society demonstrate our humanity, our compassion, and our commitment to basic human and economic rights?

Has W-2 provided the means for those leaving welfare to become independent and self-sufficient? The recently released Department of Workforce Development (DWD) survey of those who have left showed that 38% of the former participants were unemployed. This indicates a critical shortfall in a program designed around the slogan of "Only work pays." Such hurdles as underemployment and lack of living-wage jobs, the scarcity of quality, affordable daycare, and insufficient training and education continue to prevent many families from reaching independence and self-sufficiency. Many have turned to private and faith-based charities, community agencies, and extended families simply to survive, placing greater strains on an already overburdened network of support without achieving the goals of W-2. Others have simply vanished from the rolls, their fate unknown. DWD has the responsibility for the implementation of W-2 and must be held accountable to its stated goals.

Recommendations

To help accomplish the stated goals of W-2 of helping families to become independent and self-sufficient, NASW-WI recommends the following:

- Evaluate the success of W-2 by a comprehensive measurement of clients' independence and self-sufficiency.
- Require extensive training for W-2 caseworkers so they are prepared to conduct comprehensive, individualized assessments
 of applicants for barriers to self-sufficiency, including such areas as education, housing, child care, domestic violence,
 substance abuse, and mental and physical disabilities.
- Allow W-2 participants up to 30 hours per week for education and training (such as high school, GED, post-secondary, life skills, parenting, AODA, and ESL) along with 10 hours per week of work activities. Also, parents still eligible to attend high school must be able do so without an added work requirement.
- Waive the child care co-payment requirements for W-2 participants living below the poverty line, minor parents, kinship
 care relatives, and foster parents. Follow the DWD recommendations to reduce co-payments in the first month of work;
 pro-rate co-payments for children in part-time child care; and cap the maximum payments for child care at 10% of income.
- Restore the fair hearing process and allow participants to continue to receive benefits pending a decision.





PREVENTION OF CHILD ABUSE AND NEGLECT

Today, one can rarely read the newspaper or watch television news without being jolted by stories of beaten, sexually abused, or severely neglected children. In Wisconsin, more than 46,000 cases of child abuse and neglect are reported each year. The people of Wisconsin clearly recognize the need to protect children, and are willing to support prevention programs. In fact, a 1993 survey of Wisconsin voters showed that 88% saw a need for prevention programs, and 80% believed prevention would save taxpayers money in the long run.

It is important to understand that most maltreated children grow up to lead normal adult lives, and they don't grow up to abuse their own children or others. However, studies show abused and neglected children are all at greater risk for mental health problems, suicide attempts, alcohol abuse, drug abuse, and poor school performance. Perhaps most disturbing is that physically abused and neglected children are significantly more likely than children with no histories of maltreatment to commit violent crimes as juveniles and adults. Pronounced differences between abused and neglected children their non-abused counterparts can begin to emerge as early as age 8 or 9.

Neglect is by far the most common type of maltreatment reported to child protection authorities, accounting for over half of all national child maltreatment reports and 43% of reports in Wisconsin (1996). While other types of abuse are episodic in nature, neglect generally involves a pervasive and ongoing pattern of behavior. Although there is not a single type of parent who neglects his/her child, researchers have observed some common characteristics: depression, isolation, history of being neglected as a child, drug and/or alcohol use, and stress. National statistics show that neglect disproportionately affects infants and preschoolers, who are at their most vulnerable developmental stage. Recent research on infant brain development suggests that the impact of the environment on a newborn is dramatic: without affection, attention and proper social interactions, the child's brain will not develop properly.

Recommendations

Expand Home Visiting Programs

High-quality home visiting programs which start working with families as soon as the child is born have proven to be effective in preventing child abuse and neglect. The programs are successful because they help parents manage the stresses of raising children before unhealthy patterns develop. NASW-WI recommends the expansion of state supported home visiting programs so that they are available in every county of Wisconsin.

Collaboration Between Home Visitors and W-2 Financial Employment Planners

NASW-WI believes that by working together, home visitors and W-2 Financial Employment Planners can double their impact by providing information and assistance at the local Job Centers or W-2 agencies while reinforcing and extending the message of self-sufficiency in the home environment. By educating parents on parenting skills, family budgeting, interpersonal skills, time management, problem-solving strategies and finding quality child care, the W-2 program and home visitation programs can help individuals maintain employment while encouraging healthy family relationships and child development.

• Fulfill the Commitment of 1% for Prevention

Last June, when the Governor signed in to law Act 283, the *Truth in Sentencing* legislation, including the bipartisan-supported "1% for Children" amendment, Wisconsin became the first state in the nation to link crime reduction and child abuse prevention. The amendment calls for the allocation of the equivalent of 1% or greater of the Department of Corrections budget toward the prevention of child abuse and neglect. NASW-WI proposes that the funding for this amendment be new money (or money not already allocated to prevention); that it be dedicated to the primary prevention of child abuse; and that it provide local jurisdictions with the flexibility to design their own programs.



PARITY FOR MENTAL HEALTH AND SUBSTANCE ABUSE

The Wisconsin Chapter of NASW believes in the need for a Wisconsin Mental Health and Substance Abuse Parity Law. The Federal Mental Health Parity Act of 1996 (P.L. 104-204) was a first step toward equal insurance coverage for persons with mental illness, but the loopholes in that Law mean that, in Wisconsin, there is no substantive change in health insurance coverage for people with mental illness or substance abuse issues.

Over the past 20 years, research has demonstrated the relationship between mental illness and abnormalities in the brains of affected individuals. No one blames a person suffering from a brain disease. At the same time, treatment for brain diseases has improved tremendously. A NIMH study shows the current success rate for the treatment of clinical depression is 80-90%, whereas the overall success rate for cardiovascular disease is only 45-50%.

More than 70% of people who currently use illicit drugs which put them at risk for developing an addiction, as well as 75% individuals who are alcoholics are employed. Most employer-provided insurance policies today discriminate against people with AODA issues requiring greater patient burden for cost sharing, co-payment, and deductibles, while offering less coverage for number of visits or days of coverage and annual and lifetime dollar expenditure limits for treatment. According to the Bureau of Labor Statistics, in 1995 about 80% of employees working for medium and large employers have health plans that cover a minimum level of medical treatment. However, fewer than 7% of these employer provided health plans covered AODA treatment to the same extent as other medical conditions. If alcohol and drug addiction is not treated when an individual has employer provided insurance, the costs of addiction do not go away. They simply become a negative externality, causing costly problems in other areas of public and private systems, such as the Medicaid, Medicare and Corrections systems. Costs may eventually shift back to the private health system which must deal with alcohol and drug addiction-related accidents and diseases when treatment could be made available before such problems surface.

Parity Will Not Increase Insurance Expenses

The following studies show that insurance costs will not rise with the inclusion of mental health and substance abuse coverage.

A recent study by the Federal substance Abuse and Mental Heath Services Administration (March 1998) concludes:

- State parity laws have a small effect on premiums. cost increases have been lowest in systems with tightly managed care and generous baseline benefits.
- Employers have not attempted to avoid parity laws by becoming self-insured, and they do not tend to pass on the costs of parity to employees.
- Costs have not shifted from the public to the private sector. Most people who receive publicly funded services are not privately insured.

A report from the National Advisory Mental Health Council (May 1998) concludes:

- In systems already using managed care, implementing parity raises health care costs by less than 1& over one year.
- Introducing managed parity in systems not using managed care leads to a 30-50% reduction in total mental health costs over one year.
- Maryland reported a 0.2% decrease in the proportion of total medical premium attributable to the mental health benefit after the implementation of full parity.

A 1997 Rand Corporation Study concluded that removing limits on inpatient days and outpatient visits will increase costs by less that \$7 per enrollee per year.

Finally, since all employees pay the same premium for their health insurance coverage, it is discriminatory to restrict the treatment for mental health and drug and alcohol addiction when treatments for other chronic illnesses are not restricted. People with brain diseases should have the same health insurance coverage as people with other physical health illnesses.

Recommendation

NASW -WI believes that the Wisconsin Legislature should pass a new law and regulations that require mental health and substance abuse insurance coverage.





HEALTH AND LONG TERM CARE

Health Insurance

Almost half a million people in Wisconsin do not have health insurance, and the number of uninsured is increasing. Over 1.5 million people in the state were either denied health insurance, had certain conditions excluded, or paid higher premiums because they had pre-existing conditions. There have been attempts at both the state and national level to secure universal health care coverage for all residents.

Managed Care

Most people in Wisconsin (84%) have their health care through a managed care plan. Although many are satisfied with their managed care plan, the following problems have occurred: limitations on benefits; prior authorization required to receive specialized treatment; restrictions in receiving care from specified providers; inability to receive emergency care without authorization; emergency care limited to specific facilities; not all prescription drugs are available; special provisions and limitations on mental health services; no coverage out of plan area; and restrictions in the availability of grievance and appeal procedures. The 1997-98 State Legislature adopted some changes in managed care, but left out many important protections.

Long Term Care

About 260,000 residents of Wisconsin over age 15 have a permanent or long term disability, and one-fourth of them live in poverty. About a third of these people need to help with three or more basic activities of daily living, such as bathing, dressing, moving around, toileting, eating, or transferring from bed to chair. Another third need help with one or two of these activities of daily living, while the remaining third need help with activities such as managing medications, meal preparation, household chores and using the telephone.

Most of the long term care is provided by family or friends. In Wisconsin, the formal system includes 400 facilities, such as nursing homes. There are 1,300 community-based residential facilities and over 100 county and thousands of voluntary and proprietary agencies providing these services. Since many living in nursing homes have exhausted their resources paying for their care, about 60% of those in nursing homes are covered by Medicaid. The Community Options Program, which provides services to people who remain in their own home, has a waiting list of about 9,000. More than \$2 billion in government funds are required to pay for these services. There has been an effort to reorganize long term care in Wisconsin. This has been complicated by capping the funding, including health care and contracting for the administration of long term care.

Recommendations

- Support a Universal Health Care program for Wisconsin residents
- Support Badger Care, which would provide more people with health insurance coverage and institute sliding scale fees for health care.
- Support consumer protections in managed care, including an independent appeals procedure.
- Permit enrollment in managed care plans, regardless of current coverage or pre-existing conditions.
- Support a comprehensive, coordinated long term care system in Wisconsin under public auspices.





CIVIL RIGHTS FOR LBGT CITIZENS

It is the position of the National Association of Social Workers that same-gender sexual orientation should be afforded the same respect and rights as other-gendered orientation. Discrimination and prejudice directed against any group are damaging to the social, emotional, and economic well being of the affected group and the society as a whole. Denial of legal rights reinforces and legitimizes homophobic and other acting-out behavior of those predisposed toward prejudice, discrimination, and violence. (Social Work Speaks, 1997: NASW Press, 201-202).

NASW WI believes it is essential that the basic rights and responsibilities afforded to heterosexual citizens are conferred upon lesbian, gay, bisexual and transgendered (LGBT) persons in order to obtain true equality. The following is a description of some of the issues facing LGBT persons in Wisconsin.

Domestic Partnership

While LGBT persons pay the same taxes as their heterosexual counterparts, they are denied the same civil rights and responsibilities that marriage confers. It costs gay and lesbian couples thousands of dollars to replicate just some of civil protections that heterosexual couples receive for the cost of a marriage license. Some basic benefits and responsibilities denied to gay and lesbian couples include:

- Health insurance under their partner's policy
- Health insurance for their child if they are the non-biological or adoptive parent
- The ability to adopt their partner's children
- Responsibility for child support or alimony in cases of a dissolved relationship
- Taxation and inheritance rights

Children of Gay and Lesbian Parents

At a time when Wisconsin is receiving national attention for enacting policies aimed at bettering the lives of children, it is important that one group does not go unnoticed: the children of LGBT parents. The familial make-up of our society is undoubtedly changing, and many children are being raised in households where the primary caregivers are not married to each other. This leaves the children in legally precarious situations, threatened with losing all caregivers or support if something should happen to their legal parent or the adult's relationship. Some essential familial securities that should be included in Wisconsin law are the following:

- Adoption of a child into a loving home by two unmarried adults.
- Adoption of a child by a parent-like figure who is not married to the legal parent.
- Visitation or guardianship of a child by a parental figure in the event of death of the child's legal parents.
- Responsibility for child payments and visitation by parental figures in instances of separation.

Recommendations

• In the interest of fairness, justice and economics, it is important that Wisconsin lawmakers support domestic partnership legislation.

To ensure that all children have equal protections under the law, Wisconsin lawmakers should support and pass legislation that is designed to give the protections listed above to children who have few rights under current law.



Can We Helf Families Succeed?

1 1 Easy Steps to Self-Sufficiency

Volume IV, Report 1 • April 1999

After about a year of operation, it has become apparent that W-2 must be changed if we are to succeed as a state in moving people out of poverty and into the work force. The Policy Group on Welfare Reform, a coalition of statewide service, religious and non-profit organizations, recommends the following:

- Expand education and training opportunities and support to enable families to escape poverty and become self-sufficient.
 - a. Allow those who lack basic skills, English language skills, and high school degrees, to concentrate on mastering those skills and obtaining degrees by being assigned up to 30 hours per week for education and training. Stipulate that any work assignments may not be allowed to interfere with their progress toward achieving these goals.
 - b. Provide that W-2 participants may pursue postsecondary training likely to lead to improved employment opportunities as long as they participate in up to 20 hours of subsidized or unsubsidized work activities, remain in good standing, and make reasonable progress.
 - c. Provide for child care eligibility for non-W-2 parents in education and training programs without a work requirement if they meet financial requirements, are in good standing, and are in a program likely to lead to employment.
- 2. Provide better income support for families of marginal workers to prevent destitution of children.
 - a. Pay benefits to all applicants who meet eligibility requirements, whether deemed "job ready" or not, within 30 days. Those required to do an up-front job search should be placed in a W-2 work activity after 30 days, if they remain unemployed, and receive W-2 benefit payments for the month of job search.

- Require agencies to place low-income, part-time workers in W-2 work or training positions and provide pro-rated W-2 benefits.
- Provide accountability and fairness in the system by restoring fair hearings and continuing benefits and providing a mechanism for <u>participants</u> to evaluate the program.
- 4. Improve access to W-2 and assessment of participants to make sure that low-income families are provided help when they most need it and are provided the kind of support they need to become self-sufficient.
 - a. Provide mandatory training for all W-2 agency employees in dealing with special populations, including those with issues of domestic violence, homelessness, language and cultural barriers to employment and self-sufficiency, learning disabilities, AODA or other mental health problems.
 - b. Require DWD to promulgate rules setting standards for individualized assessments and improved services for the above populations, including counseling, legal services, transitional and subsidized housing, child care, and instructions for using available public transportation.
 - c. Require DWD to promulgate rules setting standards for intake and review procedures, access to emergency assistance and expedited food stamps, telephone access to agency workers and the right to be accompanied at interviews.

- d. Provide rules that also cover timely access to county workers for those applying for food stamps, child care or medical assistance without applying for W-2 benefits.
- e. Require the DWD to develop a Rights and Responsibilities statement and informational brochures for distribution at a potential applicant's first contact with the W-2 agency.
- Improve the quality of child care, and make it more affordable and accessible in order to ensure healthy children and more successful workers.
 - a. Remove the requirement for co-payments for families with incomes below the federal poverty level, for foster parents and for those providing kinship care and reduce maximum copayments to 10% of income.
 - b. Increase eligibility limits for child care to 225% of the federal poverty level.
 - c. Restore the training requirement for all certified providers and increase the minimum training in child development.
 - d. Expand eligibility for in-home child care for second and third shift workers and sick children, regardless of the availability of out-of-home care.
- 6. Improve transportation support to all low-wage workers, including public transportation, voucher systems and help with buying cars, reinstating licenses and obtaining occupational licenses.
- 7. Ensure adequate support for families with adults or children with disabilities or other significant barriers to work so that the basic needs of children are provided for while parents who are able to do so are helped to become self-sufficient.
 - a. Increase the C-Supp benefit to \$250 for the first child and \$150 for each additional child of SSI parents.
 - b. Define as a W-2 work activity the care of a child with special needs or the care of a disabled member of the participant's immediate family.

- c. Extend eligibility for C-Supp benefits to children of minor children of SSI parents.
- d. Extend eligibility for child care services to 13 to 18 year old children with special needs.
- e. Increase the benefit level for W-2T placements to equal the CSJ benefit.
- f. Provide for eligibility for W-2 services (except for cash benefits) for SSI parents.
- g. Eliminate the 2-year time limit for W-2 T placements.
- 8. Support healthier babies by providing cash assistance to pregnant women and reducing work requirements for mothers of infants.
 - Exempt parents of infants from work activities, except on a volunteer basis, for the first 12 months and provide voluntary parenting and mentoring support services.
 - Extend eligibility for W-2 work program placements to women in their last trimester of pregnancy, even if they have no other children.
- 9. Expand eligibility for W-2 work programs to non-custodial parents.
- 10. Provide special attention to teen parents to set them on the road to self-sufficiency at the earliest possible time.
 - a. Allow parents who are still eligible to attend high school to do so without any additional work requirement.
 - b. Exempt parents attending high school from child care co-payments while they are attending school.
 - c. Allow minor parents to apply for child care assistance on their own when a parent or guardian is unable or unwilling to do so.
- 11. Expand eligibility for emergency assistance to those facing evictions, and make such assistance available to this new group as well as those who are homeless once every 12 months.

Wisconsin Council on Children and Families; League of Women Voters of Wisconsin; Lutheran Office for Public Policy in Wisconsin; Churchwomen United; Wisconsin Women's Network Child Care and Economic Security Task Forces; Grandparents United for Children's Rights, Inc.; YWCA—Madison and Green Bay; Family Enhancement; Western Dairyland EOC; National Association of Social Workers, Wisconsin Chapter; Wisconsin Coalition Against Domestic Violence; Community Coordinated Child Care, Inc.; Madison Urban Ministry.



"For these are all our children . . .
we will all profit by, or pay for,
whatever they become." James Baldwin

Testimony before the

JOINT COMMITTEE ON FINANCE

April 15, 1999

Carol W. Medaris, Project Attorney Wisconsin Council on Children and Families

These comments are directed toward selected provisions in AB 133 which will particularly affect low-income families. Along with these comments the Council is submitting a list of changes to W-2 which we believe will result in a program which will better serve low-income families. The latter changes, appearing on our newest W-2 Watch paper, have been developed with other members of The Policy Group on Welfare Reform, a coalition of statewide service, religious and non-profit organizations.

1. Kinship Care is a necessary safety net for families and should remain an entitlement. Current statutory language simply requires that when children are in a family setting that meets the requirements set forth in the statutes, then the relatives caring for them must receive payment. In practical terms, that means that agencies may not establish waiting lists for these families, and if funds for the program are running out, DHFS must apply for more funds to make sure all eligible families receive help. Such a procedure has already been used this past year when waiting lists became a reality.

AB 133 would remove that requirement, adding substantial financial uncertainty for low-income families volunteering to take in needy children at risk of being inadequately cared for, abused, or neglected. AB 133 thus shreds the safety net for these children. The result can only be for the children to remain in inadequate settings, or for them to live with relatives in more impoverished circumstances, or for them to be thrust into the foster care system which removes them from their families and is more expensive. In any case, their lives without guaranteed kinship care payments are likely to be unstable.

It has recently come to our attention that there is another problem surfacing in the program. When AFDC ended, relatives receiving AFDC for caring for children were automatically transferred to the kinship care program. But the kinship care program contains the requirement that children be at risk of

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meeting the standards for finding a child in need of protection or services (CHIPS) under sec. 48.13, stats. This was not required under the AFDC program. Now, according to advocates in Milwaukee, kinship care cases are being reviewed and those that do not meet the new requirements are being terminated even though, in some cases, these children (now in their teens) have lived with grandparents since birth. Often these involve children born of a very young parent, a very troubled parent, or a parent involved with the law, where grandparents just assumed the role of the parent and then continued in that role. These cases need to be grandfathered (grandmothered?) into the new kinship care program.

- 2. SSI parents should receive the increased caretaker supplement recommended by the governor, \$150 per child per month, and in addition, an extra \$100 for the first child. The devastation faced by these families when the W-2 program began has been well documented at legislative hearings. The raise in AB 133 is a good step, but doesn't go quite fare enough. The addition of \$100 for the first child would bring these families headed by a parent with a substantial disability closer to (but still under) the federal poverty line. By definition, these parents have disabilities which prevent them from increasing family income through work. Thus children in these families will, in all likelihood, be living below the poverty line for their entire childhood. It is only fair to bring them a little closer to an adequate living standard.
- 3. The educational needs assessment and payment for basic education which would be required for W-2 recipients placed in unsubsidized employment or trial jobs who wish it should be required for all W-2 placements. AB 133 requires W-2 agencies to assess the educational needs of all those placed in unsubsidized employment or trial jobs. If the agency determines that basic education is needed (including work toward a GED or HSED) and the person wishes to pursue it, the education must be included in the person's employability plan and the agency must pay for it. Surprisingly, the same requirement does not exist for those in the lower levels of W-2 work programs where the need for basic education is likely to be greatest: those placed in community service jobs (CSJs) or W-2 transitional placements (W-2Ts). (Current statutes only require placement in high school or equivalent training for 18 and 19-year-olds, and then only for those in CSJs and not those in W-2Ts.)

This new requirement should be extended to all W-2 work program placements. Providing for this education at the beginning of W-2 activity is likely to improve job opportunities for W-2 recipients. It is also likely to be more manageable for parents not working 40 hours per week and caring for young children at the same time he or she is expected to attend classes.

irected to avoid assigning work
n's completing needed basic education
ess is being made, even if that means

ring CSJs, participants should not be EITC. Apparently it is unclear whether requirements for the federal EITC. Sed from receiving the state EITC if it federal benefit. It is fair to treat them so to other benefits that may be available

nores the wage exemption allowed all old AFDC overpayment debts to be enefits. For those in wage-paying CSJs s of recovery would be determined by n W-2Ts, recoveries would occur by % of the benefit amount. Such whether the overpayment was the fault ing the benefits. (The Fiscal Bureau s could only be reduced if the tentional program violation, but that is

the collect old AFDC debts ignores ther debtors from losing unconscionable s. Sec. 815.18, stats., exempts from ome but not less than 30 times the nimum wage is \$664 per month. Under pereduced no more than \$9 per month duced at all. Collections from those in ould be similarly subject to the limits in poses of this exemption is "to advance o debtors and their dependents . . . the sustain life." W-2 recipients should be r ways to collect old AFDC debts, for ome tax returns.

through a lien against the debtor's rty should be prospective only and not ocedural protections. AB 133 would the property of anyone owing AFDC or W-

portation benefit property or by a levy upon the empt under state law. I for unemployment me important exceptions.

for a debtor to claim a waiver is at fault. There is no such 133. AFDC and W-2 anal program violations, gency error all subject

overpayment exists are held jed overpayments must first ase for other W-2 issues. the W-2 system.

pted, they should only apply bill. It is unfair to subject aware of when the

Recipients of W-2 work its, whether they are later ir not. UC recipients receive ts for those not working for olicy matter.)

n from Milwaukee County isruption and hardship, and

AB 133 requires the Inty to the W-2 agencies in other counties that do not cicularly problematic in noise operating in the likely to occur as people occurs for W-2 recipients. In cerpret rules and guidelines ling upon which W-2 office

mmunity advocates now say nd the certification process

is improving. Changing procedures for recipients at this point is unnecessary and particularly unfair, after the tremendous changes that have already occurred with the advent of W-2.

Finally, the county agency is necessarily more accountable to the public than W-2 agencies. Among other things, the county has exhibited a commitment to provide training and technical support to child care providers, a commitment that is not guaranteed should W-2 agencies take over the system. It is unreasonable to expect that sort of commitment from agencies that operate under two year contracts. And, that latter factor is also likely to result in less stability for low-income families whose ability to sustain themselves off welfare depends upon a reliable child care system.

8. Projects funded with TANF dollars should be more closely directed to helping low-income families and made accountable for results consistent with dollars spent. There are a number of projects proposed to be funded with TANF dollars, some of which sound promising. For others, the anticipated benefit is more tenuous. The funds to be spent upon brownfields clean-up are particularly problematic. There is no guarantee that the grantees would continue to stay in business to the point where they could hire TANF-eligible persons. Nor is there any guarantee that the dollars spent would be in any way proportional to the benefits to low-income workers. Finally, it is unclear what is really meant by "eligible individuals" for whom 80% of the jobs created by the grantee must be saved.

The statutory definition is "an individual who is a parent of a minor child and whose family income does not exceed 200% of the poverty line." Would that include a well-educated, professional person who was temporarily out of work from a high-paying job? That is surely not the family that TANF funds were intended for. Or, does it mean that the grantee would have to keep the pay of 80% of its workers below 200% of the poverty line? That is surely not the intent of the TANF program either. Significantly, there are no provisions in the bill regarding whether grantees must pay a living wage, must keep workers for a particular length of time, whether there must be provisions for advancement, and whether benefits would be offered.

Rather than pay TANF funds based upon hiring "promises," it would be more responsible for the <u>state</u> to promise supplements for businesses who agree to hire TANF-eligible parents <u>after</u> the fields are clean and the business is viable. That is the only way to insure that TANF funds go to create jobs for low-income parents.



The League of Women Voters of Dane County, Inc.

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STATEMENT TO THE JOINT COMMITTEE ON FINANCE REGARDING CARETAKER SUPPLEMENT FAMILIES April 15, 1999

The League of Women Voters of Dane County strongly urges the Joint Committee on Finance to recommend in the 1999-2001 Budget a Caretaker Supplement for children of parents on SSI of \$250 for the first child and \$150 for each additional child, with an implementation date of July 1, 1999.

We appreciate the increase to \$150 for each child proposed in Governor Thompson's Budget, but know it will not adequately meet the basic needs of families headed by parents on SSI. An increase to \$250 for the first child will bring the families closer to the poverty level, and the additional income will help stabilize the families' living conditions. It will provide them, at least, with the opportunity to keep or find safe housing which meets the needs of the children and the parent's disabilities. Housing costs increase the most with the first child, which makes an additional supplement at this time critically important.

The Wisconsin Council on Developmental Disabilities 1998 Survey of parents on SSI documents that "the drop in income with the start of the Caretaker Supplement Program has placed families at risk for losing their housing, and for being unable to provide the basic necessities for their children." In Dane County alone, 32% (69) reported they were headed toward a housing transition due to inability to pay their rent

Other indicators of the problems encountered by Caretaker Supplement families were demonstrated in a survey done by Joining Forces for Families of the Dane County Human Services Department in the summer of 1998. Of the 343 families receiving the Caretaker Supplement, 70% responded to the survey. The results:

- 36% are experiencing major problems of survival
- 94% are experiencing a reduced standard of living
- only 50% are receiving Section 8 housing, and there is a two year wait for subsidized
- 30% are having trouble paying utility bills
- 18% have had their phone disconnected (For many adults with disabilities, a phone is their major means of connecting with the outside world).

Parents feel that they are being punished for their disabilities, and the constant worry is affecting their health. The increase to \$100 per child per month did not relieve their financial worries because of the corresponding loss of food stamps. Nor does the League feel that an additional \$50 a month will be adequate.

The proposed increase of \$250 for the first child, and \$150 for each additional child will again provide the security lost for our most fragile Wisconsin families under the implementation of W-2, and the League urges the Committee to approve this increase.