



WORKFORCE SERVICES – GENERAL ASSISTANCE

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

SUMMARY

The General Assistance (GA) program is a state funded program that provides limited financial assistance to disabled adults without dependent children. On May 1, 2013 the Department of Workforce Services (DWS) temporarily stopped accepting applications for new GA cases through June 30, 2013 in order to make a fixed amount of funding cover growing caseloads and increasing average monthly case subsidies. During the 2013 General Session, the Department of Workforce Services did not request, consistent with the Governor's budget recommendations, an increase in General Assistance funding. DWS has stated its projections during the 2013 General Session were accurate at the time, but demand for the program changed in a way the department did not foresee. DWS has also indicated it will look at reopening the GA program in August of 2013. This issue brief provides background for the Utah General Assistance program, comparison to other state General Relief programs, and possible actions the Legislature might take regarding the program, if it so chooses.

LEGISLATIVE ACTION

No Legislative action is required. This brief is for background information only. Some policy options are included if the Legislature desires to alter the basic financial structure of the program.

Options for Consideration, if desired:

As a state-funded, non-entitlement financial assistance program, General Assistance operates on a fixed yearly budget. Eligibility criteria allow individuals into the program in part based on the individuals being unemployable. Once eligible, a specified amount is paid to individuals or couples each month. Number of eligible individuals/couples and average monthly subsidy per eligible/couple are the two key factors that determine what is eventually spent on the General Assistance program in any given year. The following range of policy options is available to the Legislature with regard to General Assistance:

1. Maintaining the program in its current form (operating on a fixed yearly budget with current eligibility criteria and current monthly payment amounts). This would necessitate closing enrollment in the program during times of increased demand, but could also provide excess carryover funds in times of decreased demand.
2. Lower monthly payment amounts while maintaining the program within its current budget. This can technically be done administratively.
3. Restrict eligibility while maintaining the program within its current budget. This can technically be done administratively.
4. Expand eligibility (e.g. – consider someone unemployable for some other reason besides a disability such as such as age (over 65), being in a substance abuse center, or needed at home to care for some acceptable reason such as caring for a young child or a disabled family member) or increase the monthly subsidy limits. Doing this would require an additional appropriation.
5. Make General Assistance a state “entitlement” program while maintaining current eligibility criteria and current payment amounts.
 - Making the GA program an entitlement would require additional funding during times of increased demand.
 - If GA were an entitlement program and demand increased, additional funding would need to be secured either by:
 1. An increased building block request for anticipated future demand;
 2. A supplemental funding request in the year in which increased demand was experienced; or

3. Establishing a General Assistance Reserve Account to pay for unexpected increased demand. Such a fund would periodically need to be replenished through either a building block or supplemental funding increase.

OVERVIEW

The General Assistance (GA) program in Utah is a state funded program that provides limited financial assistance to disabled adults without dependent children. The program serves very poor non-elderly individuals who do not have minor children and have not yet qualified for the federal Supplemental Security Income (SSI) program or are not disabled enough to qualify for SSI. The GA program provides financial assistance to a group of individuals where there is currently no federally supported cash safety-net program for poor childless adults who do not receive SSI. For FY 2012, the GA program spent \$4,502,100 and carried over \$600,000 to be used for FY 2013. The FY 2013 Revised Budget is \$5,413,800 which includes the \$600,000 carried over from FY 2012. The amount appropriated for GA for FY 2014 is \$4,813,800.

A primary objective of the General Assistance program is to help permanently disabled adults without dependent children connect to permanent income by connecting them with Social Security disability payments. Program recipients with permanent disabilities may receive GA benefits for up to 12 months. Those recipients who prove to be ineligible for Social Security receive temporary benefits for only six months. The maximum monthly benefit amount is up to \$287 for an individual (30percent of the Federal Poverty Level) or up to \$398 for a married couple where both individuals meet all eligibility requirements (30.8 percent of the Federal Poverty Level).

Eligibility for the General Assistance program is based on income, assets, and disability. General Assistance recipients must: 1) be at least 18 years old, or no longer being supported by parents; 2) provide a ‘verification of impairment’ that prevents basic work activities in any occupation; 3) have a gross monthly income of \$608 or less for a one-person household or \$843 or less for a two-person household; and 4) have \$2,000 or less in household assets. For FY 2012, 2,308 individuals and 2,293 households were assisted by the GA.

During the 2013 General Session, the Department of Workforce Services did not request, consistent with the Governor’s budget recommendations, an increase in General Assistance funding.

For additional information on the General Assistance line item, please refer to the Compendium of Budget Information for the 2013 General Session found at http://le.utah.gov/lfa/reports/cobi2013/agcy_200.htm.

Tables 1 through 3 provide historical information regarding funding, caseloads, and average monthly subsidies for the GA program.

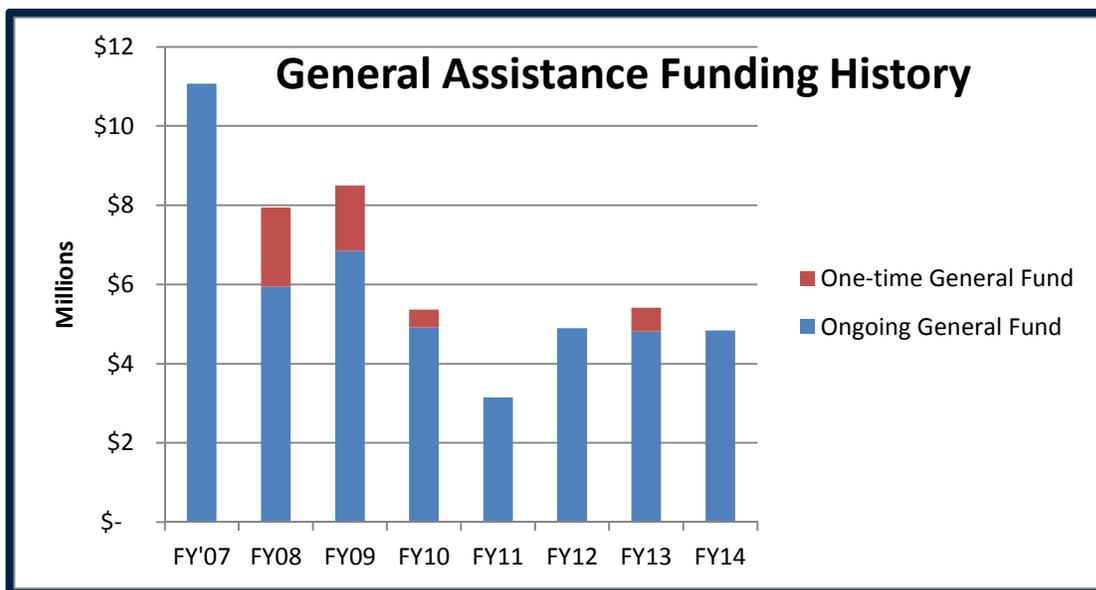


Table 1

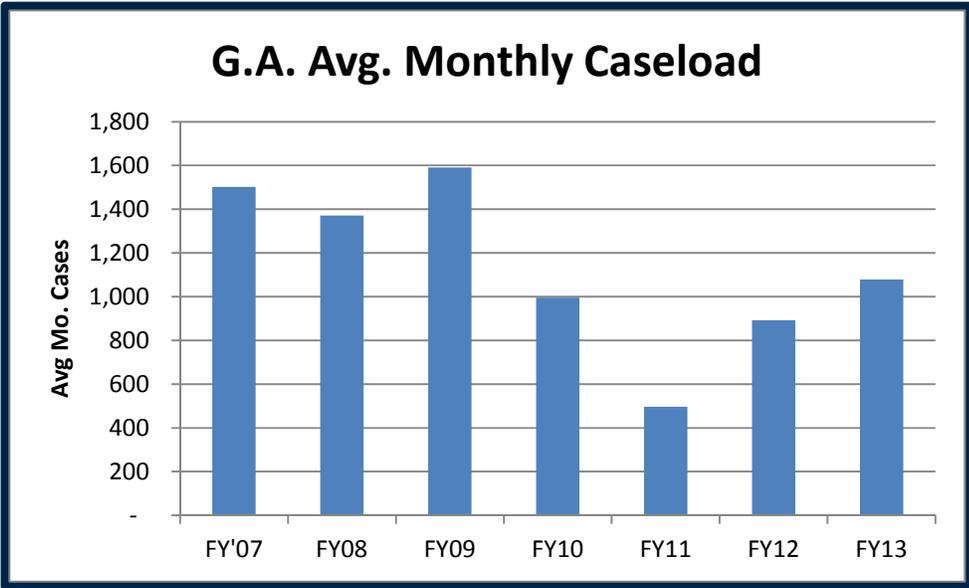


Table 2

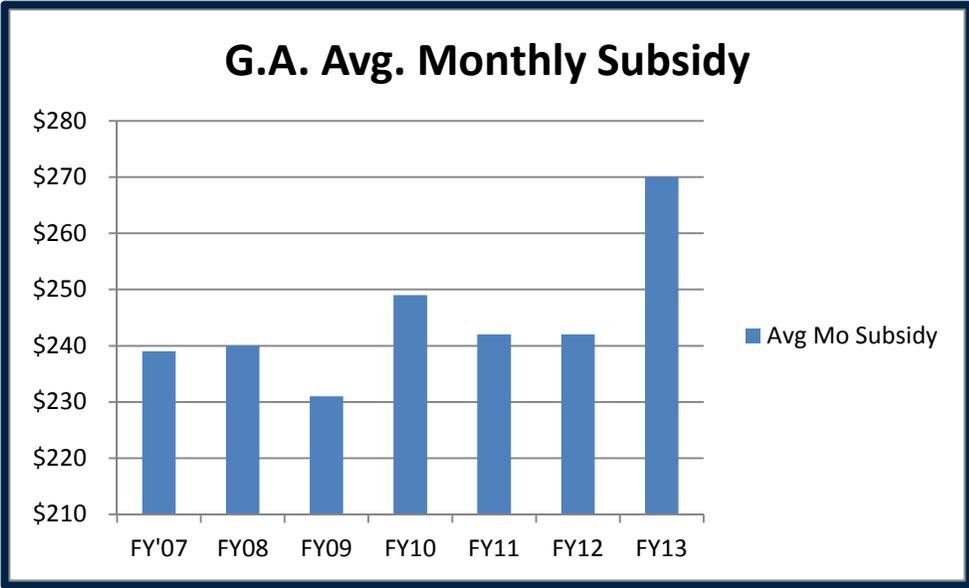


Table 3

GENERAL RELIEF PROGRAMS THROUGHOUT THE UNITED STATES

Throughout the United States, there exists a group of programs typically referred to as ‘General Assistance’ (GA). There is no consistent definition for these programs. They are also referred to by different names, have different eligibility criteria, and offer different benefits. There are typically two key characteristics of these programs: 1) they are administered and funded entirely by the state, county, or municipality in which the program operates and 2) they provide assistance to low-income individuals who do not qualify for federal assistance such as the main federal program providing financial assistance known as the Temporary Assistance for Needy Families (TANF) program. TANF provides assistance to families with children (most federal assistance programs restrict eligibility to specified groups). The GA program has the practical effect of acting as the ‘last resort’ for government assistance for many low income individuals.

In 2011, the [Center on Budget and Policy Priorities](#) did a national survey of states providing General Assistance programs ([General Assistance Programs: Safety Net Weakening Despite Increased Need](#), by Liz Schott and Clare Cho, December 19, 2011, Center on Budget and Policy Priorities website). The survey identified 30 states that had a General Assistance program that either operated statewide or was governed by statewide guidelines. A number of these programs were reduced during the recent “Great Recession.” The survey discovered that only 12 of the 30 programs provide any benefits

to childless adults who do not have some disability. Utah does require its recipients to be unemployable due to a physical or mental condition. “In recent decades, a number of states have eliminated their General Assistance programs altogether, while many others have cut GA funding for the programs, restricted eligibility, imposed time limits, and/or cut benefits. Most states that eliminated GA programs for people who are not disabled did so between the late 1980s and late 1990s. Between 1998 and 2010, five additional states terminated their General Assistance programs, and at least ten other states cut their programs back.” 2011 ([General Assistance Programs: Safety Net Weakening Despite Increased Need](#), by Liz Schott and Clare Cho, December 19, 2011).

ELIGIBILITY GROUPS

The Center on Budget and Policy Priority study points out that every state General Assistance program offers benefits to individuals with disabilities, but that 12 of the 30 states offering a General Assistance program also offer assistance to other individuals (solely due to a financial need).

Disabled Individuals

Typically, the General Assistance programs in the 30 states serve needy individuals who are unable to work due to incapacity or disability but who are also not receiving federal SSI benefits. Some states (Utah is included) require GA recipients to apply for the federal Supplemental Security Income (SSI) program. It is also common to request that the recipient reimburse the GA program once they begin receiving SSI benefits.

States requiring the individual to be disabled require some type of medical documentation of incapacity. Utah’s GA eligibility information states, “The customer must provide a current Form 1GA that he/she has an impairment that will last 50 days or more from the date of application” [<https://utahcares.utah.gov/infosourceeligibility/>]. State policies vary in the severity of the disability that qualifies an individual for General Assistance, ranging from a temporary inability to work due to incapacity to the much more severe SSI disability standard. “Nineteen states require a minimum duration of disability — that is, a disability that is expected to last for anywhere from at least 30 days to at least one year, depending on the state” [([General Assistance Programs: Safety Net Weakening Despite Increased Need](#))].

Employable Individuals

Eleven of the 30 GA programs serve other categories of individuals who are considered unemployable for some other reasons such as age (over 65), in a substance abuse center, or needed at home to care for some acceptable reason such as caring for a young child or a disabled family member. Some states have different eligibility criteria and/or benefit levels for disabled individuals and employable individuals. Utah currently offers assistance only to the category of Disabled and not to Employable or Other categories.

TIME LIMITS

As of 2011, “Thirteen of the 30 states limit how long an individual can receive aid, but time-limit policies vary. Four states impose a lifetime limit for anyone receiving benefits. Delaware and New Jersey have cumulative lifetime limits of two years and five years, respectively. Kansas has a one-year time limit for individuals with a severe disability that prevents employment (but does not meet the SSI disability standard) and a two-year time limit for an individual who appears to meet the SSI disability standard but is not yet approved for and receiving SSI benefits. New York has a two-year limit for cash assistance but no time limit for assistance provided through vouchers for rent and utilities, which is how it provides most aid. Four states have intermittent time limits for anyone receiving benefits. In Utah, individuals may receive benefits for 12 out of every 60 months; in Virginia, individuals may receive benefits for nine months out of every year. In Maryland, individuals may receive benefits for nine or 12 out of every 36 months, depending on the basis of their eligibility for General Assistance; in Nevada, individuals may receive benefits for one, three, or six months out of each year” [[General Assistance Programs: Safety Net Weakening Despite Increased Need](#)].

BENEFIT LEVELS

Typically the benefits offered through General Assistance programs are very low. “Maximum standard benefit levels . . . are below half of the federal poverty line for an individual in all states but one and below one-quarter of the federal poverty level in most of the states. Some states provide benefits to recipients either in cash or through vouchers; others make all payments directly to landlords or service providers. Although the services vary for each state, the benefit levels

are intended to help recipients meet their basic needs, such as shelter and utilities” [[General Assistance Programs: Safety Net Weakening Despite Increased Need](#)].

MEDICAL COVERAGE

Most of the 30 state GA programs surveyed indicate that recipients qualify for health coverage either through Medicaid or some other state-funded health care program. “In ten of these states, General Assistance recipients are guaranteed health coverage, either through Medicaid or a state-run medical program, and approved applicants are automatically placed in a medical assistance program. In the General Assistance programs in nine states, most recipients receive health coverage through either Medicaid or a state-run medical program with similar eligibility requirements, but receipt of General Assistance does not guarantee health coverage and recipients must apply separately for the medical assistance program. In 13 states, General Assistance recipients may qualify for health coverage if the recipient can show medical need and meet other program criteria . . . [[General Assistance Programs: Safety Net Weakening Despite Increased Need](#)].”

In Utah GA recipients do not automatically have medical coverage while they are receiving General Assistance financial benefits. General Assistance customers apply for Medicaid or Utah’s Primary Care Network (PCN). The policy for PCN (a Medicaid waiver program that provides limited primary care medical services) allows for a reduced enrollment fee of \$15 for General Assistance customers (the fees are normally \$15, \$25, or \$50 depending on the household’s circumstances). However, the PCN program operates by periodically closing enrollment. The Affordable Care Act (ACA), enacted in 2010, will extend Medicaid eligibility to all those who are at or below 133 percent of the federal poverty level beginning January 1, 2014 if a state accepts expansion. Expansion would likely cover all of the GA population. Utah’s PCN waiver program expired on June 30, 2013, but the federal government has granted an extension through November of 2013. If Utah chooses not to expand, the future of the PCN program is unclear as Utah is currently under discussion with the federal government about the PCN program’s future.

The Department of Workforce Services states the following regarding current GA medical coverage, ACA optional expansion, and ACA non optional expansion:

Current - Those on General Assistance (GA) may qualify for Disability Medicaid. In order to meet the disability eligibility criteria for Disability Medicaid, an individual must be determined disabled by Social Security or be determined disabled by the State Medical Review Board (MRB). For GA recipients with long term disabilities, they are encouraged to apply for Disability Medicaid. If approved by the MRB, an individual can receive Disability Medicaid while they are receiving GA. If approved for Social Security benefits, the GA is closed but the Disability Medicaid continues.

ACA Optional Expansion - Under a full optional Medicaid Expansion, those on GA would be eligible for Medicaid as Medicaid would be available to anyone under 133% Federal Poverty Level (FPL) regardless of age, disability, and number of dependents.

ACA Non Optional Expansion - If the state chose not to expand Medicaid, there would be no change in how the GA population has access to medical coverage today, through PCN open enrollments and Disability Medicaid approvals with an MRB disability decision.