
Ways & Means Committee

HB 2082

Brief Description: Making changes to the disability lifeline program.

Sponsors: Representatives Darneille, Goodman, Dickerson, Roberts, Pettigrew, Appleton, Ryu, Fitzgibbon, Finn, Orwall, Ormsby, Ladenburg, Kenney and Moscoso.

Brief Summary of Bill

- Creates the Disability Lifeline-Essential Needs and Housing Support Program (Program) to replace the Disability Lifeline-Unemployable Program and eliminates assistance in the form of a cash grant.
- Requires the Department of Commerce to designate entities to provide services under the Program and to distribute appropriated funds based on a proportional formula.
- Provides that the Department of Commerce, counties, and entities providing services under the Program are not civilly or criminally liable for acts under the Program carried out in good faith.
- Authorizes the Department of Social and Health Services to freeze new enrollment and establish a waiting list for Medical Care Services if enrollment will result in expenditures exceeding appropriated amounts.
- Repeals the Disability Lifeline Housing Voucher Program.

Hearing Date: 5/5/11

Staff: Melissa Palmer (786-7388).

Background:

Disability Lifeline Program.

Prior to 2010, an individual with a low income could be eligible for the General Assistance Unemployable program if he or she met income criteria and was: (1) pregnant and not eligible for Temporary Assistance for Needy Families (TANF); or (2) incapacitated from gainful employment because of physical or mental infirmity likely to continue for at least 90 days in

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duration. A person with an infirmity primarily due to a drug or alcohol addiction was not eligible for the General Assistance-Unemployable Program.

In 2010 the Legislature passed Engrossed Second Substitute House Bill (E2SHB 2782). Under that act, the General Assistance Program was renamed the "Disability Lifeline Program." All of the eligibility requirements and conditions that were in place for the General Assistance Program remained the same. Since the passage of E2SHB 2782, the cash assistance grant has been reduced. The average monthly grant amount, as of January 2011, is \$258. An individual is not eligible to receive Disability Lifeline (DL) benefits if he or she refuses without good cause to participate in needed treatment or other program services. Good cause includes an emotional or physical disability that prevents participation or the unavailability of treatment. The DL-Unemployable Program makes up the largest category of DL recipients.

Under E2SHB 2782, the Department of Social and Health Services (DSHS) was required to adopt medical criteria for DL incapacity determinations to ensure that the eligibility decisions were consistent with statutory requirements and based on clear, objective medical information. The standard for incapacity was not intended to be as stringent as the federal Supplemental Security Income (SSI) disability standards. The act provided that clear and convincing reasons are required for any eligibility decision which rejects uncontroverted medical opinion.

Medical Care Services.

Medical Care Services is a limited scope of medical care financed by state funds and offered to DL benefits recipients and recipients of drug and alcohol addiction services.

Disability Lifeline Expedited.

Persons eligible for DL and who have been determined to be likely eligible for federal SSI benefits are eligible for the DL Expedited program. Under E2SHB 2782, the DSHS was required to implement the Early Supplemental Security Income Transition Project, beginning in three counties: King, Pierce, and Spokane. In the transition project, potentially eligible persons are systematically screened and evaluated for SSI benefits and provided case management services to support the transition to SSI and Medicaid benefits.

Housing Voucher Program.

The Department of Commerce (COM) and the DSHS were required to jointly develop a Housing Voucher (HV) Program. The COM administers the HV Program and must identify the current supply of private and public housing, including acquisition and rental of existing housing stock. The COM must also develop funding strategies and design the HV Program to maximize the ability of the DSHS to recover federal funding.

Under E2SHB 2782, homeless applicants assessed as needing chemical dependency or mental health treatment, or both, were required to agree as a condition of eligibility to accept a HV in place of a cash grant if a voucher is available. The dollar value of the HV is established by the DSHS and may differ from the value of the cash grant. Persons receiving a HV will also receive a \$50 cash stipend per month. Persons who refuse to accept a HV, but are otherwise eligible for DL benefits, remain eligible for Medical Care Services benefits.

Referral to the Division of Vocational Rehabilitation.

The Economic Services Administration (ESA) must work jointly with the Division of Vocational Rehabilitation (DVR) to develop an assessment tool to determine whether the programs offered by the DVR could assist persons receiving DL benefits in returning to the work force. The assessment tool was to be completed and in use no later than January 1, 2011. By December 10, 2011, the DSHS must report on the use of the tool and the success of DVR programs in returning persons to the work force.

Referral to the Department of Veterans Affairs.

During the application process for DL benefits, the DSHS must inquire as to whether the applicant has ever served in the U.S. Military. For any applicant who has served, the DSHS must confer with a veteran's benefit specialist with the Washington State Department of Veterans Affairs to determine whether the applicant is eligible for any benefits or programs offered by either the state or federal government.

Access to Chemical Dependency Treatment.

If the DSHS or an entity that has contracted with the DSHS to provide medical care services to DL Program clients determines that chemical dependency treatment is necessary to improve his or her health status for transition to employment or transition to federal disability benefits, the DSHS or the contracting entity must give the client high priority to enroll in chemical dependency treatment within funds appropriated for chemical dependency treatment. The first priority goes to pregnant women and parents.

Summary of Bill:

Disability Lifeline Essential Needs and Housing Support Program.

The DL-Essential Needs and Housing Support Program (Program) is created, effective October 1, 2011. This program replaces the DL-Unemployable Program. Receipt of benefits under this Program is not an entitlement. Individuals eligible for the Program are eligible to receive Medical Care Services and referrals for Essential Needs and Housing Support. No cash grant is awarded under this Program.

The eligibility requirements for the Program are the same as the requirements for the DL-Unemployable Program. Beginning July 1, 2011, the DSHS must review the cases of individuals who have received benefits under the DL-Unemployable Program or the Program for 12 months, and annually thereafter, to determine whether they are likely to meet the standards for federal SSI benefits.

Grants to Local Governments and Community-Based Organizations.

Distribution of Funds. The COM is required to distribute funds for the Program. The first distribution of funds must be completed by August 1, 2011. Funding is to be provided to the designated Essential Needs Support and Housing Support entities. In each county, the COM shall designate the Essential Needs Support entity and a Housing Support entity, and the entity shall begin providing support on October 1, 2011. Each designated entity must be a local government or community-based organization, and may administer the funding for Essential Needs Support, Housing Support, or both.

Distribution. The distribution to the designated entities within a county shall be proportional to the county's share of the estimated caseload. The funds shall be distributed in grants. A

minimum of 10 percent, but no more than 15 percent, of the funds appropriated for the Program may be allocated for Essential Needs support. The COM shall distribute funding through a formula based upon the average number of eligible DL-Unemployable or Program clients residing in the county in the three preceding fiscal years and shall update the formula biennially.

October 2011 through June 2013. The total funding for the Program will be based upon the projected DL-Unemployable caseload (excluding clients in the DL-Expedited, Aged, Blind and Disabled programs), and the estimated monthly average of the cash assistance grant that was in effect for those individuals between July through September 2011.

Fiscal biennia after June 2013. The total funding for the Program shall be adjusted to reflect changes in the caseload of individuals eligible for the Program. Funds are to be used to provide Essential Needs and Housing Support to the greatest number of Program recipients, but the entity is not required to provide assistance to every Program recipient that is referred to the local entity. Each entity must develop local priorities for the use of funds in the event that available resources are not sufficient to provide service to all recipients who have been referred. Housing Support funds may be used to obtain heat, electricity, and water services.

The Essential Needs and Housing Support entities must partner with other public and private organizations to maximize the beneficial impact of funds distributed and should attempt to leverage other sources of public and private funds to serve DL recipients.

The COM, in collaboration with the DSHS, must develop a mechanism to allow the COM and Essential Needs and Housing Support entities to verify a person's eligibility for services. The COM must require Housing Support entities to enter data into the Homeless Client Management Information System, and in collaboration with the DSHS, report annually to the Legislature. The report shall include the housing status of Program recipients served and referred for services and expenditures for administration and service. The first report regarding recipients served and referred is due December 1, 2011, and must describe the actions taken to achieve the objectives of the act and the amount of funds used to administer the Program.

The COM must review data submitted by the Essential Needs and Housing Support entities and make recommendations for program improvements and administrative efficiencies. The COM may change designated entities if performance or other aspects of the program do not meet the requirements of the COM.

Civil Liability.

The COM, counties, and Essential Needs and Housing Support entities are not civilly or criminally liable and may not be subject to any cause of action regarding decisions related to the type of housing arrangements supported with funds under this act as a result of good faith actions. Rights to enforce statutory or contractual duties and obligations remain.

Medical Care Services.

Until September 30, 2011, recipients of DL benefits who meet the income and resource standards in effect on December 31, 2010, are eligible to receive Medical Care Services. Beginning October 1, 2011, persons are eligible for Medical Care Services if they meet the DL incapacity, income, and resource standards in effect on December 31, 2010. If enrollment in Medical Care Services will result in expenditures exceeding the appropriated level for a particular fiscal year,

the DSHS may freeze new enrollment and establish a waiting list of eligible persons who may receive benefits only when sufficient funds are available.

Disability Lifeline Housing Voucher Program.

The statute authorizing the DL HV Program is repealed.

Appropriation: None.

Fiscal Note: Requested on April 14, 2011.

Effective Date: The bill contains an emergency clause and takes effect immediately, except for sections 2, relating to the Disability Lifeline-Expedited, Aged, Blind and Disabled Programs, section 3, relating to the Disability Lifeline-Essential Needs and Housing Support Program, and section 4, relating to grants to local government and community based organizations for essential needs and housing support, which take effect October 1, 2011.