

PUBLIC
ASSISTANCE
HEARINGS

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC ASSISTANCE

JAY S. HAMMOND, GOVERNOR

POUCH H-07
JUNEAU, ALASKA 99811
PHONE:

August 28, 1981

Dear Concerned Citizen:

There are some major changes coming in both the Aid to Families with Dependent Children Program and the Food Stamp Program. These changes were very recently passed by Congress and must be implemented by October 1, 1981 in Alaska.

This short notice does not give us much time to prepare for the impact of these major changes.

Because of these changes, some people who have been receiving AFDC and/or food stamps will either receive less benefits or will no longer be eligible. To lessen the impact of these changes we want to inform other helping agencies that they may have more demand for their resources in November.

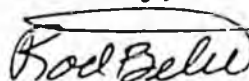
In addition to changes in eligibility conditions, there is a separate change that both you and we can help recipients to understand. The new AFDC rules require mandatory monthly reporting, (MMR) for all recipients. What this means is that every month we will send each AFDC recipient both a report form and a stamped, self-addressed envelope. An example of the form is attached. As you can see, the recipient must tell us any changes that have occurred in his household and sign the form. Each recipient must return this form to the public assistance office by the tenth of the month. They must return the completed signed form even if they have no changes to report. If they fail to return the form by the tenth, or if the form is unsigned or incomplete, they will not receive their next AFDC check. Then they will have to reapply before they can receive any more checks. This means that they will lose at least one month's benefits. This MMR requirement was added to the AFDC Program because the failure of recipients to report changes in their household and income have historically been the major cause of errors and program losses.

The first MMR forms are being sent to AFDC recipients in late September. Each recipient must return their monthly report by October 10 to ensure receiving their November check.

We are trying to alert recipients about this change. We are sending two check stuffers--one in September and one in October--to each recipient in addition to a letter of explanation with the report form package. However, we are very concerned that some people will not understand the importance of completing and returning their first reports by October 10. We are asking you to ensure that your staff is aware of this important change so that they can help us in alerting AFDC recipients of the urgency of completing and returning their reports on time.

If you have any questions about mandatory monthly reporting for AFDC recipients, please call Mrs. Busch at 465-3360.

Sincerely,

A handwritten signature in cursive script that reads "Rod Betit". The signature is written in dark ink and is positioned above the typed name and title.

Rod Betit
Director

RB/sp

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC ASSISTANCE

JAY S. HAMMOND, GOVERNOR

POUCH H-07
JUNEAU, ALASKA 99811
PHONE: (907) 465-3355

September 24, 1981

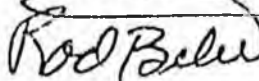
Dear Legislator:

Several major changes are imminent in both the Aid to Families With Dependent Children and the Food Stamp programs. These changes are the result of the Omnibus Reconciliation Act passed by Congress in August 1981.

The purpose of most of the changes is to cut costs in these federal programs by 1) eliminating some recipients, 2) decreasing the benefits of others and 3) requiring more intensive case management. The changes in AFDC must be implemented by October 1, 1981 and the Food Stamp changes have to go into effect no later than November 1, 1981.

For your information we have prepared the attached synopsis of the major changes in both programs. If you have any questions, please contact either myself or Kimberly Busch, Information Officer, Division of Public Assistance, Pouch H-07, Juneau, Alaska 99811, 465-3360.

Sincerely,



Rod Betit
Director

Enclosures

NEW FEDERAL WELFARE REGULATIONS

Several major cost reducing changes in regulations have resulted from recent federal legislation. Public Assistance programs affected by these new regulations include AFDC (Aid to Families with Dependent Children) and FSP (Food Stamp Program). The following is a summary of the major changes for each of the programs:

AFDC Program - Effective October 1, 1981

- * Households will have to meet the test of the 150% Income Limit. (If total income of a family exceeds 150% of the State need standard there will be no eligibility).
- * Lump sum income received will be used to meet the current as well as future needs of the family. Example; recipient received one-time payment for an insurance claim, the amount they received would be divided by their AFDC need standard and they would be ineligible for each month that the insurance payment met their AFDC need standard.
- * Earnings disregard - A flat \$75 per month deduction for work expenses with no further deductions for mandatory taxes or transportation. This is reduced to a \$40 deduction for recipients who work less than full-time.
- * Resources of a family shall not exceed \$1000. The value of a motor vehicle will be limited (the equity value of a vehicle that is in excess of \$1500 will be counted toward the resource limit).
- * Earned Income Tax Credit will be considered as an available resource.
- * Stepparent income will be considered in determining benefits of a family in which a stepparent is living with a dependent child.
- * Recoupment will be made for all overpayments.
- * Monthly Reporting will be required of all households in order for eligibility to continue. The Division of Public Assistance will supply all recipients with report forms which they must complete and submit before the 10th of each month.
- * The Budget Process will be determined on a "prior month"

method on all cases (Retrospective budgeting). Example; a household's August income will determine their October benefits.

Food Stamp Program - Effective November 1, 1981

- * Gross Income at 130% of poverty level will be used for determining eligibility of households not containing a person age 60 or over, or receiving SSI or SSA disability. Net income will be used to compute allotment amount. (Note: Net income will still be used to determine eligibility for households containing a person age 60 or over, or receiving SSI or SSA disability).
- * Outreach - no more federal funding, however 50% federal match will be available for nutrition education, information to clients regarding their rights and responsibilities, and answering inquiries about the program. There will be no more soliciting and recruiting of clients.
- * Proration of initial month food stamp allotment. The allotment will be prorated on a daily basis instead of the "eligible one day, eligible all month" method. Example; if a household applied on the 25th of the month they could only receive benefits for the days remaining in the month.
- * Household definition changes so that parents and children living together shall be considered one household. The only exception being a parent age 60 or older may be a separate household.
- * Boarders and Strikers will no longer be eligible for food stamps.
- * Food Stamp allotment adjustments will be made April 1982, July 1983, October 1984, and each October thereafter.

OVERVIEW
DEPT. /HSS
JANUARY 1981

DIVISION OF PUBLIC ASSISTANCE

Rod Betit
Director
Alaska Office Building, Room 318
Pouch H-07
Juneau, Alaska 99811
(907) 465-3355

The Division of Public Assistance provides financial aid, food purchasing assistance, home heating assistance, and medical coverage to those who meet state and federal standards of need.

Every Alaskan has the right to apply for any program administered by the Division. Applications and assistance are available through 19 field offices and about 170 fee agents appointed in 160 communities throughout Alaska.

The following assistance programs are administered by the Division of Public Assistance:

Energy Assistance

The Energy Assistance program is available to low income households who are having difficulty meeting the high costs of fuel, gas and electricity. Eligible households can receive a grant once each year to help in paying their home heating costs. Payments are made to the household's vendor for the household's overdue bills or as a credit for upcoming winter bills. The average grant ranges from \$250-\$750 depending upon the region in which they reside, their actual home heating costs, and their gross monthly income.

Aid to Families with Dependent Children (AFDC)

This program provides cash assistance for meeting the basic necessities of children who are deprived of one or both of their natural parents, thereby making it possible for the children to remain with either their remaining parent or with a relative.

The current maximum monthly payment for a parent and one child is \$457, with \$57 added for each additional child. This payment is reduced if the family has other income. Although the program is heavily regulated by the U.S. Department of Health and Human Services, the Alaska Legislature has the power to review and raise payment levels each year.

Cost of the program is equally divided between state and federal funds.

Adult Public Assistance (APA)

Cash assistance is provided to needy adults through Aid to the Blind, Aid to the Disabled, and Old Age Assistance.

Maximum payment is now \$473 for a single individual and \$695 for two persons. This payment is reduced if the recipient has other income. The Adult Public Assistance programs are automatically adjusted for a cost-of-living increase each July. The program is funded and administered entirely by the state.

Medicaid

Medicaid pays for medical care provided to persons who are eligible to receive Adult Public Assistance or Aid to Families with Dependent Children. Some other special coverage categories also exist.

Payment goes directly to providers of medical care, with expenses equally divided between state and federal funds. The state administers the program according to federal law and regulations, but it retains some freedoms to tailor Medicaid to fit the needs of the state.

Food Stamps

This program, designed to improve nutrition in low-income households, is based on the assumption that more spending power will result in better diets. To be eligible for food stamp assistance a household's income and resources must be under certain maximums. Food stamp allotment sizes are determined on a sliding scale based on the household's size and income.

The U.S. Department of Agriculture supplies food stamps at no cost to the state. However, program administration costs are equally divided between the state and federal governments.

General Relief (GR)

This program provides payment for subsistence items for families or individuals who are temporarily without other personal, private or public resources and who do not qualify for any other assistance program.

The maximum monthly payment, \$80 per person, has not been raised by the Legislature since it established the program in 1957. Increased cost-of-living has greatly eroded the ability of this program to help Alaskans in need, and it may be time for a re-examination of General Relief by the Legislature.

Payments are generally made to a vendor for such necessities as rent, utilities, and other necessities. The program is entirely funded and administered by the state.

General Relief Medical (GRM)

This program provides for medical care for individuals who are not eligible for Medicaid and do not have their own medical resources or insurance. There are income limits which determine eligibility. Payment is made directly to providers of medical care.

The GRM program also provides payment for pharmaceuticals, prosthetic devices, physical and occupational therapy, and emergency dental care to Medicaid beneficiaries, because these services are not generally covered by the Alaska Medicaid program.

General Relief Medical is funded and administered entirely by the state.

Catastrophic Illness Program

The State-funded Catastrophic Illness program is designed to provide medical assistance to individuals who have suffered a catastrophic illness or injury and who do not have health insurance or other financial resources available to meet their expenses.

The program is administered in Juneau, with coverage determined by a three-member Catastrophic Illness Committee appointed by the Governor.

Advisory Boards

Catastrophic Illness Committee

Program Coordinator
200 Hospital Drive, Suite 101
Juneau, Alaska 99801
(907) 586-1716

Medical Care Advisory Committee

Dr. J. Ray Langdon
Chairman
3401 East 42nd Avenue
Anchorage, Alaska 99504
(907) 279-0461

Energy Advisory Board

Judie Walker, Chairperson
Division of Public Assistance
Pouch H-07
Juneau, Alaska 99811
(907) 465-5547

Regional Offices

Southeast Regional Office
Division of Public Assistance
419 Sixth Street, Room 119
Juneau, Alaska 99801
(907) 465-3551

Southcentral Regional Office
Division of Public Assistance
400 Gambell Street
Anchorage, Alaska 99501
(907) 274-6524

Southwest Regional Office
Division of Public Assistance
P.O. Box 365
Bethel, Alaska 99559
(907) 543-2686

Northern Regional Office
Division of Public Assistance
Section J
675 Seventh Street
Fairbanks, Alaska 99701
(907) 452-3606

Northwest Regional Office
Division of Public Assistance
Box 41
Kotzebue, Alaska 99752
(907) 442-3451

Feeling the Sequence?



December 11, 1981

Senator Vic Fischer
511 West Fourth, Suite 5
Anchorage, Alaska 99501

Dear Senator Fischer:

Thank you for the opportunity to offer you the opinions and experiences of the beneficiaries of the Welfare system. We appreciate your concern for and solicitation of the recipients' view of the problems within the Department of Public Assistance. The dilemmas and recommendations in this testimony are based upon our study of the regulations and actual difficulties experienced by the members of the Welfare Rights Organization.

In this testimony we will offer you some general comments regarding the new federal regulations which went into effect on October 1, 1981. We realize that these are federal regulations and that in most instances the State of Alaska has chosen the "least client-hostile" option. However, it is important that you understand the effect of these changes on the clients.

Secondly, we will explain specifically how the new regulations force recipients who wish to work into a despair filled predicament. Thirdly, we will detail some other specific annoyances which our membership has repeatedly had to confront. Most of these relate to the administration within the Anchorage office. It is therefore within the State's power to rectify these problems, often without significant additional appropriations.

Finally, we will take advantage of this opportunity to offer you some suggestions as to how we think the State could improve its system of public benefits, especially as it relates to those single parents, predominantly women, who are struggling to economically and emotionally support their families in terms of their delivery and their ability to meet the needs of clients.

Welfare Rights
Organization

204 East 5th Avenue Suite 201
Anchorage, Alaska 99501

I. The New Federal Regulations

The changes in the federal regulations have had a dramatic effect on the welfare system. Even though Alaska has usually chosen the options which were least hostile to clients, the mandatory changes make it almost impossible for the average client to become anything more than a "welfare recipient." They have little hope or opportunity for a better life.

Specifically, parents who wish to go to school lose their WIN-exempt status (even though they go to school only two or three hours a day), their school loans are counted as income (minus tuition) and the costs of child care are not fully covered. Recipients who have skills fitting them for only dead end jobs have lost the opportunity to improve themselves.

Regarding the new mandatory monthly reporting system, its initial implementation was as efficient as could be hoped. However, it is dependent on the premise that recipients can read well and write and that they are proficient with English.

II. Working Recipients

Under the new regulations, the welfare recipient who works outside the home has probably been the hardest hit. Supposedly, these changes are designed to encourage people to work. In fact, they do the opposite. The working mother of two is allowed only \$160 child care allowance per month per child, when actual expenses would more realistically be \$250 per child. There is a flat deduction of \$75 per month for work related expenses such as payroll deductions and travel to and from work. The actual expenses for a monthly salary of \$1000 for the mother of two would be closer to \$67.00--FICA, \$129.60--federal tax, \$7.00--ESC, \$30.00--gas (or \$1.00 per day for bus), and an additional possible deduction for union dues.

In addition, the former provision which allowed recipients to disregard \$30.00 and one third of their income will now be discontinued after four months use. This provision was a valid incentive for recipients to leave their children for four to eight hours a day as it allowed them some extra income. It is no longer available after the four month time period.

The tables below will illustrate exactly how reasonable it is to expect or hope that a recipient will work unless he or she could get a very lucrative job.

III. Specific and Recurring Problems

1. The Application Process:

All application must be picked up at the WIN office. This causes an unnecessary hassle.

2. Telephones.

A. There are not enough lines. It is very difficult to get through, especially during the hours of 1:00-3:00 p.m. on Monday, Wednesday and Friday when recipients are allowed to talk with their eligibility workers.

B. Workers are supposed to be available during the above hours. Sometimes they aren't and they do not always return calls.

3. Eligibility Workers

A. Some are courteous, friendly and helpful. They seem concerned about the situations the recipients are in.

B. Some are rude and patronizing. They treat recipients as if they are stupid, lazy and unethical.

C. Eligibility workers do not always know all the regulations. This is somewhat understandable, since there are so many of them and they are changing so fast. According to Jan Hansen, all of them do not even have complete manuals.

D. Eligibility workers do not always inform clients of their options. For example, they do not tell clients about the Catastrophic Illness Program, or of the option to take themselves off the grant and go on "Adult Not Included" status. Clients are usually in desperate or impoverished situations and knowing more fully what all their options are would help them considerably.

4. Lost Papers

A. We have had many (up to 15 in the last three months) reports of lost paperwork. There are undoubtedly many more which we don't hear about. The result of this is

that clients do not get their benefits on time, when they need them. It is clients who bear the cost of agency error, and they are not subsequently compensated.

B. We discussed this problem with Jan Hansen who feels it's not a major problem and declined to set up a system to deal with lost papers, one that wouldn't penalize the clients. The clients who have been hurt have learned to ask for receipts. Others don't know to do so.

5. Mandatory Monthly Reporting

A. On the instruction sheet it says this form "will be sent to you on the 1st of the month." Yet DPA sends three at a time and then none the next two months. Some clients complain that this assumes they have a safe place to put it and that they'll remember to fill it out. They would like a new form to be sent every month.

B. Some clients felt the form had a very hostile tone. It threatens the client with case closure and possible prosecution for fraud. It asks some questions which don't relate to your benefit level (i.e., regarding visiting guests, etc.)

6. Changes

A. According to AFDC regulation 3401.1(b) action on a change must be taken within 10 days. Reports from recipients indicate that changes are almost never made within that time period. A simple change of address often takes one to four months which means that the recipient has to go down to the office, wait in line (for an average time of one hour) and pick up her check. It may not seem important, but it is a hassle to the client who again ends up bearing the cost of an error which is not her fault.

7. Medicaid

A. It is still somewhat difficult to find a doctor who will accept a Medicaid client, even in an emergency.

B. Medicaid doesn't pay bills on time.

C. Medicaid doesn't always pay the same fee, especially in hospitals, that other patients pay.

D. At the emergency room, the recipient is supposed to give each department (X-ray, E.R., etc.) a coupon. Some recipients don't know this and some of the hospital personnel don't know this. The recipient will be sent a bill if she does not give a coupon to each department. If the bill is sent too late the recipient can be held liable for the cost.

E. Six to nine months ago there was a change. It used to be that one could get extra Medicaid coupons at the office the same day they were requested between 8:30 and 11:00 a.m. Now, you have to go the day before to ask to get them the next day. This requires two trips by car or bus with children. Extra expense and extra hassle for the mother who is either sick herself or has sick children.

8. Food Stamps

A. There is a new system such that the Food Stamps are sent directly to the recipients home. Many recipients like this. Some, who live in high crime areas, and don't have secure mail boxes, do not. It would be nice if there was a way recipients who requested could have ATP's instead of Food Stamps sent to them.

B. There's a public image problem such that recipients get harrassed and embarrassed at the grocery stores. I doubt there is a legislative or administrative solution to this problem, but it is important to us since it is one more negative issue which recipients must confront.

9. Manual

According to the AFDC Manual regulation 3009.1 a manual must be available to recipients. At our September 30 meeting with Jan Hansen we requested that she do so and post a notice indicating that the manual is available. This has not been done. Especially when workers sometimes do not know the regulations (Section III.3.C of this testimony) recipients need to be aware that the manual is available to them.

TABLE I, Sample Budgets for Three Person AFDC Household

Division of Public Assistance
Budget with 30 + 1/3 Disregard

\$ 616	Gross Income from minimum wage--\$3.85/40 hr. week
- 320	Childcare deduction
296	
- 75	Flat work expenses Deduction
221	
- 30	
191	
- 62	1/3 disregard
129	Net earned income
\$ 571	Maximum AFDC allotment
- 129	Net earned income
\$ 442	Amount of AFDC check

Actual Expenses
With 30 + 1/3 Disregard

\$ 616	Gross Income
+ 442	AFDC Check
1,058**	
- 50	Federal Tax deduction
1,008	
- 41	FICA deduction
967	
4	ESC
963	
- 500	Childcare
463	
- 30	Travel
433	
- 350	Rent
83	Disposable Income*

Actual Expenses Without
30 + 1/3 Disregard

\$ 571	Maximum AFDC Allotment
- 221	Net earned income
350	AFDC Check
616	Gross earned income
+ 350	AFDC check
966	**
- 95	Payroll deductions
871	
- 30	Travel
841	
- 500	Daycare
341	
- 350	Rent
-11	Disposable income*

* Disposable income will be used to buy food, clothes, house and laundry cleaning supplies, car work, etc.

** This family will not be eligible for Food Stamps. They do not meet the Gross (earned & unearned) income test of \$959/month.

TABLE II

Division of Public Assistance
Budget with 30 + 1/3 Disregard

Actual Expenses
With 30 + 1/3 Disregard

\$ 1,000 Gross income based on
\$6.25/hour
- 320 Child Care deduction
680
- 75 Flat work expense deduction
605
- 30
575
- 190 1/3 disregard
385

\$ 1,000 Gross Income
- 203 Payroll deductions
797
- 350 Rent
447
- 500 Childcare
-53

Unmet expenses: food, clothing,
gas, cleaning products, medical
expenses, etc.

\$ 571 Maximum AFDC allotment
- 385 Net earned income
\$ 186 AFDC check

Without 30 + 1/3 Disregard

\$ 571 Maximum AFDC allotment
- 605 Net earned income
?

Benefits of Staying Home

\$ 571 AFDC
- 350 Rent
221 Disposable Income

\$ 283 Maximum Food Stamp Allotment for family of 3
+ Medicaid coverage

Our figures are all based on a family with one parent and two children in which there is no one in the household over 60 years or who receives SSI or SSA Disability. They indicate a rent of \$350 which is very low for a 2-bedroom apartment in Anchorage. They indicate \$500 a month child care which is a very realistic rate to pay for two children in full time day care.

The person who earns \$1000 a month, has two children in childcare, can literally not afford to work. She will get no AFDC for two reasons: 1) \$1000 is over the 150% (of the Need Standard) Gross Income Eligibility Test--which is \$857 and 2) her income after allowed deductions is \$605, which is over the \$571 need standard. Ignoring reason #1 (which is a federal regulation), this person could be eligible for a \$186 AFDC grant for the four months when she \$30 + 1/3 disregard would be in effect. After four months, the \$30 + 1/3 disregard is no longer in effect and she would be cut off.

Unless employers pay health insurance, there is no reason for welfare recipients to work unless they command a very high salary.

In our final section, we will make our recommendations for what could be done, at the State level, to alleviate some of the hardship faced by those who do not have high earning potential.

IV. Recommendations

If the Welfare System cannot offer people both a decent standard of living and some possibility for hope and self improvement, we suggest that the State consider some supplementary programs. These programs would not all be for just welfare recipients or indigents and therefore they would carry less stigma.

Before giving our recommendations, we feel it important to point out one other issue. That is that welfare is a Women's Issue. Two people had those children that are currently receiving AFDC benefits. Where are the fathers? Are they paying child support? Is there any incentive for them to do so? And what happens to the women, the mothers of these children whose fathers are usually not around at all? They are severely stigmatized which can often have a psychological effect on the woman which destroys whatever self confidence she may have. Without confidence it's more difficult to nurture your children, more difficult to consider getting training or education and very difficult to go job hunting.

It is abhorrent that in this society we cast such categorical aspersions on a whole group of people. It is important to consider that by doing so, we are often blaming the victim. As one Welfare mother put it "single parents are just a broken leg away from Social Services." She was a woman who had fallen, hurt her back and was trying to get on Public Assistance. The office lost her applications. She could not easily get around and it was a painful hardship for her to reapply. She wants to work and has skills. When she gets well, I'm sure she'll work again. Yet she was treated very rudely at DPA and no allowance was made for the fact that they lost her applications. They would not do a phone interview even though that is provided for in the regulations. And once again, where is the father of her child while she suffers and struggles?

Child Support Enforcement doesn't seem to do an effective job. Most of the women in the Welfare Rights Organization say that their previous partners aren't paying and can't be located. Those fathers that do pay know that the mother sees no extra benefit from their payment. And so there's little incentive for the man to pay into the child support fund. In the end, the woman stays home with her welfare check, social blame and her dwindling self-confidence. If child support were paid to the mother as well as the other supplements we detail below, some women would be able to get off welfare.

1. Health Care

We support passage of what was HB 41, a Comprehensive Health Care Plan for all Alaskans. If the medical bills were provided for, more women would be able to take those entry level jobs.

In addition, there are some optional programs under Medicaid which the State of Alaska doesn't cover. For example, it seems that the Medically Needy Program would be beneficial. Further research into what it covers is necessary though before we would be certain to support it. Also, the Adult Dental Coverage would be an improvement of Alaska's Medicaid Program.

2. Housing

There are currently 1300 subsidized rental units statewide. HUD's recommendation is for an additional 100 units this year; 150 less than last year. We are sure you realize what the rental market is like in Anchorage, Juneau and elsewhere. It's extremely expensive to rent. We would support most legislation which would increase the supply of rental units, give rebates to renters or subsidize the rent of low income people. The majority of welfare recipients do not get Section 8 Housing Assistance (through ASHA). So they are left to pay rents of \$350 and up out of their AFDC check. This leaves them little disposable income.

3. Day Care Assistance

As illustrated in the attached Tables we've provided, next to rent, day care is one of the largest costs that the working mother must cover. The Anchorage Municipal Day Care Assistance Program is an excellent one. However, they apparently ran out of money this last fall.

4. Increase the Standard of Need

We understand that the need standard was set permanently at the 1980 level and that cost of living raises for AFDC are now tied permanently to cost of living for social security. It is good to have the cost of living allowances fixed in such a way. However, we question the base year figure for the need standard and the amount it is set at. The market and the welfare system have changed drastically in the last year. Rents are probably 20% higher. The decreased in allowed deductions in AFDC (especially the elimination of the \$30 + 1/3 disregard) reduces

Senator Vic Fischer
December 11, 1981
Page 8

the number of people who are eligible for AFDC under the current standard of need. Raising the standard of need could be done in such a way that recipients wouldn't necessarily take home more money, but it would allow some working parents to get some assistance and medicaid. Alaska currently has a lower standard of need than several other states in the country.

In closing, we thank you again for the opportunity to tell you what we think the problems are in the welfare system. You will see that some of the problems are within your jurisdiction and possible power to solve. In some cases you can make recommendations about how to improve certain areas. Some of the problems we've told you mainly to give you a clearer understanding of the issues within the system. We certainly appreciate your concern and your solicitation of these comments. If you have any questions, general or specific, please let us know. We will do our best to get you any information that you need. We can be reached at: Karin, 276-0522 and Joanie, 276-7788 or 274-9056.

Sincerely,



Karin S. Gustafson



Joanie Cleary

PERSONAL TESTIMONY OF ONE RECIPIENT

WELFARE PROBLEMS:

1. Telephone--A continual problem--almost impossible odds. Sometimes took me 2 weeks to finally get through on "the scheduled times" of Monday, Wednesday or Friday from 1:00-3:00 p.m. A very proposition for someone who's working.

Suggestions:

- A. More lines--at least a total of 4 or 5.
- B. Perhaps another line--or specific phone numbers for specific problems, i.e., AFDC, Food Stamps, etc.

2. Supplemental Checks

A joke! Even with knowledge (over many appointments) my worker never even hinted they existed. It took Alaska Legal Services help before I was granted one, even then it was too late in processing to save our rental home.

Suggestions:

- A. Make AFDC manuals (more than one) available to recipients
- B. Change attitudes of workers from this Cat and Mouse game to simply Social Worker-Recipient. People respond to respect, especially when they are struggling just to survive. Everyone asking for assistance is not trying to "Rob the taxpayers"--many are taxpayers and paying taxpaying babysitters. We exist as humans too!

3. Child Support Enforcement Agency

At original application I signed over all child support payments due me to this agency.

Problems:

- A. When child support payments were over amount granted on AFDC I never received any additional money. Where did it go?
- B. I've been off AFDC for November and December but have not received any child support paid into this agency during that time. Why?

4. Formulas--

They don't work! Nobody lives in formulas--they live life the best they can with existing facts. If the rent is high now--the amount of rent is high! If babysitters cost so much--they cost so much--not some government regimented amount.

Suggestions: Look at life as it is. Formulas are OK with exceptions in some cases.

5. Loans--especially for medical costs

A. Loans are counted as income on AFDC. They are not. They are borrowed money to be paid back as stipulated plus interest. The reason for the loan should count as something!

6. Socialism!

Working recipients walk a line when it comes to raises. If they do a good job and are rewarded with a raise they are slapped back down. All incentive is lost. The spiral down starts here. Why work?

Suggestions: If working recipients are given an incentive of even \$25.00 more a month they will continue to work. Non-working recipients would seek employment and keep it.

STATE OF ALASKA
 DIVISION OF PUBLIC ASSISTANCE
 AFDC PROGRAM

150% ELIGIBILITY TEST - AI/ANI NEED STANDARD

Eligible Unit	ANI <i>Handwritten note</i>		AI <i>Handwritten note</i>	
	Need Standard	150%	Need Standard	150%
1	222	333	286	429
2	445	668	508	762
3	508	762	571	857
4	571	857	634	951
5	634	951	697	1046
6	697	1046	760	1140
7	760	1140	823	1235
8	823	1235	886	1329

→ EFFECTIVE 10/1/81 *"new & more restrictive"*

Handwritten signature/initials



Alaska State Legislature

Senate Committee on State Affairs

Vic Fischer, Chairman • Pouch V • Juneau, Alaska 99811 • (907) 465-4954

Official Business

MEMORANDUM

TO: Senate HESS Committee Members and State Affairs Committee members

FROM: Senator Vic Fischer *VF*

RE: Public Assistance Programs of the Department of Health and Social Services

DATE: December 26, 1981

As chair of Senate State Affairs, I have held a public hearing, an all sites teleconference, and have talked with numerous people on how the public assistance programs can better meet the needs of Alaskans who are experiencing hardships in their personal lives. Below is a list of recommendations that may be implemented to improve the various programs.

- 1.) Increase General Relief monthly allotment from \$80 per person to an amount that can provide a "reasonable subsistence".

Comment: This \$80 monthly allotment has not been increased since 1957. State law mandates that this monthly allotment provide a "reasonable subsistence" for needy persons. See A.S. 47.25.130.

- 2.) Insist the Department of Health and Social Services comply with existing state law A.S. 47.05.010(14) which provides that the department hold a public meeting each February to review, study, and propose the necessary levels of care and the rates it will pay to public assistance recipients. Before final adoption of the standards of needs by the department, these standards must be reviewed annually by the legislature while in session.

Comment: If a meeting was held in February to review the standard, the public was not informed nor invited. The standard of need for the various programs are not uniform. These standards should be revised in order to be uniform and to conform to a realistic standard of living.

- 3.) Request the federal government to consider Alaska's higher cost of living in establishing various deductions for the AFDC program.

Comment: The federal government has adopted uniform deductions that apply to all states without considering Alaska's higher cost of living. The federal government in the past has considered this and raised the deductions for Alaska. Example: \$160 flat deduction for child care nationwide. Professional child care in Alaska cannot be obtained for less than \$230 per month.

- 4.) Insist that the Department of Health and Social Services implement state regulations for the AFDC program that are consistent with the federal regulations and adopt these regulations pursuant to the Administrative Procedure Act.

Comment: Certain of the proposed state regulations such as the monthly reporting requirement cause an unreasonable hardship on bush residents, the disabled, and those who do not read, write and speak fluent English. Federal regulations allow exemptions for certain categories of these recipients. The state must be sensitive to Alaskans with special needs when it implements its regulations. Also there is a danger that recipients due process rights will be violated if the regulations are implemented as proposed. Our office has also received complaints that interested groups have not received notice of the proposed regulations as mandated by the state's Administrative Procedure Act in order that they may comment.

- 5.) Insist that the Department of Health and Social Services adopt regulations for the Aid to the Permanently and Totally Disabled Program.

Comment: This program has been in existence since 1963. No regulations have been adopted as mandated by state law.

- 6.) Make program manuals available to the public.

Comment: Program manuals are public information. State law and state regulations mandate that these manuals be accessible to the public.

cc: Sen. Jalmar Kerttula, President of the Senate
Rep. Joe Hayes, Speaker of the House
Governor Jay Hammond
Helen Beirne, Commissioner, Dept. of Health and
Social Services
Wilson Condon, Attorney General
members of the Senate