



Human Resources  
Administration  
Department of  
Social Services

# TESTIMONY

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Human Resources Administration/Department of Social Services

*The Fiscal Year 2009 Preliminary Budget and the  
Preliminary Mayor's Management Report*

March 10, 2008

Last year, when First Deputy Commissioner Patricia Smith and I came before this committee, the fiscal picture for the City and the Agency was more promising. And although we now face more difficult fiscal circumstances, through Mayor Bloomberg's leadership, we have taken a prudent approach to adjust our spending. As part of this effort, HRA has reduced its budget by more than \$160 million over the next four years. If adopted, these reductions will not impact essential services.

Unfortunately, following the release of Governor Spitzer's 2009 Proposed State Budget, we have been forced to contend with the proposed shift in public assistance costs from the State to the City. As you know, the non federal share of the cost of Public Assistance benefits has for more than 60 years been shared equally between the State and City. This year, the Governor has proposed shifting the cost so that the City - - and other localities - - pay 4 percent more for Public Assistance benefits than the State. Our Office of Management and Budget estimates that this shift will cost the City more than \$45 million over the next two years. But more than the cost, I believe this shift could have a profound negative impact on the long-standing City/State partnership and on the delivery of services to the clients we serve. I hope the City Council will join us in doing everything we can to persuade the State Legislature to maintain its commitment to an equal partnership in this program.

Today, I would like to review some of our agency's accomplishments over the past year as well as our direction moving forward.

### **Cash Assistance**

During the past year, the Cash Assistance caseload has dropped by more than 22,000 persons, bringing the caseload for February 2008 to approximately 347,000 persons, a 45 year low. Under Mayor Bloomberg, the Cash Assistance caseload has fallen 25 percent. In addition, the ratio of job placements compared to the Cash Assistance caseload increased over the past year from 20.4 percent to 22.2 percent. Moreover, the percent of Cash Assistance cases engaged in employment-related activities increased for both family and adult cases compared to last year. The percentage of Cash Assistance cases that retained employment for 180 days also remained above 80 percent.

The continued decline in the Cash Assistance caseload is due in large measure to our strong focus on employment. In the last year alone, HRA recorded more than 77,000 job placements

and since Mayor Bloomberg came into office we have had more than 500,000 job placements. We are, of course, concerned about continuing that performance in the face of what may be a difficult economy and we urge lawmakers to consider carefully the impact of any proposed fiscal remedies on the availability of jobs for entry level employees.

### **WeCARE**

As the committee knows, our WeCARE Program provides an array of services that help Cash Assistance recipients whose physical or mental health condition poses a barrier to employment. I am pleased to report performance outcomes for wellness, jobs and disability awards have improved significantly each year. In fact, in January 2008 vendors had worked with clients to complete 726 wellness plans, a 35 percent increase from their performance in January of 2007. Similarly, employment placements went up by 30 percent from January 07 to January 08. Even more dramatic was a 43 percent increase in federal disability applications filed from 690 in January 07 to 987 in January 08. In fact, not only did the submission of applications rise but those awarded on initial application rose 67 percent and those on appeal by 34 percent.

Further, looking over the entire course of 2007, there were 8,978 Wellness Plan completions, an increase of 14.4 percent in one year. In addition, employment placements increased by 27.2 percent with 2,889 last year. Further, federal disability awards increased by an outstanding 108 percent from 2,035 in 2006 to 4,238 awards in 2007.

### **WORK SUPPORTS**

*(Food Stamps, Child Support, Health Insurance, and Substance Abuse Treatment)*

#### **Food Stamps**

We continue to make great progress in improving access to Food Stamp benefits. In 2007, the Food Stamp caseload had an increase of more than 33,000 persons bringing the caseload for December 2007 to 1,129,368 persons. We believe this increase was largely driven by an increase in the number of working Food Stamp recipients.

#### *Outreach*

We are continuing our efforts to speed the Food Stamp enrollment process. HRA's Food Stamp Nutrition and Outreach Program staff have expanded the number of WIC sites they are serving to 34 sites (up from 12 last year) and senior centers to 30 sites (up from 11 last year).

### *Community Partnerships*

We have continued to refine our partnership to allow community based organizations to submit electronically Food Stamp applications and the supporting documents. As of the end of February, nearly 900 Food Stamp applications were submitted from five soup kitchens and food pantries. Almost all of these applications were determined eligible, and the ability to submit the application in this way provided convenience to the applicant. In the last month, our Food Stamp outreach staff have been stationed three days during the week and on Saturdays at the Food Change tax preparation VITA site on 125<sup>th</sup> Street in Manhattan so that individuals coming for tax preparation assistance can also have a Food Stamp application, and the supporting documents, submitted on their behalf.

### *Simplifying the Application Process*

In February, we kicked off a new process to allow for an easier application process for working families. Working families applying for benefits at any of our Queens offices now can have their application interview done over the phone. In the first three weeks of using this process, we have found that these employed individuals appreciate the convenience the telephone interview offers. We will be expanding this application process to the rest of the City during the spring and summer.

### *Recertification*

Changes are also being made to make the recertification process easier. Letters will shortly be mailed to all Queens cases, working and not working, to offer a telephone recertification interview. We have piloted this process in two offices and are ready to expand it to the other boroughs. A mail process has also been introduced at the six month point for employed cases that will replace the interview requirement. As a result, working people will only have to be interviewed once yearly. These changes join the mail recertification process already in place for approximately 175,000 cases.

### **Child Support Enforcement and Engaging Non-Custodial Parents**

In 2007, the HRA Office of Child Support Enforcement (OCSE) collected a record \$620 million for families who need our assistance. This is an increase of 5 percent from the amount collected in 2006. In addition, 74 percent of all families known to OCSE now have a Family Court order directing the non-custodial parent to pay child support. Of the \$620 million

collected, \$580 million or 94 percent was given directly to the family, making child support collections an extremely important source of income for thousands of low-income families.

While we continue to be vigilant in using the tools provided to us to establish, enforce, and collect child support, we also recognize that not all non-custodial parents have the financial means to fulfill their obligation. Assisting low-income, low-skilled non-custodial parents in fulfilling their child support obligations is one important part of New York City's NYC Dad's initiative. By making our Child Support Enforcement Office better equipped to help non-custodial parents who are unemployed, returning from prison, or have a child support order amount that is beyond their ability to pay, we can help them better comply with their order and be better parents.

### **Health Insurance: Medicaid, SCHIP, Family Health Plus**

Enrollment in the Medicaid program continues at a very high level. As of December 2007, more than 2.6 million City residents are covered by public health insurance programs administered by HRA of whom 1.8 million are consumers not receiving Cash Assistance or federal Supplemental Security Income (SSI). An additional 145,000 children were enrolled in CHP B, the state health insurance plan for children up to age 19 who are not eligible for Medicaid. Through the Mayor's HealthStat Initiative, we continue to develop new partnerships to ensure all eligible children and adults are enrolled in public health insurance.

#### *Simplifying Enrollment*

Consumers have a wide variety of avenues for enrolling in Medicaid. Many enroll at one of our 19 Medicaid community offices. Many others enroll through facilitated enrollers, community based organizations, or Medicaid providers. We have continued our efforts to simplify the enrollment and renewal process as much as possible. In 2007, we worked with the State Department of Health to implement the renewal documentation easements contained in the 2007/2008 budget. Effective with renewals mailed in January, 2008, Family Health Plus consumers and fully eligible Medicaid consumers who do not require long term care are no longer required to document income and address changes at renewal. In the past year, virtually all applications from expectant mothers through the Pre-Natal Care Assistance Program were successfully submitted through our Eligibility Data and Images Transfer System. We are anticipating an expansion of the system to Facilitated Enrollers, nursing homes and hospitals later this year.

### *Health Insurance for Small Employers*

We also partner with business groups and health insurance brokers to promote lower-cost private health insurance options for working families. Over the last year, there has been more than a 20 percent increase in enrollment in Healthy NY, a program designed to encourage small employers with 50 or fewer employees to offer health insurance coverage to their employees and their families. Healthy NY is also available to eligible working uninsured individuals including sole proprietors. With financial assistance from the New York State Health Foundation, HRA is creating a web-based tool that will allow, for the first time ever, small businesses and individuals to compare the cost and benefits of Healthy New York and other private health insurance options. The tool will be launched by the end of 2008.

### *Medicaid Fraud and Abuse*

As part of our ongoing efforts to support the integrity of the Medicaid program, HRA's Office of Medicaid Provider Fraud and Abuse Investigation is working with the NYS Office of the Medicaid Inspector General to address fraud, waste and abuse committed by Medicaid providers. Since its official inception in July 2007, our Office of Medicaid Provider Fraud has initiated 28 audits of Medicaid providers in the categories of pharmacies, durable medical equipment suppliers and transportation providers. Of these audits, 13 have been completed and their findings have been forwarded to the State for review and sign-off. We are currently asking the State to expedite its process so that we can go forward in this important endeavor.

### **Substance Abuse: Managed Addiction Treatment Services (MATS)**

While WeCARE is our largest program for people with clinical barriers to employment, we have another initiative that provides case management services to individuals who have medical and/or mental health barriers to self-sufficiency.

High-dollar users of treatment services account for a large percentage of the expenditures for Medicaid funded substance abuse services. To address both the human and economic costs of treatment that often does not lead to recovery, the NYS Office of Alcoholism and Substance Abuse Services (OASAS) funded the Managed Addiction Treatment Services (MATS) program. MATS is designed to provide voluntary case management services to help high end users of Medicaid for substance abuse treatment. Working with our partners in the City Department of Health and Mental Hygiene, MATS has improved our existing assessment and referral process by providing case management in certain situations. Since we began operations in March 2007,

the three NYC MATS programs have reached their targeted caseload of 745. An OASAS analysis of almost 200 MATS clients who were enrolled in the program for at least six months concluded that there had been more than \$4 million in projected annual Medicaid savings. As a result of our success, OASAS is encouraging other localities that have been less effective to adopt the City's model.

### ***SUPPORTIVE SERVICES TO REMAIN IN THE COMMUNITY***

*(Supportive Housing, Long-term Care, Adult Protective Services, and Prisoner Re-entry)*

HRA has more than a decade worth of experience in helping families achieve self-sufficiency through personal responsibility. This is an important ethic, but for many elderly and disabled persons we need to recognize that this is not always attainable and that all of our support is needed so that they can safely remain in the community as independently as possible. No one program can take the support required in these cases on alone, but together and in collaboration with other agencies and contracted providers, we form a broad network of community-based supports.

### **HASA and Supportive Housing**

*NY/NYIII*

In November 2005, the City and State signed the NY/NY III Agreement that will result in the development of an additional 9,000 supportive housing units over ten years. The new agreement expands eligibility to include housing for additional target populations including chronically homeless single adults and families with mental illnesses, substance abuse disorders, disabling medical conditions or HIV/AIDS as well as young adults aging out of foster care. It also includes the development of 1,000 units of permanent congregate and scatter-site apartments for chronically homeless single adults living with HIV/AIDS for which HRA's HIV/AIDS Services Administration (HASA) program will oversee the referral and placement process.

By December 2007 HRA completed all work to allow referring agencies to apply through submission of one electronic application for any of nine types housing available through the NY/NY Agreements and other types of supportive housing for the seriously mentally ill.

### *Comprehensive Health Assessment Team*

HASA has embarked on a collaborative agreement with the Health and Hospitals Corporation (HHC) to perform clinically based housing assessments for HASA clients who are homeless or unstably housed. Known as the Comprehensive Health Assessment Team (CHAT), HHC clinicians have been out-stationed at HASA sites to perform rigorous housing assessments to determine for which levels of supportive housing HASA clients are best suited.

### **Long-Term Care Services**

HRA's Home Care Services Program led the City's interagency planning team in identifying current resources for long-term care services and assessing ways to improve access to information and assistance for the elderly and disabled of all ages. Phase one of this project will culminate in the integration of an inventory of services into DoITT's "E311" line later this year.

Another by-product of the recent long term care analysis and planning will be a pilot program in the Bronx Community Alternative Systems Agency (CASA) Office to give consumers more information on various long term care options as alternatives at the time of assessment and reassessment. This will happen concurrent with the State's proposed three year pilot to assess, authorize and case manage all new applicants to the NYC Personal Care program.

Finally, the Long Term Care Web, which allows vendors to interface with HRA, was launched for the Long Term Home Health Care program vendors in Queens. This system supports the citywide implementation of joint assessment visits by HRA staff and vendors for intake to the program. We will continue to work with MIS to modify the system as needed and expand implementation into the other 4 boroughs in 2008.

### **Adult Protective Services**

During 2007, our Adult Protective Services (APS) Program added 32 new caseworkers and 5 new supervisors to its baseline, and completed the hiring and training of 89 new caseworkers – an unprecedented number in one year. To ensure we meet demand, I am pursuing a hiring process based on projected caseload and attrition. We intend to hire APS caseworkers three times per calendar year based on projected need instead of waiting for actual vacancies to occur. To further support line staff, the NYPD provided safety training in all Borough Offices and we established the APS Advisory Council, a group of 15 community representatives from a variety of different medical and mental health and social work disciplines. The Council has

already created subcommittees to develop best practices addressing Hoarding and Community Collaboration.

### **Prisoner Re-entry**

Finally, we are working closely with the Department of Correction to ensure that inmates have an opportunity to become connected to benefits at the time of release into the community. A pilot project is now underway to allow individuals being released from Riker's Island to submit a Medicaid and Food Stamp application prior to release. We are also partnering with the Center for Employment Opportunity (CEO), which runs a comprehensive prisoner reentry program. Working with the CEO, our Food Stamp and Nutrition Outreach program staff will be assisting this population in applying for Food Stamp benefits. We have also been meeting with the Department of Correction to ensure that any inmate, who had Medicaid coverage when they entered jail, has that same coverage when they are released. During the past year, we also began an initiative to educate Riker's Island discharge planners and other Riker's Island staff about the child support process and to offer inmates an opportunity to review the status of their child support case prior to their release.

Thank you again for allowing me to review the Human Resources Administration programs and I look forward to your questions.