



TESTIMONY IN OPPOSITION OF PROPOSED REGULATORY CHANGES TO THE TEMPORARY DISABILITY ASSISTANCE PROGRAM

RE: PROPOSED AMENDMENTS TO COMAR 07.03.05.04, .05, .10, .16, .17

ADMINISTRATIVE, EXECUTIVE AND LEGISLATIVE REVIEW COMMITTEE
TUESDAY, NOVEMBER 10, 2009

Health Care for the Homeless, Inc. (HCH) strongly opposes the regulatory changes proposed by the Maryland Department of Human Resources (DHR) to limit the state's Temporary Disability Assistance Program (TDAP), a safety net program for poor individuals with disabilities and no other source of income. TDAP provides \$185 per month to destitute Marylanders who cannot work, the large majority of whom have permanent disabilities and await federal disability assistance from the backlogged Social Security Administration (SSA). The proposed changes would take away this small stipend from thousands of Maryland's most vulnerable residents.

HCH provides health-related services, education, and advocacy to reduce the incidence and burdens of homelessness. We deliver comprehensive medical care, mental health services, case management, addiction treatment, and access to housing and employment for nearly 12,000 Marylanders annually at clinic sites in Baltimore City, Frederick, and in Montgomery, Harford, and Baltimore Counties. A large number of our clients are past or present TDAP beneficiaries.

A recent report by HCH on *Client Utilization of Temporary Disability Assistance* found that 64% of people receiving TDAP use some or all of the monthly grant for housing or shelter and, of this group, 55% secured housing or shelter for most or all of the month. Half use at least a portion of the stipend for food. ***Reductions to the current program further jeopardize those individuals already living on the economic edge and shift costs to other areas of the community (such as shelters, criminal justice/courts, police, and emergency medical services).***

The proposed reductions to TDAP would have serious consequences for those who rely on the program – and for the state as a whole as people are left to meet basic human needs through other (often less-stable) means.

1. **Change to grant amount:** The Secretary of DHR could, at any time, reduce by any amount the monthly TDAP grant amount. ***The consequence: People with disabilities and no other source of income will be less able to meet basic human needs, such as shelter and food.*** Current regulations permit the Secretary of DHR to reduce by 25 percent the monthly TDAP grant. The Department has indicated that the intention of this proposed change was to give flexibility to the Secretary to reduce the grant by a lesser amount *up to* 25 percent of the monthly grant. HCH supports the Department's suggestion to amend the proposed change to permit the Secretary to reduce by *up to* 25 percent the monthly grant amount. As written, the proposed regulations permit larger harmful reductions.

2. **Change to period of temporary eligibility:** People with no other source of income who are certified by health care providers as temporarily disabled (i.e., with disabilities expected to last one year or less) would only be eligible to receive TDAP benefits for 6 months – as opposed to the current 9 months – within a 36-month period. ***The consequence: Nearly 1,000 people with short-term disabilities, who need a safety net as they convalesce, will lose support immediately and fall into deeper disability and homelessness. Each month thereafter, additional vulnerable Marylanders will be without the support that could prevent their homelessness.*** According to HCH’s study, 16 percent of past TDAP recipients reported no longer being disabled and/or currently having employment. The minimal support provided by TDAP helped them meet their most basic needs as they recuperated from their temporary disabilities and returned to the workforce.

3. **Change to period of permanent eligibility:** People with no other source of income who are certified by health care providers as permanently disabled and who are pursuing federal disability benefits would be eligible to receive TDAP benefits for a maximum of 24 months within a 5-year period. ***The consequence: Over 2,600 people with permanent disabilities will immediately lose their only source of income, followed by hundreds more each month thereafter.*** Vulnerable beneficiaries will lose TDAP support not because of anything they have done but because federal disability applications are not processed in a timely manner. Though the process can take between two and three years, the state is reimbursed for all TDAP resources before an individual receives a lump-sum federal benefit.

TDAP prevents homelessness: Despite being less than 25% of the state’s Minimum Living Level, the \$185 monthly grant provided to poor single adults with disabilities allows recipients to satisfy basic needs – in particular, housing or shelter. Reducing TDAP likely would result in more extremely poor individuals with disabilities on the streets for a longer portion of each month. Because homelessness directly contributes to other societal costs, the proposed short-term budget cuts will ultimately prove more costly to the larger community as recipients increasingly turn to alternative sources of income to meet basic needs. Rather than implementing short-term and short-sighted reductions, HCH instead proposes that the State actively support improving access to federal disability assistance by expediting the determination process.

For the vast majority of program participants, TDAP is a loan program. According to DHR, roughly four out of five TDAP beneficiaries receive long-term support and therefore are required to apply for federal disability benefits. Once long-term recipients acquire federal Supplemental Security Income or Social Security Disability Insurance (processes which currently take two years or longer), Maryland is reimbursed for all TDAP expenditures before the individuals receive retroactive lump-sum benefits. Despite the large number of current TDAP beneficiaries with permanent disabilities, according to DHR “interim assistance reimbursement makes up less than a quarter of the TDAP budget each year.” Narrowed eligibility criteria for SSI/SSDI benefits, average waiting periods of over two years between initial application and eligibility determination, and significantly higher denial rates for homeless claimants exacerbate the difficulties these individuals face and increase the amount of time many remain on state assistance.

The State could significantly reduce the number of TDAP participants – and increase federal reimbursement – by expediting the determination process for SSI/SSDI. In collaboration with the Maryland Mental Hygiene Administration, HCH is implementing the federal SSI/SSDI Outreach, Access, and Recovery (SOAR) initiative in Maryland. Through SOAR, case managers are trained in successful application techniques with system support from Social Security Administration and Disability Determination Services. Across the country SOAR has shown promising results: 70 percent of applicants assisted by SOAR were approved in an average of 93 days. In Utah, for example, where 82% of their 363 SOAR applicants received approval in an average of 116 days, the state reported recovering more than \$496,000 in general assistance from SSA in the past two years in the Salt Lake City region alone. Though Maryland is in the early phases of implementing SOAR, our preliminary results show outcomes similar to those seen elsewhere in the country: *the time between application date and approval of federal benefits could take as little as one month.* The training and culture change required to achieve these results will take time, and while we anticipate that reliance on long-term TDAP will decline as this initiative is implemented, we do not want to see benefits cut off prematurely.

During this time, when Maryland and many of its residents face difficult budgetary decisions, HCH strongly opposes any further reductions to safety net programs that meet the most basic needs of our most vulnerable neighbors. The \$185/month provided by TDAP is a critical strand in the safety net for disabled Marylanders with no other source of income – helping them to access shelter, food, clothing, personal care items, medication, and transportation. Though the disabilities and situations of those who receive TDAP differ, none can afford a reduction to their already-meager budget.

We thank you for your time and attention to this matter, and urge your opposition to the proposed regulatory changes to the state Temporary Disability Assistance Program.

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