



TESTIMONY

OF

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BEFORE THE

CITY COUNCIL

GENERAL WELFARE COMMITTEE

ON

THE FISCAL YEAR 2006 PRELIMINARY BUDGET

AND THE FISCAL YEAR 2005 PRELIMINARY MAYOR'S MANAGEMENT REPORT

MARCH 14, 2005

Good morning. We are three years into the Bloomberg Administration, and I would like to describe for you some of our most significant programmatic accomplishments and initiatives.

Wellness, Comprehensive Assessment, Rehabilitation and Employment (WeCARE)

As you know, one of the major challenges in the next phase of welfare reform is the increasing proportion of public assistance clients with medical and/or mental health conditions that are barriers to their employment and self-sufficiency. Last March, I introduced to this Committee HRA's plan for our Wellness, Comprehensive Assessment, Rehabilitation and Employment (WeCARE) initiative. The program provides a continuum of integrated services including: assessment, diagnosis, comprehensive service planning, linkages to treatment, case management, vocational rehabilitation skills, training and education, job placement and retention, and disability benefits assistance and advocacy.

HRA conducted a competitive solicitation to select two WeCARE contractors. Federation Employment and Guidance Services (FEGS) Health and Human Services System is serving the Bronx, Manhattan and Staten Island; and Arbor Education and Training is serving Brooklyn and Queens. Each prime contractor has both medical and vocational subcontractors. I am pleased to report that on February 8, 2005, the first group of participants arrived at WeCARE vocational rehabilitation sites in Brooklyn and Manhattan. WeCARE is currently serving 1210 clients and will be fully operational by the end of June 2005.

Education and Training

We continue to make every effort to ensure that our public assistance clients are placed in programs that best prepare them for employment. Our past efforts were restricted by New York State law that limited the hours of education and training available to single adults and families without dependent children in the Safety Net Assistance (SNA) program. In 2004, the City drafted legislation that was enacted and signed into New York State law (*Chapter 380 of the Laws of New York*), to equalize work participation options for Safety Net participants without dependent children, so that they would have access to the same range of activities available to recipients with dependent children. Safety Net clients still have a 35-hour weekly participation requirement, but now have the flexibility of a longer job search period, and a greater number of those hours can be devoted to community service and vocational educational training.

Job Placement and Retention

From 2002 through 2004, HRA achieved more than 255,000 job placements for public assistance clients, and we have continued to focus our efforts on helping those clients to retain their jobs. In 2004 alone, 86,152 jobs were secured for HRA clients. As of the end of 2004, 84% of these clients retained their jobs for at least three months, and 73% retained their employment for at least six months.

There are 28 vendors that assist with job training, placement and retention support, and 300 State-certified organizations that participate in training voucher programs. We have

worked hard to ensure that clients who are placed in jobs receive all of the work supports they may need, such as transitional Medicaid, childcare, food stamps and transportation assistance. Ensuring that working clients apply for the Earned Income Tax Credit (EITC) is a high priority for us, as well as assisting our clients in moving up the career ladder by making vouchers available for training to upgrade workers' skills. We are focused on efforts to address the high unemployment rate among African-American men in our City. I want to commend the City Council for allocating \$10 million to address this issue, which involves many of our clients and your constituents.

Food Stamps

In 2004, Food Stamp enrollment surpassed one million individuals, and that number continues to increase. As of February 2005, 1,088,865 individuals are receiving food stamp benefits, and the number continues to rise by thousands of people every month. Since the beginning of this Administration, we have increased total food stamp enrollment by 36%, and the number of people receiving food stamps alone (independent of cash assistance or Supplemental Security Income) has increased by nearly 90%.

In collaboration with the United Way, information has been provided to more than 125,000 people, and more than 20,000 have been prescreened. We expanded our hours at our Staten Island Office. We worked with the State to complete the implementation of the automatic food stamp enrollment program for single individuals in receipt of Supplemental Security Income, which began in July of 2004. In total, more

than 50,000 elderly or disabled individuals began receiving benefits through this process.

Public Health Insurance

Public health insurance enrollment has increased by 47% since the beginning of this Administration. Clients who receive health insurance benefits, independent of public assistance or SSI, have grown by 98%. As of January 2005, 2,521,785 New Yorkers are enrolled in public health insurance, and enrollment has increased by 134,800 individuals over the past year alone. Growth in Family Health Plus accounts for two-thirds of this increase. In January 2005, the City's cost share of the Family Health Plus program was reduced from 25% to 12.5%; in January 2006 the State plans to assume the entire cost except for administrative expenses.

Consumers can enroll in Medicaid by applying directly at one of HRA's Medical Insurance and Community Services Administration (MICSA)'s 19 community offices or with the help of one of our community or provider partners. MICSA processes and makes the eligibility determination on all Medicaid applications from every source, including the 31 facilitated enroller organizations. In January MICSA began implementing an Eligibility and Data Image Transfer System (EDITS), a front-end interface which will allow outside entities in April to submit the first phase of applications and supporting documentation to MICSA electronically.

Model Offices

As I have described before, HRA's model office concept was developed to improve customer service by streamlining workflow, reducing wait time for applicants and recipients, and providing easier access to services. I am pleased to report that the conversion of our North Central Bronx Medicaid office to a model office in February of this year officially marked the end of a two-year project converting all 19 of the City's Medicaid offices to Medicaid Model Offices.

As the Committee is aware, last August our HIV/AIDS Services Administration (HASA) opened its first model office at the Amsterdam Center at 400 Eighth Avenue in Manhattan. Tomorrow, we are opening a second HASA Model Office in Long Island City, Queens, with additional HASA Model Offices in progress.

We have opened five model Job Centers, one in each borough. All have co-located food stamp offices, allowing those who come to these locations for food stamp services to also benefit from the enhanced customer service features inherent in the model office concept. The United States Department of Agriculture has asked us to submit materials on the model office concept utilized in these food stamp offices for inclusion in its review of "best practices" from around the nation.

Federal and State Challenges

Today we are still without welfare reform reauthorization. Just last month, we testified before the House Ways and Means Subcommittee on Human Resources. We are

pursuing a Temporary Aid for Needy Families (TANF) reauthorization that will support the next phase of welfare reform focused on (1) employment retention and support for the individuals and families who have left the welfare rolls, (2) welfare prevention for the next generation, and (3) flexibility to address barriers to self-sufficiency with the continuum of services necessary to successfully engage all our customers and their families.

The 2005-2006 State Executive Budget proposes a block grant called the Flexible Fund for Family Services (FFFS), which consolidates several social service programs currently supported with TANF resources. Funding for employment, training, and other self-sufficiency programs currently paid for with combined Federal, State and local funding would be included in the Flexible Fund for Family Services along with funds for child care, child welfare and programs currently financed by direct State contracts. The Executive Budget caps New York City's allocation at \$584 million out of the \$1 billion statewide Flexible Fund for Family Services. New York City, in partnership with community-based organizations, currently uses approximately \$758 million in TANF funding along with other State, Federal and City funds to help working families and individuals achieve and maintain self-sufficiency. HRA's share of these dollars provides:

- child care to over 48,000 children (with more children of working parents receiving child care through the Administration for Children's Services)
- employment, training, education, and job placement services to over 80,000 public assistance recipients;
- substance abuse assessment, case management, and treatment for 7,700 clients

- screening for domestic violence services to over 6,300 clients per year;
- a continuum of integrated services include assessment, diagnosis, service planning, and linkages to treatment to address barriers to employability in our WeCARE program.

We have always asked for flexibility, but this proposal underfunds essential City services by at least \$150 million in relation to current spending. The Flexible Fund for Family Services could force the City to make difficult choices, having to allocate limited funds among basic mandated services and programs such as child care, welfare-to-work, employment placement, and services for clients with health and mental health barriers to employability.

My staff and I would be happy to answer your questions.