

Income Supports in the District of Columbia- TANF and IDA

Background on Income Supports

Approximately 141,983 District residents are living below 150% of the federal poverty line, earning less than 35,325 annual for a family of four. While the causes of poverty often stem from structural barriers there is—and will always be—a need to ensure that everyone has sufficient income to meet their daily needs and those of their family.

Key Programs and Policy Tools

Temporary Assistance for Needy Families (TANF)

In 2011, 48% of children (47,143) in the District of Columbia lived in low income families defined as income below 200% of the federal poverty level; the national number is 45%.¹ For more than 18,000 families in DC, including the majority of homeless families, receive TANF as their sole source of income.²

TANF is a federal block grant that jurisdictions receive to provide income assistance, job training, and other supportive services to low-income families with children.³ Each year, DC receives approximately \$92 million in federal TANF block grant funds and contributes approximately \$75 million through maintenance of effort (MOE) requirements.⁴

TANF is supposed to provide them with enough financial support to focus on these activities and also the training and other services they need to get a job that will end their dependence on public benefits. The District's TANF program falls far short of these goals. The current maximum benefit for a family of three is about \$428 per month. However the District is currently implementing a strict Benefit Reduction schedule that will cut benefits for families who have received TANF benefits for over 60 months. This will effect are 6,000 families with 12,000 children come October, 2013.⁵ These families' benefits will be cut to \$257 and continue to reduce until families are completely phased out by Oct. 2015.

Interim Disability Assistance (IDA)

Included in the nearly 150,000 District Residents experiencing poverty, are the thousands of residents who are physically disabled and/or suffer from mental illness. When looking at the

¹ National Center for Children in Poverty (2011) http://nccp.org/profiles/state_profile.php?state=DC&id=6

² Homelessness and Poverty Washington, DC Washington Legal Clinic for the Homeless, Inc. <http://www.legalclinic.org/about/facts.pdf>

³ District of Columbia's Temporary Assistance for Needy Families (TANF) Program, *DC Fiscal Policy Institute*, <http://www.dcfpi.org/wp-content/uploads/2009/03/4-27-12-TANF-Brief-FINAL.pdf>

⁴ Ibid.

⁵ "Will DC Cut Assistance to Families in Crisis?" Ed Lazere, *MidCity DC*

<http://www.capitalcommunitynews.com/content/will-dc-cut-assistance-families-crisis-0>

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homeless population alone, 23 percent of single adults report physical disabilities as being the cause of their homelessness and an additional 28 percent of single adults reported severe mental illness as being the cause of their homelessness⁶.

IDA provides temporary financial assistance to those who are unable to work due to a disability and have a high probability of receiving federal Supplemental Security Income (SSI). IDA, which is similar to the interim assistance programs offered in 37 states, is a cost-effective program that helps residents avoid more costly crisis services, such as emergency rooms and shelters. Furthermore, the federal government reimburses the District for IDA assistance paid during the application period whenever an SSI application is approved, thus helping to fund the program. In the National Health Interview Survey of 2011, 55.4% of those surveyed and labeled as “poor” in the US went to the emergency room because they had “no other place to go”⁷. Due to past year budget cuts, the caseload that DC has been able to assist has been cut 67 percent since 2008.

IDA payments, on average \$270 a month, are issued until SSI eligibility is approved or denied.⁸ Without IDA, residents must rely on crisis services which cost the District government more because of a dependence on emergency medical services. This ultimately leads to poor health outcomes as many homeless people do have health problems but few have a regular source of medical care.⁹

Overlap

Disability among people receiving TANF has ramifications for Supplemental Security Income (SSI), the nation’s comprehensive means-tested program of income support for individuals with disabilities (both adults and children) and the elderly. There is an overlap among the populations served by the SSI and TANF programs. A significant proportion of new SSI cases are composed of adults or children previously receiving TANF. By 2002, nationwide more than one out of every six TANF families included an SSI recipient. Surveys have consistently found that TANF recipients with disabilities were substantially less likely to be working than those without disabilities.¹⁰

⁶ <http://www.mwcog.org/uploads/pub-documents/qF5cX1w20130508134424.pdf>

⁷ Emergency Room Use Among Adults Aged 18-64: Early Release of Estimates From the National Health Interview Survey, January-June 2011 by Renee M. Gindi, Ph.D, Robin A. Cohen, PhD, and Whitney K. Kirzinger, MPH, *Center for Disease Control*, May 2012,

http://www.cdc.gov/nchs/data/nhis/earlyrelease/emergency_room_use_january-june_2011.pdf

⁸ “Interim Disability Assistance,” *The District of Columbia Department of Human Services*, <http://dhs.dc.gov/service/interim-disability-assistance>

⁹ Establishing Eligibility for SSI for Chronically Homeless People by Martha R. Burt and Carol Wilkins, April 4, 2012 US Department of Health & Human Services, <http://aspe.hhs.gov/daltcp/reports/2012/ChrHomls3.shtml>

¹⁰ Disability, Welfare Reform, and Supplemental Security Income by Mark Nadel, Steve Wamhoff, and Michael Wiseman, *U.S. Social Security Administration Office of Policy* <http://www.ssa.gov/policy/docs/ssb/v65n3/v65n3p14.html>

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Funding

The fiscal year (FY) 2014 budget increases local funding for IDA by \$501,000, bringing the total budget to \$3.04 million¹¹. As of April 2013, there were 359 residents on the waitlist for IDA. That waitlist was cleared in April 2013. The Department of Human Services plans to serve an average of 979 residents in FY 2014¹².

The fiscal year (FY) 2014 budget includes \$78.6 million for cash assistance, including adjustments to the schedule of benefit cuts, and five time limit protections for vulnerable families¹³.

Call to Action

Funding for IDA has been cut sharply since the start of the recession, leading to significant cuts in the number of residents assisted. We are asking for a \$3.4 million investment in IDA to restore the program back to its peak. This will allow for an additional 1,050 individuals who are unable to work to receive temporary benefits.

As of April 2013, the average wait time to access vendor services is between three and six months. We are asking that the significant investments be made to Job training for TANF recipients. Furthermore, certain low-income families have recognizable barriers to work, including having infant children. An additional \$1.5 million investment will give parents with infant children a time exemption.

¹¹ http://www.dcfpi.org/wp-content/uploads/2013/03/6-14-13-FY-2014-Budget-Toolkit_IDA_Final.pdf

¹² Ibid.

¹³ <http://www.dcfpi.org/wp-content/uploads/2013/03/6-6-13-TANF-Budget-Toolkit-FY-2014-Final.pdf>