

# Access **DENIED**

Federal Neglect Gives Rise to State Lawlessness;  
Families Denied Access to Medicaid, Food Stamps,  
CHIP, and Child Care

By Lissa Bell and Carson Strege-Flora



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DENIED ACCESS to MEDICAID, FOOD STAMPS, CHIP, and CHILD CARE

**By Lissa Bell and Carson Strege-Flora**

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## Executive Summary

Nicole Prado is the mother of a four-month-old baby girl. She does temp work and usually makes about \$6.00 an hour, which is less than \$12,500 annually if she gets forty hours of work a week. She has no health insurance coverage or retirement plan. About two months before her baby was due, Nicole went to the local welfare office to obtain Medicaid to cover the birth of her child.

“They told me there was a six-month waiting list for Medicaid and that it wouldn’t do me any good to apply now. Several weeks later, I gave birth to my baby girl at Deaconess Hospital. I didn’t have any insurance or money and I now owe the hospital more than \$3,500. I don’t know how I’m going to ever pay them back.” —Nicole, Billings, Montana.

*Under federal law, states cannot impose a waiting period on the processing of Medicaid applications.<sup>1</sup>*

Unfortunately, Nicole’s experience is not an isolated one. Applicants for Food Stamps, Medicaid, the Children’s Health Insurance Program, and Child Care Programs routinely face diversion tactics by welfare offices. The states, which are responsible for enrolling families in these support programs, have erected barriers so numerous and high, many families simply cannot navigate the enrollment process to completion. Applicants must wade through misinformation, cumbersome application processes, unlawful practices, and degrading interactions in the hopes of obtaining benefits.

Support programs are critical to ensure that low-income families can access food, health care, and child care. Without these services, daily life can mean

empty refrigerators, untreated illnesses, and difficult choices about where to leave children during job searches or work.

Yet only a fraction of the people eligible for support programs are enrolled in them, and participation in Medicaid and Food Stamp programs is actually declining. Medicaid enrollment for non-disabled and non-elderly people declined by 7.4 percent between 1995 and 1997; the majority of those who left Medicaid were children.<sup>2</sup> Food Stamps participation has also declined. Between 1996 and 1998, participation dropped by more than twenty percent.<sup>3</sup> Yet the number of people eligible for these programs continues to be high. Food Stamps could serve at least another 15 million people, Medicaid and CHIP another 7.9 million children, and child care another 8 million children.

This report reflects the preliminary findings from testing projects mounted by the Northwest Federation of Community Organizations (NWFCO) and the National Campaign for Jobs and Income Support in conjunction with seven state community organizations: Idaho Community Action Network (ICAN), Idaho Women’s Network (IWN), Oregon Action (OA), Montana People’s Action (MPA), Welfare Rights Organizing Coalition (WROC), Arkansas ACORN, and South Carolina Fair Share (SCFS).

Testing projects are local studies that systematically document the experiences of applicants during the program enrollment process. Preliminary findings from these projects confirm that a major cause of low and declining enrollment is the negligent and sometimes unlawful behavior of state agencies administering support programs. The barriers identified in this report

vary from bad practices that unnecessarily elongate the application process to diversion tactics—many that appear to be illegal—that discourage applicants entirely.

This report identified the following barriers to accessing support programs:

- States fail to counsel applicants about their rights;
- States counsel applicants incorrectly about their rights, often in contravention of the law;
- States do little outreach to ensure eligible families know about support programs;
- States do not inform applicants about all available programs;
- States do not provide limited-English speakers with adequate service;
- States use needlessly long and cumbersome application processes;
- States are unresponsive to applicants' needs;
- States do not treat applicants with dignity and respect.

While the 1996 federal welfare law and subsequent laws and regulations increased the flexibility states have to operate support programs, ultimately the responsibility for the programs remains in the hands of the federal government. Federal agencies, including the Department of Health and Human Services, the Department of Agriculture, Administration for Children and Families, and the Health Care Financing Administration develop federal

support services to eligible people. These agencies are responsible for enforcing existing laws that prevent illegal diversions from support programs and for ensuring that states are not engaging in inappropriate activities that prevent people from getting services. The federal government finances the vast majority of the costs associated with providing food stamps, Medicaid, CHIP, and child care to eligible people. Welfare reform does not permit federal agencies to look away when eligible people are diverted from support programs.

This report describes several immediate steps federal agencies should take to ensure families are getting the benefits they need. These measures include more aggressive enforcement of existing laws and the use of bonuses and sanctions to reward states that perform well and to hold states accountable that do not.

Federal agencies should:

- Better monitor state enrollment practices;
- Enforce provisions of existing laws that protect applicant's rights and prevent states from using diversionary tactics;
- Mandate that states adopt best practices to enroll eligible low-income families;
- Mandate that states reduce burdensome procedures that keep low-income families from utilizing support programs;
- Provide bonuses to reward states that enroll a high percentage of eligible people.



## Introduction

Support programs like Medicaid, Food Stamps, Child Care and the Children's Health Insurance Program (CHIP) are critical to the survival of millions of low-income families. Even supporters of welfare reform, including the governors of many states, have agreed that low-income families should get the supports offered by these programs. Without these supports, families cannot stay out of poverty. The problem, however, is that states are enrolling only a fraction of the people eligible for the programs, and participation in Medicaid and Food Stamp programs is actually declining. What has gone wrong?

One major cause of the problem is the endemic lawlessness and the culture of indifference, arbitrariness, and intimidation that characterize states' implementation of these programs.

Community organizations see the evidence of this malfeasance by states daily as low-income community members come to the organizations in an ever-growing stream with stories of hungry families, untreated illnesses, and difficult choices about where to leave their young children during work. Upon further inquiry, organizations invariably discover that these families meet the eligibility criteria for many of the support programs but have been shut out of the programs because of arbitrary and lawless practices by states.

To test whether the experiences of their members are common to communities in general, a network of community organizations, joined together in the National Campaign for Jobs and Income Support, have mounted a series of "testing projects" around the country. In a testing project, organizers identify a pool of community members who are eligible for Child Care,

Medicaid, CHIP or Food Stamps. Researchers, using standardized questionnaires, systematically document the experiences of these community members as they apply—or attempt to apply—for one or more of these support programs. The objective is to determine what, if any, impediments community members experience as they try to access a particular program. In Phase I of the national study, testing projects were mounted in six states. In Oregon and South Carolina, testing focuses on food stamps. In Washington and Idaho, the focus is on child care. In Arkansas and Montana, the focus is on Medicaid and CHIP.

Preliminary findings from Phase I testing projects confirmed that a major cause of low and declining enrollment was the behavior of states themselves. The states, which are responsible for enrolling families in these support programs, have erected barriers to enrollment so numerous and so high, many eligible families simply cannot navigate their way through the enrollment process to completion. The first front-end barrier is the failure of states to inform eligible families about the programs. Barriers also include cumbersome applications, rigid intake times, and an absence of translators for limited-English speakers. The most pernicious barrier is the failure by states to counsel applicants correctly, or to counsel them at all, about their rights, often in contravention of the law.

The welfare reform law of 1996 and subsequent laws and regulations have generally increased state flexibility in operating these programs. In the wake of this devolution, families have been victimized by the free-wheeling behavior of states who apply rules arbitrarily and capriciously, and in some cases, fail to apply rule—including the rule of law—at all. The Food Stamp program is a federally financed entitlement program that

is delivered by states to low-income families who are eligible under federal rules. States have considerable discretion, however, with respect to many aspects of how food stamps are delivered to poor families. Medicaid is an entitlement program jointly financed by the federal government and the states. The states have broad authority with respect to eligibility levels and with respect to how they deliver Medicaid benefits to low-income families. The federal government provides Child Care and CHIP block grants to the states, and states have broad authority with respect to program design. States have responded to this new flexibility by making it more difficult to access support programs. In some cases, states are also violating existing federal protections.

### **What can be done?**

The preliminary results of the testing projects, coupled with the massive underutilization of available support programs, indicate a need for change. States have been given too much power without sufficient oversight to manage these programs and are failing in their obligation to efficiently enroll eligible families into available programs. It is time for the federal government to inter-

vene to assure that states meet their responsibilities. The solutions proposed in this report focus on immediate remedies that federal agencies can pursue under current law. These include such measures as more aggressive enforcement of current laws and the creative use of bonuses and sanctions to reward states that perform well and to hold poor-performing states accountable.

We discuss these and other solutions in the final section of the report. We begin, however, in Section Two, by illustrating the considerable gap between those needing, and eligible for, the programs and those actually served. In Section Three, drawing from the findings of the testing projects, we discuss the kinds of state-erected barriers that help cause this gap and help maintain it. We also hear the stories of real people who have braved the gauntlet set up by the states, and learn what it means to people's families when they are prevented from accessing programs. Finally, in Section Four, we propose a series of concrete solutions designed to break down the barriers so that families can finally access the programs which are purportedly designed to serve them.

## The Problem

### **Bad Practices and Lawlessness by States Contribute to Low Enrollment-to-Eligibility Ratios<sup>4</sup>**

**E**nrollment in four of the major support programs—Medicaid, Food Stamps, CHIP and Child Care—is very low relative to the number of people eligible for them. Moreover, with Medicaid and Food Stamps, the gap between the number of people eligible and enrolled has grown.<sup>5</sup>

Why is the ratio of enrollment-to-eligibility so skewed? And why, for Medicaid and Food Stamps, is enrollment declining?

Preliminary findings of the state testing projects reveal that one cause of low enrollment is bad practices and lawlessness on the part of states during the outreach and enrollment phases of the programs. These findings show that states violate both the spirit and the letter of the law daily in ways that divert large numbers of people away from programs they desperately need and for which they are eligible.

State actions suppressing enrollment take two forms: one, states keep the eligible population in ignorance about the availability of the programs and their likely eligibility for such programs; two, states create needless administrative problems and hassles throughout the enrollment process which make the price of enrollment prohibitively high for many low-income families.

These same practices also help explain the decline in Medicaid and Food Stamps enrollment so noticeable

since welfare reform. A national survey focused on one of the programs asked those who had left the program why they had left; the second most common reason given was administrative problems or hassles.<sup>6</sup> Whether at the outreach, enrollment, or utilization phase, the power of such barriers to divert people away from use of the program—even people who badly need assistance—is considerable.

This report looks at “front end” phases of the programs, namely outreach and enrollment. Nonetheless, it is worthwhile noting that another reason for the decline is that states are—in many cases, illegally—dropping people off Medicaid and Food Stamps when they leave welfare. Thus, lawless and arbitrary practices characterize all phases of states’ behavior in the implementation of the support programs.

Some argue that the decline in Medicaid and Food Stamps enrollment has occurred because the number of people needing these programs has dropped with the so-called “success” of welfare reform. Given studies of welfare leavers, however, this explanation for the drop is questionable. Thirty to forty percent of those pushed off welfare are unemployed.<sup>7</sup> Most of the other 60 to 70 percent have jobs that pay wages below the federal poverty line<sup>8</sup> and provide no health insurance.<sup>9</sup> Seventy percent of those who have left welfare and are employed receive no child care subsidies.<sup>10</sup> One-third report severe difficulties in affording food while the remaining two-thirds say they had some difficulty affording food.<sup>11</sup> In other words, the vast majority of people pushed off welfare—including the “success” stories—have little income, no employer-provided health insurance, experience food insecurity, and are on their own when it comes to child care. And the great majority of them are also still eli-

gible for Medicaid and food stamps, and most of those working are very likely eligible for child care.<sup>12</sup>

In 1996, Congress and the Clinton Administration recognized that if they were going to throw people off welfare, these people were not going to be able to maintain employment without support programs. Yet state performance in these programs has proven highly ineffective, not to mention in contravention of the law. In this section and subsequent sections, we see just how ineffective and lawless states' performances have been.

## Food Stamps

**“We run out of food. When this happens, I go without food before I let my children feel hungry.” —Anglet; Columbia, South Carolina.**

Food Stamps is the nation's largest and most important program in the fight against hunger. For almost seven million families, Food Stamps stands between them and hunger.<sup>13</sup> According to the U.S. Department of Agriculture, during 1998 about 10 million households were not always able to meet their basic food needs.<sup>14</sup> Eligibility for the Food Stamp program is based on financial and non-financial factors, but fami-

lies must be below 100 percent of the federal poverty level after deductions are taken. The number of people living below the poverty line in 1998 was 34.5 million, nearly two times the number of people who received Food Stamps in that year.<sup>15</sup>

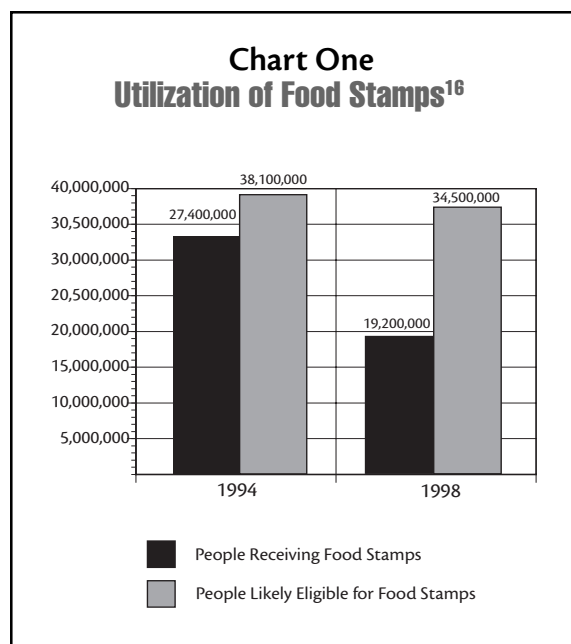
The Food Stamp program was designed to help families meet their basic food needs. Benefits are modest and provide an average of about 78 cents a meal per person.<sup>17</sup> These benefits can help protect families from the serious problems associated with hunger. Evidence from recent research about child nutrition shows that, in addition to having a detrimental effect on the cognitive development of children, inadequate nutrition results in lost knowledge, brainpower, and productivity for the nation.<sup>18</sup> A hungry child also does not perform as well in school. School-aged children who are hungry cannot concentrate or do as well as others on the tasks they need to perform to learn the basics.<sup>19</sup>

## Medicaid and CHIP

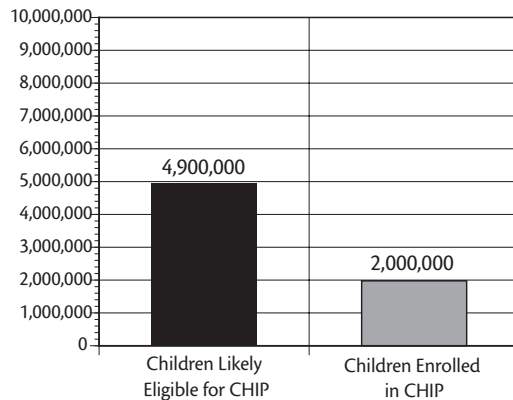
**“When you are single you can go without health insurance. But when you have children, it is a whole different story. Children need to get check-ups and get care when they are sick.” —Alissa; Bozeman, Montana.**

Medicaid is the nation's largest health care program for people with low incomes and provides a reasonable benefit package for participants.<sup>20</sup> Legislators determine the eligibility rules for their states, but, in general, Medicaid serves very low income or no income adults and children while CHIP covers low income children.<sup>21</sup> States determine if they want to use their CHIP block grant funding to expand their existing Medicaid program or operate a separate state program. Generally, CHIP programs offer a leaner benefit package than Medicaid.

Children without health insurance risk developing serious, preventable health care problems later in life because they do not receive the treatment they need as children. Uninsured children are less likely to see a physician when they are ill and are much less likely to receive preventative services and immunizations.<sup>22</sup>



**Chart Two**  
**Utilization of the Children's Health Insurance Program (CHIP), 1998<sup>25</sup>**

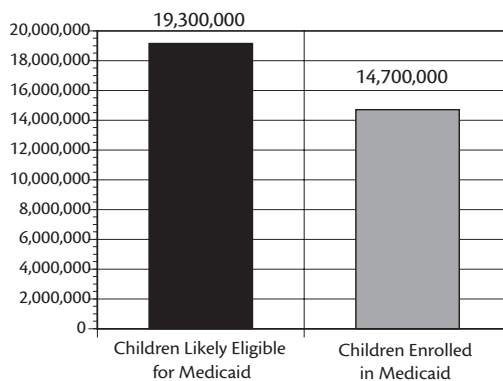


Untreated health and dental problems in early life can lead to serious but preventable health problems during later life. Together, the Children's Health Insurance Program (CHIP) and Medicaid offer great promise to cover the approximately 11.5 million uninsured children in the United States.<sup>23</sup> But, despite the creation of CHIP in 1997, fewer children were covered under CHIP and Medicaid in 1999 than by Medicaid alone in 1996.<sup>24</sup>

## Child Care

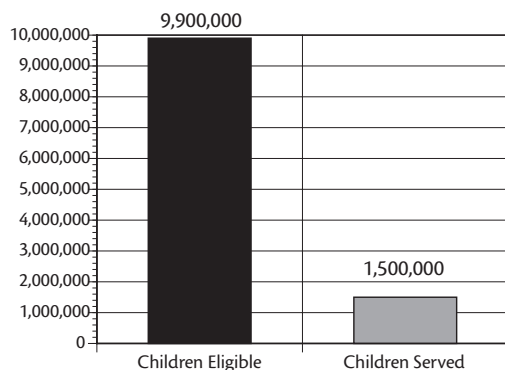
**"We have to make more money, which means I need to work. But who will look after Enrique? I need child care if I'm going to work." —Martha ; Boise, Idaho.**

**Chart Three**  
**Utilization of Medicaid, 1998<sup>26</sup>**



For low-income parents, then, the need for help with child care expenses is great. For families making under \$14,000, 25 percent of income is devoted to child care.<sup>28</sup> The Child Care and Development Fund (CCDF) is a combined federal-state program through which states help defer the child care costs of low-income families so that they can work. Under federal law, such assistance is generally limited to families with children under age 13, with one parent (or an only parent) in a work-related activity, and with family income no higher than 85 percent of the state median income. In fact, forty-seven states set the income ceiling lower than this.<sup>29</sup>

**Chart Four**  
**Utilization of Child Care Subsidies<sup>27</sup>**



Parents without child care subsidies have lower employment rates and earning rates than parents with child care subsidies.<sup>30</sup> They are also more likely to be late for work or miss work completely due to breakdowns in child care arrangements.<sup>31</sup> Child care is identified as a contributing factor in unemployment by up to 30 percent of unemployed welfare leavers.<sup>32</sup> Child care subsidies also make *quality* child care something low-income parents can provide their children. And children with quality child care "develop stronger language, reading and math skills" than do children with mediocre or poor care. "The better the child care program, the more likely the child is to enter school ready to learn."<sup>33</sup>

Yet, only 15 percent of families eligible for the program are actually being served.<sup>34</sup>



## Barriers to Enrollment

**A**cross the country, community organizations hear an endless stream of stories from members about the difficulties of enrolling in support programs. Limited-English speakers describe experiences of attempting to fill out 20-page applications without the help of a translator. Employed applicants tell of practices that force them to miss work and badly-needed wages, such as scheduling mandatory interviews during work hours and requiring applicants to make multiple trips to the offices in order to get enrolled. Some applicants recount being told they need not bother to apply for programs because they are not eligible when, in fact, they are. Others describe being illegally denied benefits and not counseled on how to appeal denial decisions. Community groups in states with two separate health insurance programs for children hear members describe a seemingly endless process of application and re-application as members' incomes, and therefore their children's eligibility, fluctuate. And disrespectful treatment is a constant theme running throughout the stories of most applicants.

Additionally, when community organizations meet new low-income members, they often learn that the new members know nothing about programs that can help them obtain food, health care, and child care. Often, a low-income member who is receiving benefits from one program, say Medicaid, will know nothing about another program, say Food Stamps, that is run out of the same office by the same caseworkers.

Many of these community organizations have united through the National Campaign for Jobs and Income Support. As part of the National Campaign, community organizations throughout the country have begun to systematically evaluate the services provided by their local welfare offices.<sup>35</sup>

To evaluate welfare offices, community organizations recruited potentially eligible applicants. Each applicant was interviewed after interacting with the welfare offices in accordance with a protocol developed specifically for their states' income support program. As of May 2000, six testing projects are completed or underway in Arkansas (Medicaid), Idaho (Child Care and CHIP), Montana (Medicaid and CHIP), Oregon (Food Stamps), South Carolina (Food Stamps) and Washington state (Child Care). A second round of testing projects will begin in the summer of 2000. (See Methods Appendix for greater detail.)

This report relies on the data collected to date from these six testing projects. Therefore, the findings presented in this report are preliminary findings. These preliminary findings reveal barriers to enrollment common to all states and programs. State reports describe more fully the specific problems in each state program.

Barriers to enrollment revealed by the testing projects include:

1. States fail to counsel applicants about their rights;
2. States counsel applicants incorrectly about their rights;
3. States do little outreach;
4. States do not inform applicants of all available support programs;
5. States do not provide limited-English speakers with adequate service;
6. States use needlessly long and cumbersome application processes;
7. States are unresponsive to applicants needs;
8. States do not treat applicants with dignity and respect.

# One

## States fail to counsel applicants about their rights

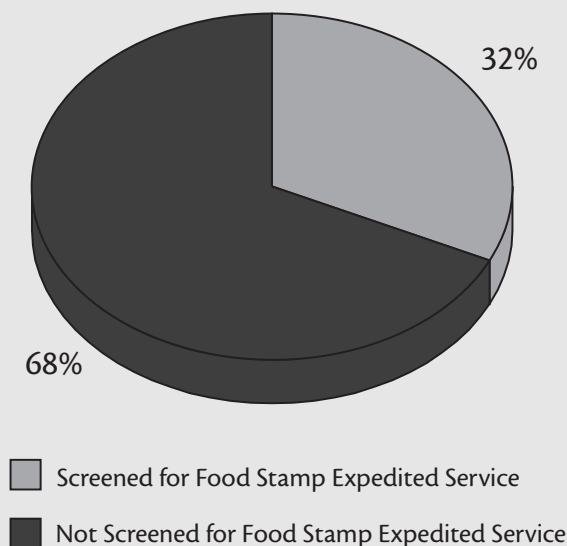
### Findings:

- 68 percent of food stamp applicants were not screened for expedited service.
- 88 percent of applicants were not told about their right to appeal a decision.
- 65 percent of applicants were not told that the information they provided was confidential.
- No child care applicants were told about the quality differences among child care options.
- No children who were denied CHIP were screened and enrolled in Medicaid.

Federal law guarantees applicants certain rights during the enrollment process. For example, states must screen Food Stamp applicants for expedited service. If families are in emergency situations and are not screened for expedited service, they must wait 30 days to receive Food Stamp benefits. States must also inform applicants about how to appeal decisions and that the information they provide is confidential. If applicants do not understand how to appeal decisions about their case, wrongly denied applicants may never get the services they are eligible for. Informing applicants that their information is confidential is particularly important for applicants fleeing domestic abuse situations or immigrants who fear government intrusion. The state Child Care programs examined in this study failed to provide applicants with state required information regarding how to locate and register child care providers. Without this information, applicants may not be able to access child care benefits after receiving them. CHIP law requires children who apply for CHIP to be screened and enrolled in Medicaid, if they are eligible. If this mandate is not enforced, children will remain uninsured.

**“I made it clear that I was in an emergency situation and needed food stamps right away. They told me to come back in three weeks for an interview.” —Angie; Medford, Oregon.**

**Chart Five**  
**Percentage of Food Stamp Applicants**  
**Screened for Required Expedited Service**







### **Tim's Story** **Medford, Oregon**

I'm a single father. My son and I live in a homeless shelter in Medford, Oregon. I struggled with a drug and alcohol problem for a long time but now I work part-time for a drug recovery counseling program called On-Track.

We were living off of food baskets, but it wasn't enough. So, I decided to apply for food stamps. I live over two miles away from the nearest Food Stamps office. I don't have a car and there's no public transportation. I walked to the office and asked for food stamps. This was on January 24. I was given a two-page form and was told I had to return, with the form completed, for an interview at 8:00 a.m. on February 3. This time was bad for me because that's when I have to get my son ready for school. Also, it takes time to walk the two miles to the Food Stamps office. I asked for a different time, but they said no.

At the interview on February 3, they gave me a second application, a long one. They then told me I had to come back for a second interview the next week and that I should bring documents with me. I walked to this office a third time, and they told me I would have to wait another thirty days to get food stamps.

I learned later that this isn't how it's supposed to work when you're homeless and need food stamps.

[Tim later learned from Oregon Action that he should have been urged to turn in his application right away and been screened for expedited service. Because he is homeless and has no assets, he should have been granted expedited service and received food stamps within seven working days. In any case, Tim should have received food stamps 30 days after he turned in his application, not 30 days after his second interview.]



### **Tishanne's Story** **Bonney Lake, Washington**

I'm receiving cash assistance and, because of this, I do work activities. These include going to a job search workshop and looking for a job. I have two-year-old twins. In order to meet my work requirements, I need child care.

I called all of the local child care centers and found that they were charging these big fees [registration fees of up to \$60 and material fees of approximately \$52 per child]. When I explained this to the welfare office, they said they wouldn't pay for these fees. Plus my kids were born premature and have special needs. So, I just couldn't find affordable child care that worked.

I explained all of this to the welfare office, but they threatened to sanction me anyway if I didn't start the work activities the following week. They never told me that the twins were eligible for special needs child care. I found out from Welfare Rights Organizing Coalition (WROC) that the welfare office was supposed to tell me about this and that they were supposed to pay child care providers more for caring for kids with disabilities. I also found out that they were supposed to pay those registration fees.

[Federal law prohibits states from sanctioning women with children under six who cannot work or complete work activities because of a lack of child care. In Washington, local welfare offices are required to provide information to clients about higher rates for special needs children. They also must tell clients the child care program can pay for registration fees.]

## Two States counsel applicants incorrectly

### Findings:

- TANF recipients were wrongly sanctioned because they could not locate child care for their children in order to complete required TANF activities.
- Medicaid applicants were told of a waiting list for services.
- CHIP, Medicaid, and Food Stamp applicants were required to watch a disparaging TANF video before they were provided with a CHIP, Medicaid, or Food Stamp application or allowed to have their required interview.

Applicants do not generally understand what they must do to apply for a support program. If welfare offices tell applicants they must do something, applicants generally do it. When welfare offices engage in diversionary practices like requiring a viewing of a disparaging TANF video or telling applicants there is a waiting list for an entitlement program, they are elongating the time it takes for applicants to access services and sometimes discouraging applicants from applying altogether. Welfare offices that wrongly terminate benefits force recipients to go without the services they need. Since welfare offices are not in the practice of informing applicants on how to appeal decisions, clients have little or no recourse to gain the benefits they deserve.

**“I had to watch a video about welfare before I could have my Medicaid interview. I didn’t understand what the video had to do with me.”**  
—Shannon; Bozeman, Montana.



### **Martha's Story** **Boise, Idaho**

I live in Boise, I'm married, and I have a 3-year-old son, Enrique. When we moved to Boise, I started working with WBW, a cleaning service responsible for cleaning the state Capitol.

Problems started happening for us in February when I got laid off from work. My husband's salary isn't enough to keep our family going. He works at Plum Creek in Meridian, but only makes \$6.98 an hour. We're living with a friend right now and we can't save enough money to be able to pay for rent and a security deposit. We have to make more money, which means I need to work. But who will look after Enrique? I need child care if I'm going to work.

I first heard about the child care program when Lolita [from Idaho Women's Network] came over to my house. I went down to the office, got an application and, when I turned it in, they told me to come back for an interview.

My husband and I went down together for the appointment. I told them about the tough situation my family was in and that I needed child care so that I could work. They told me that I couldn't qualify for child care because I wasn't working! They even told me that I should just wait to see if WBW, the cleaning

service that I was laid off from, called me to work. They said if that happened, then they would see what they could do. They told me not to fill out the application unless my boss from WBW called me back to work.

My family is totally caught in a bind. I can't work because I need to take care of Enrique. He's three. I can't leave him alone. My husband works long hours, and I have no family in the area. I have no one to help out with him.

When Lolita explained to me that state law says that if I'm looking for work, I *do* qualify for child care, I was shocked. It seems like the case workers don't even understand the law for these programs. It stinks because my family is hurting because some caseworker didn't do their homework. Or, maybe they don't really want to help us.

### **Nicole's Story** **Billings, Montana**

I have been getting work through a temporary agency when work is available. I get \$6.00 an hour. In September 1999, I went into the Medicaid office to get on Medicaid during my pregnancy and the birth of my child. When I asked at the front desk for the application, I was asked, "How many children do you have?" I answered that I was expecting my first child. The woman asked, "When are you due?" I told her that I could have the baby any time in the next two months. The woman told me that it wouldn't do me much good to apply for Medicaid because there was a six month waiting list for it. She said I could fill out the application now or wait the six months. It wouldn't really make much difference because I could not get the assistance for six months anyway. I left the office that day without filling out the application and did not have any coverage for my doctor visits or the birth.

I went to the Billings Clinic for prenatal visits and gave birth to my daughter at Deaconess Hospital on November 20, 1999. I have \$3,646.82 in bills from Deaconess. I just learned that they're not supposed to put you on a waiting list for Medicaid.

# Three

## States do little outreach

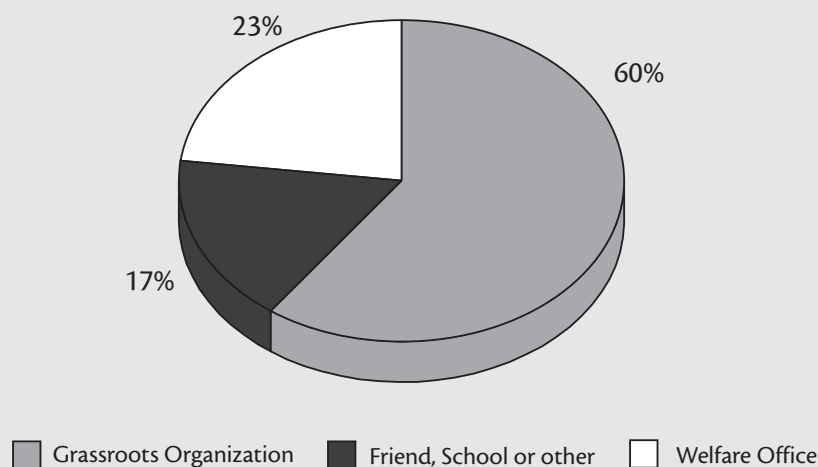
### Findings:

- Only 23 percent of applicants learned of a support program from their local welfare office or state welfare agency, although about half of the applicants were already on one income support program.
- 60 percent of applicants learned of a support program from a grassroots organization and 17 percent heard about the program through a friend or their child's school.
- 71 percent of all applicants had never seen or heard a public service or other mass outreach announcement about an income support program.

Money for outreach is available to states at little or no cost to them, but few states have aggressively engaged in significant outreach campaigns. Medicaid, CHIP, Food Stamps, and Child Care programs are not serving all eligible families. Outreach activities are critical for informing families about the availability of support programs. If families do not know that there are programs that can help, they cannot access or benefit from these programs. Yet states are not using all available resources to insure that families are informed about the support programs available to them. States can receive federal matching funds to do outreach for Medicaid and CHIP. In addition, states can also use a special \$500 million fund to ensure that families leaving welfare retain access to benefits. This fund can also be used for Medicaid outreach activities. Although the \$500 million fund has been available for over a year, as of October 1999, states had spent only 20 percent of the fund. States can also access their TANF block grant or state contribution to fund outreach activities.

**"If I hadn't talked to James [Montana People's Action organizer] I wouldn't have known about this new health care program for my daughter. I work full time, but they don't provide me or my daughter with health insurance."—Lisa; Billings, Montana.**

**Chart Six**  
**Where Applicants Learned About the**  
**Income Support Program They Applied For**





### **Vicki's Story**

#### **Kent, Washington**

I left welfare more than a year ago, and I've been working full time since then at the airport. I make \$9.00 an hour. Three of my kids are old enough to watch after themselves, but my youngest, Jaylin, is only one.

For the first year after I left welfare, I was paying for child care for Jaylin. First, my sister watched him for \$75 a week, then I sent him to a regular child care for \$125 a week. Finally, I put him in KinderCare for \$150 a week, plus \$5 a minute for every minute I am late picking him up. I can't see him as much as I want and I heard KinderCare was a good place for kids. I was really trying to save money and stay off welfare, but if you want decent child care you have to spend a lot of money.

About a year after I left welfare, I heard about the state's Child Care program from a friend of mine. All this time, about a third of my paycheck was going straight to child care! I could have been saving money if I had known I could get help paying my child care bills.

Getting child care took a lot of my time. I had to track down pay stubs and information from my last employer and they weren't very helpful. After I had my interview at the welfare office, I was very surprised to hear from WROC (Welfare Rights Organizing Coalition) that I could have had a friend take care of my kids and the state would have paid her. I would have done this last year if I had known.



### **Raymona's Story**

#### **Bozeman, Montana**

I used to work full time, but I can only work part time now because I have Fibromyalgia. Leonard, my husband, works full time, making \$7.00 an hour. With a family of six, our income doesn't go very far.

We get food stamps. When we went to re-certify for them, we also applied for Medicaid. We were denied Medicaid because of our so-called assets. They counted my retirement fund from a previous job and our vehicles as assets. The Suburban wasn't counted but our other two vehicles were. They're worth about \$1,200. We were also told that the money my daughter makes at her part-time job after school counts as an asset. My daughter is 16 years old. She goes to high school. She is in no way supporting the household!

In all of the contacts we have had with the welfare office, not once did anyone tell us that there was this health insurance program for families like ours called the Children's Health Insurance Program [CHIP]. I finally heard about it from Montana People's Action.

Our children need health insurance. Doctors' bills are expensive. How are we supposed to take our children to the doctor if they get sick? It is not right that we can be denied Medicaid and never be told about the other health care program [CHIP].

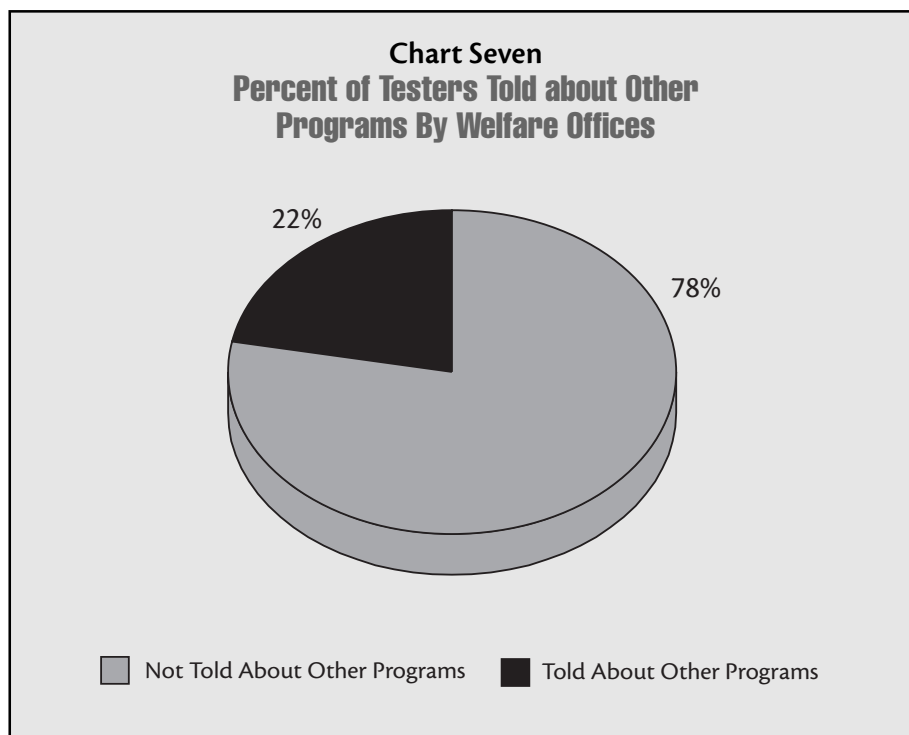
# Four States do not inform applicants of all available programs

## Findings:

- 78 percent of applicants were not told about the availability of other support programs when they applied.
- 71 percent of CHIP or Medicaid applicants were not screened for the correct program. About 25 percent of this group applied for the wrong program, were denied, and had to start again.
- Only 29 percent of those who were denied Medicaid were told about CHIP.
- 100 percent of applicants who were denied CHIP received a Medicaid application with their denial letter but were not screened and enrolled in Medicaid.
- 50 percent of applicants leaving cash assistance because of employment were not told about child care in an interview.

While income support programs like Child Care, Medicaid, CHIP, and Food Stamps are distinct programs with different eligibility rules, local welfare offices typically serve as the point of access for all programs. When welfare offices fail to inform applicants about the availability of all programs, families miss out on vital services. If a streamlined process is not in place, states operating two separate health care programs for kids risk losing children who apply for the wrong program. The Health Care Financing Administration requires states to screen and enroll children in the Medicaid program if they apply for CHIP but are eligible for Medicaid. A referral to Medicaid is insufficient.<sup>36</sup>

**“I told them I didn’t have any money to pay our hospital bills or our rent. They told me that this was where you come for food stamps, not for other stuff and that I should borrow money from a friend.”**  
—Michael ; Portland, Oregon.





### **Clarissa's Story**

#### **Missoula, Montana**

I am the mother of a very active four-year-old daughter, Alliyeah. Her father and I both work. Even with both of our incomes, my child still qualified for Medicaid until a year or so ago. I received a letter telling me that my 25-cent raise put us over the income limit. Our daughter no longer had any health coverage. We still could not afford to pay for private insurance, so we just had to hope nothing else happened.

A short while before my daughter was removed from Medicaid, we had her scheduled to go for some dental

work she needed done. Just before the appointment, she ended up with pneumonia and in the hospital. If she had not been covered at that time, we would have had a large hospital bill to deal with. Her dental work was rescheduled for after she recovered, and was eventually done. The problem now is that she is supposed to go back to the dentist for regular checkups on the work that was done, but we have not been able to take her since she lost her Medicaid coverage. The cost of a visit is just too much for us to pay.

I worry about her all the time. Alliyeah is always moving, and I worry about her getting hurt or getting sick again and the bills we would end up with if she does. I don't know how we would pay for it. I also worry about getting her dental work checked like the dentist said she needed.

It wasn't until about a month ago that I heard about CHIP [Children's Health Insurance Program] and found out that I could have health insurance for my daughter. The welfare office did not tell me about the CHIP program, but they knew that my child would qualify for the coverage. Why didn't they tell me in the letter they sent? I wish I could have known about the program before now.

# Five States do not provide limited-English speakers with adequate service

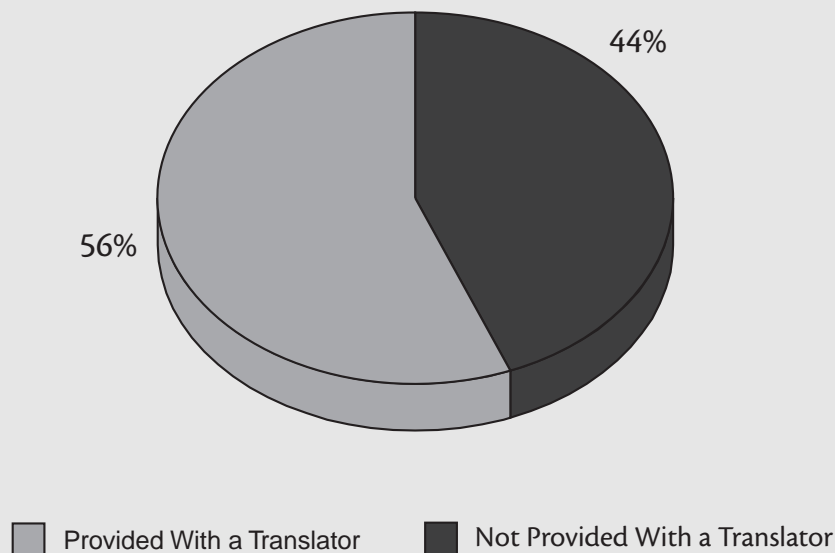
## Findings:

- 44 percent of limited-English speakers had to locate their own translator.
- 33 percent of limited-English speakers were not provided with an application in their language.
- Limited-English speakers waited, on average, three times longer than English speakers to receive an application in their language.

Applicants who do not speak English have the same right to access public assistance programs as English speakers. The Office of Civil Rights requires all agencies and entities receiving financial assistance from the Department of Health and Human Services to make reasonable efforts to provide services and information in languages other than English.<sup>37</sup> This is to ensure that limited-English speakers are informed and can effectively participate and benefit from income support programs. States can meet their obligation to treat limited-English speakers and English speakers equally by providing adequate translators, translated materials, or other services that ensure limited-English speakers can access services. Many states fail to provide even these basic services.

**“I was not given an application in Spanish and I can’t speak English. The welfare office told me that I had to get my own translator.” —Francisca; Burley, Idaho.**

**Chart 8: Percent of Limited-English Speakers Who Were Provided With a Translator**







### **Rosa's Story** **Portland, Oregon**

I recently left my husband. My three-year-old son, Oscar, came with me. Right now, we're living with friends because I don't have any money. I don't speak English.

I've never applied for public assistance programs before. When I went to the Food Stamps office to apply for food stamps, there were no signs [in English or Spanish] and so I sat down with Oscar in the waiting room. I was the only person in the waiting room.

Two workers were at the front desk less than five feet away but they did not ask me why I was there or if I needed help. After twenty minutes, Andrea [a researcher for this study, who had been waiting outside] suggested I go to the desk.

At the desk, I introduced myself, in Spanish, but neither worker understood me. So Andrea [who is bilingual] told the workers that I wanted to apply for food stamps. After that, they gave me an application in English. They told me, through Andrea, that I would have to wait three hours to turn in my application to a Spanish-speaking worker. I said I couldn't wait that long, so they told me to go to a different Food Stamps office.

At the second office, I was able to talk with a Spanish speaker pretty quickly. She gave me a new application, this time in Spanish. When I asked her for help in completing the application though, she said no. And there was no one else at the office who could help me with that.

### **Sandra's Story** **Boise, Idaho**

A couple of years ago, my husband left me. Since then, I've had to fend for myself and my three children. I have a job at Republic Packaging as a factory worker. I also clean their offices to try to make some additional money. I make about \$1,440 every month. With three kids, that doesn't go far. I have no money left after paying for food, rent, clothes and transportation.

The two older kids are in school and can take care of themselves but I have no family in the area that can take care of Jacquelyn while I'm working. I've been looking for a baby sitter but the cheapest one I can find charges \$20-\$25 a week. I can't afford this.

I found out from the Idaho Women's Network that Idaho had a Child Care Program. So I went over to the Boise welfare office to apply. After I filled out the Spanish application, the worker started asking me questions but I understand very little English. No one there spoke Spanish, so they said that they'd send over someone who spoke Spanish in two days. I wasn't sure why they needed to visit, and they weren't able to explain it to me because of the language.

Well, the worker never came. I tried calling and left lots of messages but no one got back to me. Since no one called me back, I had to take another day off work to go to the office to see what was going on. When I got there, a caseworker said "Oh yeah....right." No explanation, no nothing. Then she said, "We talked to Jose [a caseworker with the Department of Health and Welfare] and he said that you can't get child care assistance for another thirty days."

I asked the worker why, but she didn't know and neither did anyone else in the office. Then I asked if I still needed to be interviewed and she said no. She didn't even tell me why they changed their minds about the interview.

They never even told me about other programs that could help keep my daughter healthy, like CHIP [Children's Health Insurance Program]. I learned about that program from the Idaho Women's Network too. It's like they don't even care about me or my daughter.

## Six

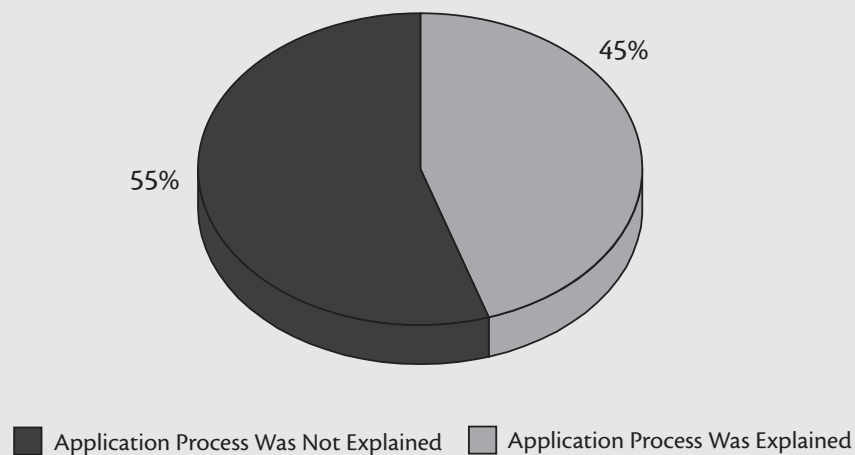
**States use a needlessly long and cumbersome application process****Findings:**

- 55 percent of applicants did not have the application process explained to them.
- Only 46 percent of Food Stamp applicants were told to submit their application on the same day they received it.
- 48 percent of applicants were not told how to submit their applications.
- 80 percent of applicants were not told which documents they needed to submit with their application.
- 77 percent of applicants were not offered help if there were errors on their applications.

Both the U.S. Department of Agriculture and the Health Care Financing Administration have urged states to simplify their application forms for Medicaid, CHIP, and Food Stamps. These federal agencies recommend that applications be as short and clear as possible and that the verification requirements be simple.<sup>38</sup> If families are intimidated by the application form or if they are put off by questions that seem unnecessarily invasive, they may be reluctant to apply and not get the services they need. Although it is only required under Food Stamp law, local offices should encourage applicants to submit their applications on the same day they receive it. For Food Stamps and Medicaid, the date the application is submitted is significant. When applicants submit an application, a deadline is set for states to provide eligible applicants with benefits. Applicants must also have sufficient information in order to efficiently complete the application process. Without complete information about the requirements, applicants cannot plan and may have to make unnecessary, repeated trips to the welfare office. In addition, welfare office workers should aid applicants if there are errors on their application to avoid requiring applicants to make another trip to the welfare office.

**“I had to ride my bike back and forth from my home to the welfare office three times to get them all of the documents they wanted. I lost a day’s pay because I missed a full day at work.” —Melissa ; Medford, Oregon.**

**Chart Nine**  
**Percent of Applicants Given An**  
**Explanation of the Application Process**





### **Anglet's Story**

#### **Columbia, South Carolina**

I have four kids: two twins, who are ten, and a twelve and fourteen year old. By the end of the month, we're always scraping to get by. It's really stressful. Last week, all we had was a little dry food. No meat or milk left.

When I applied for food stamps, the office lost all of my information: social security numbers for me and my kids, documents with signatures from my last three employers — three employers! Getting those signatures can take a day and a half riding the bus and all. When the Food Stamps office lost them, I had to start the process all over again.

The same thing keeps happening to other people I know too. My sister, Brenda, turned in her information [her monthly report] to the people at the Food Stamp office, but they said they never got it. She only found out when they cut off her food stamps. And it took forever to get it straightened out. It was their mistake, but she got punished for it.

We also get Medicaid and sometimes they put us through crazy things too. My grandson, Dominique, broke a lens in his glasses, and we applied to get a new pair. Dominique is blind as a bat without his glasses. It took Medicaid a full year to replace his glasses, and they wonder why he was doing so bad in school.

### **Phillina's Story**

#### **Missoula, Montana**

I am married and have a 13-month-old son, Lance. My husband works in construction, so his income varies with the construction season.

We were receiving cash assistance, food stamps and Medicaid until last summer, when we were given a vehicle by a relative. I reported receiving the van to the welfare office as required. I was asked to provide the registration, showing the vehicle was ours. We could not afford to put the van in our name because of the high cost of title transfer and licensing in Montana, so we were unable to register it. Because I could not turn in that particular paper, we lost our cash assistance at the end of June 1999 and our food stamps and Medicaid the next month.

I decided to re-apply later. I had not been told exactly which documents I should bring in with me, so when I went to apply, I did not have everything they required. My husband and child receive small checks each month from the tribe that they are members of. I was required to call Wyoming to get verification of these checks, even though the caseworker told me that they did not count as part of our income and would not count against us. Altogether, I paid six or seven visits to the welfare office.

When I finally had my interview, the caseworker told me that we qualified for food stamps and that she had put us on them. We thought we would be receiving the stamps in the mail, so we went ahead and paid our bills with the cash that we had, thinking we would get the stamps. They still have not come, and it has been over a month. We are now behind in our rent because we had to buy food when the food stamps did not come in. We still do not know if we are getting the stamps, the Medicaid for my son, or anything else. We have yet to hear anything at all from the welfare office.

Currently, the only way I can get any health care for my son is to drive to the free-clinic in Browning which is over four hours away. He is behind on his required vaccinations because we cannot do the drive during the week, when the clinic there is open. Plus the cost of gasoline to get there and back is not something we can really afford. I hope to hear about the food stamps and the Medicaid coverage soon so that my son can get his shots and the health checkups that he needs.

# Seven

## States are unresponsive to applicants' needs

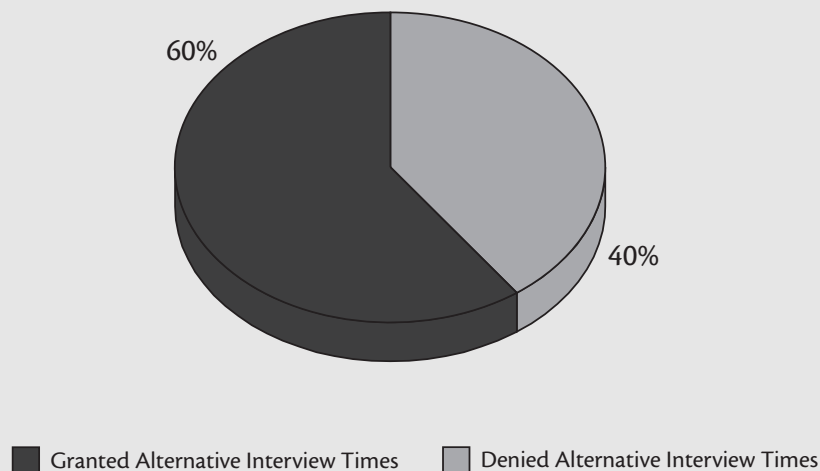
### Findings:

- 40 percent of applicants who requested alternative interview times were denied such an appointment.
- Few offices stay open on weekends or during evening hours.
- Only 15 percent of applicants were provided with a phone number to call when they needed help or of another way to get help with filling out the application.
- 37 percent of applicants did not understand where to apply when they entered the welfare office.
- 50 percent of CHIP and child care applicants were required to return to the welfare office for an interview.

Many applicants applying for support programs work at low-wage jobs that typically do not offer flexible schedules. Missing time at work means losing needed pay. It is critical that potential applicants can apply for income support programs without interrupting their work schedules. Many offices in this study do not offer applicants specific interview times. Instead, they require applicants to come during mass intake periods. In a mass intake period, people take numbers and are called for interviews. Many applicants reported waiting for several hours before they were called and, in some cases, others had to return the next day because all available interview times had filled up before they had arrived. Some states required Child Care and CHIP applicants to make an additional trip to the office to attend an interview although there is no state or federal requirement to do so.

**“My kids missed breakfast and the first two hours of school because the only time the welfare office would give me for an interview was in the early morning.” —Dannette; Portland, Oregon.**

**Chart Ten**  
**Percent of Applicants Denied Alternative Interview Times**



## **Lourdes' Story**

### **Portland, Oregon**

I'm married and the mother of two children. My husband works full time and makes minimum wage. I only speak a little English.

I went and picked up a Food Stamps application at the Food Stamps office. They gave me an appointment and told me to come back in two days. I returned to the office on my appointment day and waited two hours. Finally, someone told me that the case worker assigned to me wasn't in that day and that she was the only one who spoke Spanish and could interview me.

They gave me another appointment for the following week. I was so upset at the time that I wasn't thinking clearly, but when I got home I realized that I wouldn't be able to make the new appointment time. It was scheduled in the early morning, right when I have to get my children ready for school and then take them to school.

I tried calling many times to change my appointment. I kept getting a machine and I could never talk to a real person. I asked a friend who spoke English to call for me but she could never get a person either.

I went down to the office for an appointment as soon as I could. When I got there, they said they didn't have enough workers that day and I would have to come back. They sent everyone in the waiting room home. They told me to return the following Monday at 7:00 a.m.

I told the worker that I couldn't come that early. My husband goes to work at 5:00 a.m. and can't help me get the kids to school. The woman said they couldn't make exceptions for me or they would have to make exceptions for everyone. She told me to get a family member or a friend to take care of the kids in the morning. I told her that was a luxury that I just didn't have in my life right now. She finally agreed to let me come into the office the next Wednesday at 10:00 a.m. This will be my fourth trip to the office in just two weeks!



## **Linda's Story**

### **Little Rock, Arkansas**

I take care of my sister's daughter, AuVianna. I've been taking care of her since she was five weeks old.

AuVianna's eleven now and she's never had health insurance. I'm unemployed and so I can't afford to take her to a doctor when she gets sick. I can't do anything but try to go to the drug store and tell the pharmacist about her symptoms. I still have hospital bills from when I took her to the emergency room for an ear infection last winter. All I can pay is \$10 a month on them.

I'm trying to get AuVianna onto Medicaid. The Medicaid office says you have to get there between 7 a.m. and 11 a.m. to apply for it. The people who arrive earliest get seen first. And there are so many people that really you have to be there at 7 a.m. The first time I tried, I went there at 10 a.m. and they told me there was no use putting my name on the list to be seen that day because there were so many people ahead of me. I have to drop AuVianna off at school at 7:15 a.m. How can I get there at 7:00?

# Eight

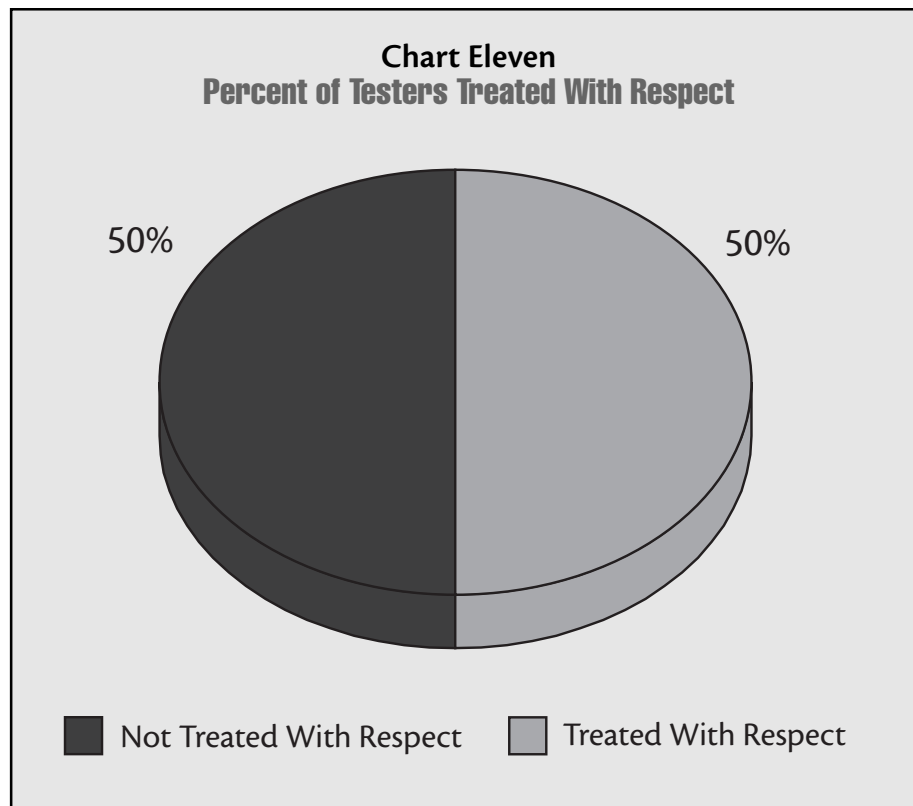
## States do not treat applicants with dignity and respect

### Findings:

- 50 percent of applicants felt they were not treated with respect.
- Applicants gave front desk staff at welfare offices an average rating of “not helpful.”
- 26 percent of applicants said the front desk staff made the enrollment process more difficult.
- Only 19 percent of applicants were asked if they had any questions about the application process.

Applicants form many of their opinions and attitudes about income support programs from their interactions with welfare offices. Negative experiences sour applicants and can discourage them from completing the lengthy enrollment process. Poor treatment also can deter applicants from fully understanding the application process, creating more confusion and problems for the applicant. Applying for public assistance programs can be a disheartening experience for some applicants; disrespectful treatment only compounds the problem.

**“The system is emotionally abusive. I’ve been discouraged from going to school. I’ve been working at Taco Time for the last year and there’s no future for me and my kids there.”—Wyconda; Rainer, Washington.**





### **Toni's Story**

#### **Bozeman, Montana**

My job provides health insurance, but the premiums are so high that we don't have the money to add my husband, Jesse, and my son, Andy. Jesse has diabetes which lands him in the hospital every so often and leaves us with huge hospital bills that we can't pay. Andy is not sick now, but I worry all the time about what will happen if he does get sick.

We thought we might qualify for Medicaid, so I went in to apply. When I got to the office, before they would give me an application form, I had to watch a video about welfare and how it's bad. Only then did they give me the application.

They told me that I had to come back for an interview. I asked to make an appointment outside my work hours, but the woman at the front office said that appointments are only at 8:00 a.m. and 10:00 a.m., and that was that. It will mean losing pay that my family needs. We really can't afford it.

I did not like how we were treated at the welfare office. Their mannerisms make you feel like you are bothering them and that you are wasting their time. I'm a mom who wants to make sure her family is healthy. Why do they think that's a waste of their time?



### **Sean's Story**

#### **Portland, Oregon**

I live with my wife and one-year-old son in Portland. I used to work at the Post Office but I decided I should get my GED so I can make more money for the family.

We don't have a car, so my family and I walked to the nearest Food Stamps office, the Albina one. When we got there, they gave us a form and told us to turn it in at the Broadway office which is about 30 minutes from our home. We can't afford a car. Our only transportation is a tandem bicycle. I explained this but they just said we had to go to the Broadway office.

I managed to get to that office to turn in the application and do the interview. During the interview, they told me that the Food Stamp program was not meant for me and my family and they really could not give us any help. She suggested that I go back to the Post Office and give up my interest in a GED. Then they told me that they'd give me six weeks to finish my GED because "the AFS office was not going to support my education." They also told me that my family should move out of our place for a cheaper apartment.





## Solutions

### What Federal Agencies Can Do to Increase Access to Supports for Low-Income Families

This report shows significant problems in the implementation of low-income support programs by state agencies. In some cases, state practices are in clear violation of federal law. There are a number of steps that federal agencies can take to address this problem.

#### Food Stamps: Food and Nutrition Service, U.S. Department of Agriculture

States are violating existing federal laws protecting people's right to apply for food stamps. Procedures for applying are absurdly complicated in some states. And many states have adopted a culture of intimidation that prevents eligible families from applying. In addition, precipitous drops in food stamp enrollment in recent years suggest that many poor families were improperly dropped from food stamps when they left welfare. The USDA has proposed food stamp regulations that go in the wrong direction, making it significantly harder for poor families to get on food stamps and harder for them to stay on food stamps.

We believe that the USDA must make changes that open up access to food stamps to eligible families. Specifically, the USDA should:

1. **Retain existing food stamp regulations that protect access to benefits for low-income families.**

This report shows that access to food stamps needs to be streamlined. The proposed regulations com-

ing out of the Department go in the wrong direction, and represent an unprecedented retreat from the protections that low-income families now enjoy.

The most disturbing aspect of the proposed rules is the wholesale changes to the procedures that low-income households must follow to obtain food stamp benefits. If these rules become final, they will be a major setback to families attempting to access the Food Stamp program. The changes would make it more difficult for people to apply for and get on food stamps. In addition, the changes would make it more difficult for people to stay on food stamps and not lose food stamps when, for example, their cash assistance stops.

The following are examples of the proposed changes that would greatly reduce access to food stamps. These provisions:

- eliminate of the requirement that states inform people about their right to apply for food stamps immediately;
- result in more frequent re-certifications of low-income families;
- allow states to arbitrarily shorten re-certification periods if they believed a family had "unstable income" (but perversely not allow agencies to lengthen recertification periods);
- weaken the provision requiring states to encourage poor families to apply for benefits on the same day that they seek assistance (benefits are calculated from the date of application); and
- make "home visits" of food stamps recipients more prevalent.

2. **The USDA must change aspects of the proposed food stamp regulations that would reduce access to food stamps for immigrants.** The rules also contain a number of provisions implementing the restrictions on food stamps for legal immigrants from the 1996 federal welfare law and subsequent amendments. Several of the immigrant-related provisions would make it harder for eligible immigrants and citizen children of immigrants to access food stamps. One of the most troubling of these provisions is one that would count the income of a sponsor of an immigrant who is ineligible for food stamps in determining the food stamp eligibility and benefit level of citizens (and other immigrants without sponsors) who live with the sponsored immigrant. If adopted, this rule would result in the denial of food stamp benefits to thousands (and over time, perhaps hundreds of thousands) of citizen children and eligible immigrants.
3. **The USDA should require states to find and reinstate all the low-income families who have been, and continue to be, improperly terminated from food stamps when they leave welfare.** Numerous studies have found that the precipitous declines in food stamp enrollment are due in part to the failure of states to realign computer and other systems to maintain access to food stamps for poor families who leave welfare. Nearly all of these families continue to be eligible for food stamps because their incomes are still low.

In response to this problem, the Health Care Financing Administration recently ordered states to reinstate families who improperly lost their Medicaid when they left welfare. The USDA should issue a parallel order with respect to the food stamp program.

- **The USDA should require states to recertify low-income people for their eligibility for food stamps only once a year.** The three-month recertification period that some states have adopted deters people from seeking food stamps. People should be able to report their income on a quarterly basis by phone or by mail and should not have to go into a food stamp office to do so.
- **The USDA must dramatically increase its audits of states for compliance with federal law and must better enforce existing protections for low-income families.** The USDA does regular audits of states to monitor their compliance with federal laws and regulations. Our experience and our study show that these violations are the norm, not the exception. The Department must greatly increase its monitoring of state practices, and audits should always include actual visits to food stamp offices as well as consultations with low-income community organizations and low-income people.

### **Medicaid and CHIP: Health Care Financing Administration, U.S. Department of Health and Human Services**

States are deterring access to Medicaid, in many cases in clear violation of federal law, and they are illegally dropping families from Medicaid when they leave welfare. In addition, children are not being enrolled in children's health programs because of burdensome and unnecessary requirements. In some cases, states are discriminating against poor children—who are hassled when they try to get Medicaid—while making access to CHIP easier for moderate income kids.

We commend HCFA for taking a number of steps recently to improve access, including ordering states to reinstate families who are improperly dropped from Medicaid when they leave welfare. We strongly support the Administration's proposals to restore Medicaid to some immigrants and to expand Medicaid to cover the working poor. However, much more needs to be done.

Specifically, we ask that HCFA:

1. **Better monitor state practices**
  - HCFA should collect data on access and enrollment by race and make that information public.
  - HCFA should also do an annual report card that grades the states' performance in simplifying enrollment procedures for Medicaid and for CHIP.

- HCFA should monitor state compliance with the April 7, 2000, HCFA order that states reinstate all low-income families who were illegally dropped from Medicaid when they left welfare.
2. **Enforce provisions of existing law that prevent states from discouraging applications by asking for unnecessary information. HFCA should:**
    - Require states to remove questions about parents' social security numbers on CHIP applications. Or, at a minimum, require states to indicate that answers to the question are optional. Making disclosure of social security numbers mandatory, or giving the impression that such disclosure is mandatory, discourages immigrant families from accessing benefits.
    - Similarly, HCFA should require states to eliminate the question on application forms about "absent parents" or, at the very least, require states to indicate that answering this question is optional. For women coming from domestic violence situations, this question is a real deterrent to applying for benefits.
  3. **Mandate that states adopt best practices to enroll eligible low-income families. HFCA should:**
    - Prohibit home visits unless there is compelling and specific information regarding fraud. Home visits are a form of intimidation, and there is no need for them to verify eligibility.
    - Not approve any state plan requiring that kids be uninsured for the prior 12 months before they can enroll in CHIP.
    - Mandate translation services for applicants who need them.
    - Mandate that all states redetermine eligibility for Medicaid every 12 months. Prohibit states from requiring redeterminations every three or six months.
    - Require states to drop monthly and quarterly reports from families unless the states can show that these reports promote rather than hinder eligibility of low-income families.
  4. **Mandate that states reduce burdensome procedures that keep low-income families from getting health insurance.** Because Medicaid is an entitlement for eligible families and families have a "right to apply," we believe that HCFA has broad authority to define procedures that amount to illegal discouragement by states. HCFA should issue regulations or guidance to states that prohibit unduly short office hours, long application forms, and burdensome income verification requirements that amount to "discouragement."
    - Put out guidance specifying how caseworkers should be trained by the states.

### **Child Care: Administration for Children and Families, U.S. Department of Health and Human Services**

Nationally, a small fraction of families eligible for child care assistance are getting help. This is due in part to a shortage of funds, but also to the failure of states to inform low-income families that they are eligible for them.

1. **ACF should include states' performance on child care enrollment among the criteria used to determine which states receive the TANF "high performing" bonus.**
2. **ACF should require states to do affirmative outreach informing families of their eligibility for child care subsidies.** Millions of poor families are unaware that they are eligible for child care assistance.
3. **ACF should require states to inform welfare recipients at every contact with the welfare agency that they may not be sanctioned for failure to comply with a work requirement if they have a child under six and appropriate child care is not available.** The federal welfare law specifically prohibits states from sanctioning single parents with children under six years of age if they are unable to find appropriate child care, and gives HHS authority to enforce

this provision. Yet, poor women are never told of this provision. They are forced to choose between leaving their children in child care situations which may be unsuitable or unsafe and complying with a work requirement. ACF should aggressively monitor and enforce this provision of law.

**4. ACF should monitor state performance in providing child care to low-income families.**

- ACF should do an annual report card on state performance in streamlining application and enrollment in child care.
- ACF should collect information on enrollment in child care programs by race and make that information public.

**5. ACF should mandate translation services for people who need them.**

## Conclusion

Preliminary data from the testing projects show that, to enroll in Medicaid, CHIP, Food Stamps, and Child Care Programs, families must run a world-class obstacle course. For starters, they must discover—despite a lack of state attempts to inform them—that the programs exist and that their family may, in fact, be eligible for them. If they make it past this hurdle, they must then sacrifice considerable amounts of time, wages and self-respect, as state-run programs subject them to needlessly long application processes, processes in which they must present frequently superfluous and hard-to-get documentation, sit through long waits, and then be interviewed by impolite and judgmental workers. If they are able to make it past these obstacles, the states may then present them with inexplicable denial letters and a lack of counseling about how to understand and appeal such denials and to exercise other rights which are theirs under law.

The end result is that large numbers of people do not apply or do not succeed in applying for programs for which they are perfectly eligible and, as a consequence, must go without badly needed food, health care, and child care. State practices—practices based on pervasive lawlessness and a culture of indifference, arbitrariness, and intimidation—divert large numbers of families away from the very programs purportedly designed to serve them.

The solutions proposed in this report include actions that federal agencies can take under current law to help stop state lawlessness and other diversion practices. These solutions will bolster the rights and protections accorded families under current law by rewarding states who do right by these families and by discouraging states from continuing with bad and unlawful practices. It is the responsibility of states to implement support programs in an effective and lawful manner. It is the responsibility of federal agencies to help them do so.



## Appendix: RESEARCH METHODS

**T**his report is based on the data collected to date from Phase I of the National Breaking Barriers Study. The objective of the study is to determine what, if any, impediments community members experience as they try to access support programs.

Data are derived from testing projects in six states: Washington, Arkansas, Oregon, South Carolina, Idaho and Montana. In a testing project, a pool of community members who are eligible for one or more of the support programs is identified. Using standardized questionnaires, researchers systematically document the experiences of these community members as they apply for one of the programs. The first report applying the testing methodology to the public benefits context was conducted in Idaho in 1999 by the Idaho

Community Action Network and the Northwest Federation of Community Organizations (NWFCO).

As of May 2000, all six testing projects in Phase I are underway or completed. In Oregon and South Carolina, testing focuses on food stamps. In Washington and Idaho, the focus is on child care. In Arkansas and Montana, the focus is on Medicaid and CHIP. Thus far, 78 testers—40 people of color, 38 whites—have completed the testing projects in these states. The findings of the report are drawn from the data collected on these testers.

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*Phase II of the National Breaking Barriers Study will begin in the summer of 2000 with a second round of testing projects.*

# Endnotes

- <sup>1</sup> "What Did Welfare Reform Do to Medicaid in Your State and What Can You Do About It? An Action Kit for Advocates," Families USA, January 2000. See 42 CFR 435.911 and 42 CFR 435.903.
- <sup>2</sup> Ibid.
- <sup>3</sup> "Food Stamp Program: Various Factors Have Led to Declining Participation," General Accounting Office, July 1999. GOA/RCED-99-185, p. 26.
- <sup>4</sup> In this section, data on welfare leavers are drawn from state studies. These are the best data available, since, to date, no comprehensive, national survey of welfare leavers has been completed.
- <sup>5</sup> "Recent analyses have reported that, after leaving TANF, the likelihood that children receive Medicaid falls, and most adults stop receiving Medicaid; similarly, studies report that most TANF exiters are no longer receiving food stamps." Rachel Schumacher and Mark Greenberg, "Child Care After Leaving Welfare," Center for Law and Social Policy, October 1999, p. 22.
- <sup>6</sup> The survey referred to is the 1997 National Survey of America's Families. The particular program in question was Food Stamps. This statistic is all the more telling when we consider that many of these families who left the program were still plagued by high food insecurity. (Among such families, a third reported severe difficulties in affording food.) Sheila R. Zedlewski and Sarah Brauner, "Are the Steep Declines in Food Stamp Participation Linked to Falling Welfare Caseloads?" The Urban Institute, November 1999.
- <sup>7</sup> Schumacher and Greenberg, p. 6.
- <sup>8</sup> Ibid.
- <sup>9</sup> Ibid.
- <sup>10</sup> While "not all families need child care assistance, and one would not expect utilization to approach 100%, these figures suggest that a significant number of families that could benefit from child care assistance after leaving welfare are not receiving that assistance." Schumacher and Mark Greenberg, pp. i-ii.
- <sup>11</sup> Sheila R. Zedlewski and Sarah Brauner, "Are the Steep Declines in Food Stamp Participation Linked to Falling Welfare Caseloads?" The Urban Institute, November 1999.
- <sup>12</sup> Ibid.
- <sup>13</sup> Food Stamp participation from <<<http://www.fns.usda.gov/pd/fsfyhh.htm>>>.
- <sup>14</sup> Mark Nord, Kyle Jemison, and Gary Bickel, "Prevalence of Food Insecurity and Hunger, by State, 1996-1998," Food and Rural Economics Division, Economic Research Services, U.S. Department of Agriculture, 1999.
- <sup>15</sup> Joseph Dalaker, "Poverty in the United States 1998," Current Population Reports, U.S. Department of Commerce, Economics and Statistics Administration, and U.S. Census Bureau, 1999. Food Stamp eligibility is based on factors other than income, including assets, work requirements, immigration status, income deductions, and others. Food Stamp participation rate from <<[www.fns.usda.gov/pd/fsfyhh.htm](http://www.fns.usda.gov/pd/fsfyhh.htm)>>.
- <sup>16</sup> Ibid.
- <sup>17</sup> <<<http://www.frac.org>>>.
- <sup>18</sup> Ibid.
- <sup>19</sup> Ibid.
- <sup>20</sup> Medicaid provides services for many different groups of people; this report focuses on barriers preventing low-income parents from applying for Medicaid for their children.
- <sup>21</sup> Also, at a minimum, low-income families with children that meet the income, resource and family



- composition rules that were in effect under the state's AFDC plan as of July 16, 1996, are also eligible for Medicaid. In addition, states can expand this low-income family coverage beyond the minimum requirements.
- <sup>22</sup> "One Out of Three: Kids without Health Insurance 1995-1996," Families USA, March 1997.
- <sup>23</sup> 1999 Current Population Survey estimates show that there are 11.5 million uninsured children.
- <sup>24</sup> Victoria Pulos, "One Step Forward, One Step Back: Children's Health Coverage after CHIP and Welfare Reform," Families USA, October, 1999.
- <sup>25</sup> Estimate of number of children eligible for CHIP from analysis of the 1999 Current Population Survey conducted by the Center on Budget and Policy Priorities. The eligibility figures provided for both Chart Two and Chart Three reflect the number of uninsured children in 1998 who would have been eligible for coverage under the income thresholds used by states in November 1999 or under income thresholds slated to go into effect in early 2000. They do not take in account that some children who are income-eligible for coverage may be ineligible based on other factors, such as their immigration status or their families' assets. Note also that it is possible that some of these uninsured children may have been enrolled since 1998. Number of children enrolled in CHIP for fiscal year 1999 from "State Children's Health Insurance Program Annual Enrollment Report," Health Care Financing Administration (HCFA), October 1, 1998, to September 30, 1999.
- <sup>26</sup> Estimate of number of children eligible for Medicaid from analysis of the 1999 Current Population Survey conducted by the Center on Budget and Policy Priorities. See endnote #25. Number of children enrolled in Medicaid for fiscal year 1999 from Matthew Broaddus, Center on Budget and Policy Priorities, personal communication, April 18, 2000.
- <sup>27</sup> "Access to Child Care for Low-Income Working Families," Administration for Children and Families, U.S. Department of Health and Human Services, Washington, D.C., n.d. <<<http://www.acf.dhhs.gov/programs/ccb/reports/ccreport.htm#1>>>.
- <sup>28</sup> Ibid.
- <sup>29</sup> Ibid.
- <sup>30</sup> Ibid.
- <sup>31</sup> Ibid.
- <sup>32</sup> Schumacher and Greenberg, p. 19.
- <sup>33</sup> "Access to Child Care for Low-Income Working Families," Administration for Children and Families, U.S. Department of Health and Human Services, Washington, D.C., n.d. <<<http://www.acf.dhhs.gov/programs/ccb/reports/ccreport.htm#1>>>.
- <sup>34</sup> Ibid. The 15% figure represents the percentage of children served under state rules in effect in October 1997. The number would be even lower if the income eligibility ceiling of the states actually corresponded to the ceiling permissible under federal law, namely below 85% of the state median income.
- <sup>35</sup> Community organizations recruited testers in a variety of ways, including door-to-door canvassing, reaching into their existing membership, and visiting supermarkets or other community gathering places. Testers are not counseled about the enrollment process. However, in some cases community organizations provided transportation. Researchers also aided limited-English speakers when the welfare office did not provide a translator or when applicants could not read or understand the application form.
- <sup>36</sup> Nancy-Ann Min DeParle, Administrator, Health Care Financing Administration (HCFA), letter to state health officials, January 23, 1998.
- <sup>37</sup> "Title VI Prohibition Against National Origin Discrimination: Persons with Limited-English Proficiency," Guidance Memorandum, Office of Civil Rights, U.S. Department of Health and Human Services, January 29, 1998.
- <sup>38</sup> Dan Glickman, United States Department of Agriculture, letter to Governors, July, 12 1999. Nancy-Ann Min DeParle, Administrator, Health Care Financing Administration, letter to state health officials, January 23, 1998.



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