

ACCESSING THE SAFETY NET:

ADMINISTRATIVE BARRIERS

TO PUBLIC BENEFITS

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Accessing the Safety Net: Administrative Barriers to Public Benefits in Metropolitan Chicago is dedicated to the memory of **Andrew J. Cohen**, Supervising Attorney of the Public Benefits Hotline. Andy's hard work and dedication helped make the Public Benefits Hotline a source of inspiration and hope for low-income people throughout the Chicago area.

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*We are pleased to present **Accessing the Safety Net: Administrative Barriers to Public Benefits in Metropolitan Chicago.***

This study is based on data collected from people who called the Public Benefits Hotline at the Legal Assistance Foundation of Metropolitan Chicago (LAF) between August of 2000 and July of 2001. In that time period - three years into the process of moving poor families from welfare to work - "welfare reform" should have been operating relatively smoothly. The rules for the various benefit programs had stabilized. The Illinois Department of Human Services (IDHS) as well as its clients had time to grow accustomed to new rules and procedures. Federal and state governments were operating with surpluses.

*Unfortunately, **Accessing the Safety Net** shines a light on a system beset with problems:*

- *Work requirements misinterpreted to penalize adults caring for young children or family members with disabilities.*
- *People routinely sanctioned for missing appointments about which they never received notice.*
- *Frequent redeterminations of eligibility plagued by lost paperwork and resulting in erroneous cut-offs.*
- *Students and trainees told to drop out of programs designed to improve their job skills and instead required to take low-wage, dead-end jobs.*
- *People with jobs sanctioned for not attending job-training programs.*
- *And over and over again, a system unable to acknowledge or correct administrative mistakes.*

Since 2000-2001, the situation has gotten worse as there has been growing pressure on the IDHS system. Food Stamp and Medicaid cases have been growing significantly in recent years, with Temporary Assistance for Needy Families (TANF) caseloads beginning to rise more recently. At the same time the number of caseworkers in the local offices has plummeted so that caseloads of 1200-1500 cases per worker have become common. In 1997, the Public Benefits Hotline handled 1500 calls; by 2004 it was handling more than five times that number - many from people who could not get through to their caseworkers, no matter how hard they tried. Phones in the IDHS

local offices are not answered; voice mailboxes are full; fax lines are busy; and walk-ins are told they cannot be seen, even to drop off documents or fill out an application form. The needs of the caseload have grown while resources to meet those needs have dwindled. Growth in the number of families who report having "no work and no welfare" also contributes to concerns that the system is not responsive to client needs.

***Accessing the Safety Net** is a snapshot view of the public benefits system in Illinois, taken at a time when conditions for fair, accurate, and timely determinations were significantly better than they are now. Even then, the chance that an eligible family would be denied benefits, or a family receiving benefits would have them cut arbitrarily, was much too high. It often took experienced Hotline advocates multiple phone calls to get anyone to look at, much less resolve, problems. Since then, the system has deteriorated.*

*The problem is not with individual recipients who "game" the system, nor with individual caseworkers that make mistakes in handling particular cases. The problem is with the system itself - its inability to function in an efficient manner and its inability to correct mistakes and ensure benefits to eligible people. The recommendations from **Accessing the Safety Net** - from improving local office procedures and the administrative infrastructure to using external monitors as agency watchdogs - are as valid and critical today as they have ever been.*



Sheldon Roodman

Executive Director, Legal Assistance Foundation of Metropolitan Chicago



Wendy Pollack

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RESEARCH BRIEF

Accessing the safety net: Administrative barriers to public benefits in metropolitan Chicago

By Evelyn Z. Brodtkin, Carolyn Fuqua, Elaine Waxman

Public benefits are the centerpiece of the social safety net. For lower-income families and individuals in the Chicago area, access to benefits helps them keep a roof over their heads, put food on the table, and obtain medical care for themselves and their children. When potentially eligible individuals cannot access these benefits, they and their families are placed at risk, and programs created to assist those in need cannot fulfill their promise.

*This brief highlights findings from a research report, **Accessing the Safety Net: Administrative Barriers to Public Benefits in Metropolitan Chicago**. The report documents administrative obstacles limiting access to the three*

major federal benefit programs: Temporary Assistance for Needy Families (TANF), Food Stamps, and Medicaid. The report reveals a record of administrative disorganization, delay, miscommunication,

and processing hassles encountered by area residents seeking benefits from the Illinois Department of Human Services (IDHS), the agency responsible for providing benefits. The report also highlights limitations in IDHS' internal mechanisms for identifying and correcting errors.

Accessing the Safety Net presents a detailed analysis of data from the Public Benefits Hotline Research Project pointing to systemic problems in the administration of public benefits. These administrative problems amount to more than mere inconvenience. When they prevent Chicago-area residents from accessing benefits that the law provides, they contradict the intent of federal safety-net programs designed to help lower-income families and individuals.

BARRIERS TO

PUBLIC BENEFITS

AMONG THE REPORT'S KEY FINDINGS:

- **Routine problems in case processing impede access to benefits.** These problems include lost and mishandled paperwork, incorrect provision of information, confusion over scheduling of appointments, miscommunication between agency staff and clients, and miscommunication among different IDHS units.
- **Verification rules, used to document eligibility for benefits, are administered in ways that create a tangle of red tape for Chicago-area residents seeking public benefits.** Mismanagement of the verification process incorrectly delays or denies access to benefits when demands for documentation are excessive, documents from clients are mishandled, and caseworkers fail to comply with regulations requiring them to help clients obtain documents, especially papers that are beyond clients' personal control (for example, birth records from other countries or records from former employers).
- **Confusion and error in the management of work requirements in the TANF program, and to a lesser degree in the Food Stamp Program, create barriers to accessing benefits.** Problems include the incorrect application of rules, confusion over verification of employment, and failure to adjust records to reflect changes reported by working clients in their wages and hours.
- **IDHS processes for identifying and addressing administrative errors are often slow, cumbersome, and inadequate.** Problems include the failure to answer telephones, delay and confusion in responding to requests for help or information, and confusion over the location and accuracy of case information.
- **Difficulties accessing benefits were most acute in the TANF program.** Although smallest in caseload size of the three major benefit programs, it generated nearly half of all calls to the Public Benefits Hotline.
- **Administrative barriers to access may have contributed to the dramatic drop in welfare caseloads by excluding eligible families unable to surmount procedural obstacles and red tape.** An analysis of Hotline data shows a statistically significant relationship between the volume of calls registering problems accessing benefits and variation in local office TANF caseloads. This relationship holds after controlling for other factors that could explain variation in local office caseload dynamics.

Administrative barriers to access may have contributed to the dramatic drop in welfare caseloads.

THE PROJECT

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 initiated wide-ranging changes in safety-net programs. The most well known of the Act's provisions created the TANF program, which introduced new work requirements intended to reduce welfare caseloads. These and other changes in federal legislation complicated state administration of public benefit programs. For example, new TANF work rules made state welfare agencies responsible not only for financial eligibility procedures but also for the implementation of complex requirements concerning work and the provision of work-related services and supports.

The Food Stamp Program and Medicaid became less closely linked to public assistance and required new procedures to provide benefits to lower-income families no longer receiving TANF. The challenge for Illinois and other states has been to adapt administrative systems to manage these safety-net programs in order to maintain their integrity and also reach those that the programs are intended to help.

The Public Benefits Hotline Research Project was designed to assess the state's administrative response to welfare reform by analyzing records compiled by the Public Benefits Hotline, operated by the Legal Assistance Foundation of Metropolitan Chicago.¹ The Hotline was set up in 1997 to assist Cook County residents encountering difficulties in navigating the state's public benefits system in the postreform period. Callers contacting the Hotline through a toll-free number receive advice, administrative advocacy, and legal representation. In its first five years the Hotline received more than 26,000 telephone calls and handled more than 10,000 cases.

Hotline records document problems encountered by metropolitan Chicago residents seeking access to public benefits. They illuminate some of the rarely seen day-to-day workings of the complex administrative system that is the gatekeeper to public benefits. *Accessing the Safety Net* reports

on the analysis of these Hotline records and the story they tell about difficulties in obtaining benefits in the Chicago area. Although the full extent and scope of these problems cannot be definitively assessed on the basis of Hotline data alone, this report's findings shed new light on systemic problems in the benefits system.²

Accessing the Safety Net analyzes Hotline cases for a one-year period between August 1, 2000 and July 31, 2001. This period—three years after major changes were initiated under the rubric of welfare reform—was selected in part to exclude unique start-up difficulties that might be expected in the first years of implementation. The study year also excludes subsequent changes, particularly extensive agency downsizing that in recent years has increased the workload of frontline staff and thus increased the potential for administrative error. This project was designed to offer a view of an "ordinary" year, when researchers could get a sense of basic administrative practices relevant to periods preceding and postdating the study.

Significantly the study year targets the midpoint of a dramatic decline in TANF caseloads. In the five years following the 1997 implementation of welfare reform in Illinois, TANF caseloads declined 69 percent statewide and 65 percent in Cook County.³ During the year of the Hotline study, the Cook County caseload declined approximately 15 percent, accounting for nearly one-quarter of the five-year caseload decline.

There has been considerable speculation, but limited evidence, as to whether administrative barriers might be associated with this caseload decline—that is, whether and to what extent caseloads might have been reduced by preventing access to potentially eligible families. The data collected for this report offer new insights into the role that administrative obstacles might have played in bringing the caseload down.

In its first five years the Hotline received more than 26,000 telephone calls . . .

THE ISSUES

The central concern of this research project is to draw attention to the ways in which administrative systems interact with individuals to facilitate or impede access to public benefits. In general, benefits administration walks a fine line between prudent protection and prohibitive practices. Prudence is necessary to protect against misuse of public funds. However, practices become prohibitive when they discourage or deny access to those whom the programs are intended to serve.

Obstacles to access may occur for a variety of reasons. They may be an intentional part of policy design, for example, imposing work requirements to

discourage welfare use and promote work. By contrast, the administrative barriers that are the focus of *Accessing the Safety Net* are those created, not

directly as a matter of policy, but indirectly as by-products of malfunctioning administrative systems

This study highlights administrative practices that discourage or deny benefits despite formal policy or legal eligibility, among them:

- procedural requirements that are overly burdensome, confusing, or misapplied;
- administrative disorganization that prevents individuals from navigating their way through the benefits system; and
- delay, unresponsiveness, and administrative confusion that prevent individuals from obtaining accurate and timely information or redressing agency errors.

When such problems occur occasionally, as a matter of caseworker error or unique circumstance, they constitute a problem in that case, but not for the system itself. The only systemic issue is whether the agency is responsive when it needs to correct individual case errors. However, these problems create systemic barriers to access when they occur routinely and become virtually embedded in day-to-day practice.

One way to get a sense of how mundane administrative difficulties can confound individuals is to consider what it may require for consumers to sort out errors in their telephone or utility bills, obtain benefits from their medical or auto insurance carrier, or get responses from their cable company or computer tech line. Many people have had the experience of attempting in vain to work their way through long and convoluted voice mail systems, find someone with both the knowledge and authority to correct problems, respond to demands for documents to prove a claim, or wait for service appointments. These commonplace experiences can leave individuals frustrated and, except for the most skilled and dogged, without much hope of satisfaction.

In the case of public benefits, far more is at stake, namely, access to the safety net that may be the last recourse for lower-income families and individuals. When administrative inadequacies and hassles grow beyond a mere nuisance to become structural obstacles, they work against the intent of safety-net programs. In practical terms, they block access to benefits by making the processes of obtaining or retaining benefits so complicated, difficult, and uncertain that individuals cannot navigate through them.

Problems create systemic barriers to access when they occur routinely and become virtually embedded in day-to-day practice.

MAJOR FINDINGS

Accessing the Safety Net presents a detailed picture of administrative difficulties faced by Chicago-area residents seeking access to the three major benefit programs (TANF, Food Stamps, and Medicaid).⁴ The largest number of Hotline callers, 46 percent, reported problems with TANF and related benefits, 33 percent reported problems with Food Stamps, and 21 percent reported problems with Medicaid-only. Hotline data reveal patterns of administrative disorganization, confusion, inaccuracy, and nonresponsiveness across all programs, although specific difficulties varied among programs.

Findings reported in *Accessing the Safety Net*, and summarized in this research brief, highlight major areas in which administrative performance creates barriers to accessing benefits. An analysis of Hotline data also suggests that problems are most acute in the TANF program and may have contributed to the decline in TANF caseloads.

Problems reported to the Hotline are divided into three general categories of administrative practice: case processing, verification, and application of work requirements. Each category is composed of specific types of problems, presented in detail in the full report. Key findings within each of the three general categories are summarized below.

1. Routine problems in case processing impede access to benefits.

Case processing includes a variety of tasks necessary to ensure proper access to benefits, among them, processing documents, giving information to clients, applying policy to individual cases, managing paperwork and case records, scheduling appointments, and interacting with clients. Breakdowns in case processing make it difficult for families and individuals to access benefits, whether attempting to obtain new benefits or retain existing ones.

- Case processing, as a general category of administrative problems, dominated across all three of the major public benefit programs. Difficulties with case processing accounted for 59 percent of all problem reports.⁵
- The most common case-processing difficulty reported to the Hotline involved records management, essentially the basic paperwork functions of any benefits program. Callers to the Hotline reported mishandled and lost paperwork, miscommunication about what forms and documents were needed, and files apparently lost in transfers among different parts of IDHS. Among case-processing problems reported to the Hotline, 37 percent involved confusion and conflict over record keeping.
- The second most common case-processing problem (19 percent) involved access to reliable information. Individuals seeking benefits called the Hotline for help when they could not get information from IDHS caseworkers or the information was confusing or inaccurate.
- The third most common case-processing difficulty reported to the Hotline involved scheduling appointments (13 percent). Case records show that mundane scheduling difficulties can have serious consequences for applicants. For example, caseworkers' failure to keep appointments can frustrate applicants and, at minimum, delay access. Recipients risk losing access when confusion over notification of appointments, miscommunication, excessive or unnecessary demands for meetings, and scheduling conflicts (with work, child care, or medical treatment) are not accommodated by IDHS.

Although one may be inclined to think of case processing as mere "paper pushing," it is a crucial function in determining whether access to benefits will be relatively simple, difficult, or virtually impossible. An example from the Hotline files illustrates how these problems can jeopardize the already fragile existence of lower-income families.⁶

Denial by Disorganization

Ms. Lake received Medicaid for herself and her infant. When they moved to a shelter, she requested that her case be transferred to a local office nearer the shelter. Shortly afterward, she went to her original office to apply for TANF and Food Stamps, but was not allowed to apply at that office or at the new one until her case had been formally transferred.

Contacted by a Hotline advocate, an IDHS supervisor acknowledged that the application should have been taken, and she agreed to attend to it herself. But before the supervisor could do so, Ms. Lake received a letter indicating that her case had been transferred to yet another office. When she went to that office to apply for benefits, her application was again refused because her file had not yet been transferred. Over the course of the next week, in response to repeated calls from the Hotline advocate, caseworkers attempted to track the file in four different local offices. Eventually, a supervisor in one of them agreed to take the application even though the file still had not arrived.

2. *The administration of verification rules is often mishandled, creating barriers to Chicago-area residents seeking TANF, Food Stamp, and Medicaid benefits.*

Individuals seeking access to new benefits or retention of current benefits must be able to document multiple aspects of their eligibility. The number of verification documents required can range from a mere handful to more than a dozen, including birth information for each child, rent receipts, wage stubs, employer letters, evidence of school attendance, medical records, and proof of family arrangements. Verification requirements, although necessary for documenting eligibility, become an administrative barrier when they are misapplied or mishandled, exceed policy requirements, or are beyond an individual's capacity to meet.

- The single most frequently reported problem jeopardizing access to benefits involved administration of general

Verification requirements . . . become an administrative barrier when they are misapplied, mishandled, exceed policy requirements or are beyond an individual's capacity to meet.

verification requirements (that is, verification of individual circumstances other than those relating to work or medical issues). When all types of verification problems were included (for example, general, medical, or work verification), this category accounted for 23 percent of all problem reports.⁷

- Problems with verification were widespread but varied somewhat across benefit programs. Verification problems made up 22 percent of reports from callers in the TANF group, 23 percent of reports from callers in the Food Stamps group, and 29 percent of reports from callers in the Medicaid group.

- Most troublesome were cases in which verification and record-keeping difficulties combined, placing families and individuals at risk of losing benefits unless they repeatedly submitted documents that the agency had lost or misplaced.

Case examples from the Hotline illustrate ways in which these types of administrative problems multiply to create obstacles to access, often requiring outside advocacy to resolve.

Misplaced Documents

The Bradley family's Food Stamps were terminated due to "failure to comply with verification requirements." Ms. Bradley insisted that she had supplied the required document, but both the caseworker and supervisor insisted that the client was at fault. After a month, during which the family lost access to Food Stamps, the supervisor subsequently acknowledged that the missing document had "reappeared." The family had to manage without Food Stamps during the dispute, although the family's benefits were restored after intervention by the Hotline staff led to the reappearance of the missing documents.

Lost in the Shuffle

Ms. Swanson learned that her Food Stamps would be terminated because she had not submitted a check stub for one of her biweekly pay periods. She faxed the missing stub to her caseworker. When she called to check on the fax, the caseworker said she could not find it because someone had rearranged her desk. Ms. Swanson faxed the information again. When she called again to check, her caseworker confirmed that she had received the fax but now could not find Ms. Swanson's monthly income reporting form. The supervisor with whom Ms. Swanson spoke the following day informed her that she would have to come to the office to resubmit the lost form. Concerned that she would lose her Food Stamps in the interim, Ms. Swanson contacted the Hotline. Unable to reach Ms. Swanson's caseworker, the Hotline advocate found out that the caseworker had been transferred without replacement. After three weeks of telephone calls and negotiation, the Hotline advocate was able to get a new caseworker assigned. The caseworker then corrected the record and processed the Swanson family's Food Stamps.

3. Confusion and mismanagement in the administration of TANF work requirements, and to a lesser degree in the Food Stamp Program, create barriers to obtaining and continuing to receive benefits.

All TANF and some Food Stamp recipients are required to comply with work rules or receive exemptions from them. The administration of these requirements is particularly complex, involving decisions about what kinds of activities meet work requirements, who is exempt, what kind of work recipients must do, verification of participation in or exemption from work activities, and case management for clients in employment, training, job search, or other work activities.

- Work requirements add a layer of complexity to case handling, increasing the risk of administrative hazards for individuals attempting to navigate the benefits system. This complexity may be related to the unusual frequency with which TANF callers reported problems dealing with caseworkers (11 percent of case-processing problem reports).
- The administration of work requirements accounted for about 40 percent of reports involving access to TANF. Nearly one-third of these involved difficulties with work-related verification documents, followed closely by problems with the administration of work activities, such as job search or job club (26 percent).
- Of particular concern are difficulties reported by individuals working in lower-wage jobs that commonly have high turnover rates as well as frequent changes in job hours and status. Hotline records indicate that access to benefits for working parents is jeopardized when the administrative infrastructure—particularly its filing and computerized record-keeping components—cannot adequately accommodate frequent changes required by work arrangements.

As Hotline case records show, faulty administration of work requirements impedes access to benefits. Cases reveal conflicts over how work requirements were applied, confusion about the rules on the part of both caseworkers and clients, and frustration with procedural and record-keeping hurdles. Hotline cases also illustrate the important role of outside advocacy in resolving administrative problems.

Faulty administration of work requirements impedes access to benefits.

Looking for Work, Losing Benefits

Ms. Noonan attended an IDHS job club and was sent to interview for a job with a shipping company. She went to the company's orientation, where she learned that the only opening was for the overnight "graveyard" shift. Ms. Noonan was unable to accept the job because her child care provider did not have overnight services. Ms. Noonan returned to job club and continued to look for work. In the meantime, she was informed by her caseworker that her TANF and Food Stamp benefits would be terminated because she made too much money. When the caseworker was told that Ms. Noonan did not, in fact, have a job, he demanded that she obtain a statement from the shipping company verifying that she did not work there. Ms. Noonan obtained the statement.

Ms. Noonan continued to look for work and accepted a job at a Chicago airport. Her caseworker again insisted that she earned too much money to continue to qualify for TANF. Ms. Noonan called the Hotline, which determined that, with earnings at \$5.15 per hour, she did qualify for assistance. The Hotline advocate contacted Ms. Noonan's caseworker to explain the correct calculation of benefits. Even after the calculation was corrected, the caseworker insisted that he could not reinstate TANF benefits. This time he said that he would first need pay stubs from the new job, although Ms. Noonan had worked there only a few days and had not yet been paid. Ms. Noonan asked her employer for a statement verifying her hourly wage. After she presented the statement to her caseworker, her benefits were reinstated.

Access to benefits required an extraordinary level of expertise, skill, and persistence—even for professional advocates.

4. *Agency processes for identifying and addressing administrative errors are often cumbersome, slow, or incomplete.*

Any complicated administrative system will inevitably make mistakes. Consequently identifying and correcting errors are key elements of benefits administration. Efficiency and fairness depend on the administrative system's ability both to identify and to correct individual case errors and overall to recognize and remedy systemic problems (for example, updating the filing and computer systems to reduce disorganization and record-keeping errors).

The record of the Public Benefits Hotline indicates that over a five-year period nearly 26,000 Chicago-area residents sought advice or help in dealing with government agencies responsible for benefits administration. In some cases, they called only for advice and did not ask Hotline staff to intervene on their behalf. In other cases, individuals who were unable to remedy problems on their own received staff assistance in the form of consultation, research, letter writing, faxing, and phone calls made on their behalf. In a smaller number of cases, callers were provided representation at administrative hearings and in circuit court.

■ In those cases involving direct Hotline staff advocacy (40 percent of calls during the study year), the record of telephone calls to IDHS is a very rough proxy for the effort required to remedy individual administrative problems. More specifically, it documents what it takes to remedy problems for skilled advocates with legal expertise and other significant resources not generally available to lower-income households (for example, faxes, copy machines, computers, voice mail, and a full library of agency rules and regulations). In more than half of the cases pursued by Hotline staff, 53 percent required three or more calls, 23 percent involved six or more calls, and 6 percent required more than eleven calls. In 47 percent of the cases, Hotline staff made only one or two calls to IDHS.

- An examination of lower-effort cases (those involving five or fewer calls) indicates that in many instances IDHS staff cooperated in investigating problems and sought to do so as quickly as possible.
- An examination of higher-effort cases (those involving six or more calls) revealed differences by program group. Higher-effort cases amounted to nearly one-quarter of those in the TANF group, nearly one-fifth of those in the Food Stamp group, and one-quarter of those in the Medicaid-only group. Although the proportion of higher-effort cases was greatest in the Medicaid group, the actual number of higher-effort cases was largest in the TANF group, where three times as many cases required direct intervention by Hotline staff. Notably there were 72 higher-effort cases in the TANF group, including 17 cases requiring eleven or more telephone calls by Hotline advocates.
- Hotline records show that efforts to solve problems, correct records, and remedy incorrect practices were confounded by unanswered telephones, unreturned calls, and shifting responsibility for agency decision making. When these hazards multiplied, they produced a nearly impenetrable administrative obstacle course. In these circumstances, access to benefits required an extraordinary level of expertise, skill, and persistence—even for professional advocates.⁸

Responding to Clients

Ms. Clark is a working mother who received Food Stamps to supplement her wages. She informed her caseworker that she had to leave her job because of sexual harassment. Ms. Clark submitted a copy of a court order of protection she had received against her employer in order to verify the reason she had to leave her job. When Ms. Clark failed to receive Food Stamp benefits adjusting for the job loss, she tried to resolve the problem on her own, eventually calling the Hotline in frustration to report that her caseworker had apparently left the agency and that the new caseworker would not respond to her inquiries. It took the intervention of a Hotline advocate, who over the course of nearly a month placed 10 calls to caseworkers, supervisors, and the local office administrator, before IDHS agreed to adjust benefits to cover the change in job status.



Difficulties in accessing benefits were most acute in the TANF program.

TANF applicants and recipients are of special concern for three reasons. First, this is the group most affected by welfare reform and the state administrative practices developed to implement its provisions. Second, this group consists of families with children, in contrast to other programs that include a significant number of independent adults. Third, families seeking access to TANF are least likely to have other reliable sources of income.

Although smallest in caseload size of the three major benefit programs, TANF generated 46 percent of calls to the Public Benefits Hotline. Callers reporting problems in accessing TANF encountered administrative difficulties common among all three programs. But they faced additional hazards related to the complexity of program rules, especially the administration of work requirements. Administrative confusion introduced by work requirements emerged most noticeably with respect to additional verification burdens, administration of work activities, and the application of work rules.

- Problems in the application of work rules, administration of job search/job program requirements, work verification, and other related issues accounted for 41 percent of TANF-related problem reports.
- TANF callers reported a disproportionate number of barriers to access at application. Thirty-two percent of TANF problems involved difficulties at application, compared to 19 percent for Food Stamp applicants and 21 percent for Medicaid applicants. These findings are consistent with a recent federal study indicating that the complex steps required by the IDHS application process for TANF (among them, demands for repeated appearances at the office, screening appointments, interviews, child support requirements, attendance at job club, and job search requirements), and a 30-day waiting period for benefits, made the application process in Cook County "burdensome" in both time and cost.⁹

- Hotline data indicate that the risk of losing access to benefits may be especially great for lower-wage workers who must navigate an administrative system apparently ill-equipped to manage information concerning ordinary changes in work hours, earnings, or departures from the TANF program requiring adjustments to protect access to Food Stamps and Medicaid.

Although smallest in caseload size of the three major benefit programs, TANF generated 46 percent of calls.

Unstable Jobs, Unstable Benefits

Ms. Allen was informed that her cash benefits were being cancelled, but she was unable to determine why. Eventually the caseworker indicated that her projected income was too high, based on the hourly wage she was receiving from a shipping service where she had been hired. However, Ms. Allen had reported to work multiple times and was repeatedly sent home because there was not enough work available for her to do. The hourly wage was not a valid indicator of her income because her employer restricted her work hours. After a Hotline advocate intervened with the caseworker to clarify Ms. Allen's job situation, her benefits were continued.

6. *Administrative barriers may have contributed to the dramatic drop in welfare caseloads by excluding eligible families unable to surmount procedural obstacles and red tape.*

- In order to examine whether administrative difficulties were associated with TANF caseload decline, Hotline call data were broken down by local office. Data analysis showed that the rate of complaints could not be explained simply by local office caseload size. For example, the largest local office (with 3,128 TANF cases) generated a volume of Hotline calls representing 2.2 percent of its average caseload. However, a smaller office with a caseload less than one-fifth that size generated a

Caseload decline may have been achieved, in part, by administrative practices that obstruct access to benefits.

complaint rate more than twice as high (4.77 percent of its caseload). The difference in complaint rates was associated with the local office rate of caseload decline, a rate nearly twice as high in the office generating a higher share of calls reporting administrative problems.

- A statistical model was used to test whether there was a systematic relationship between administrative difficulties (as reported to the Hotline) and the rate of TANF caseload decline, controlling for other possible explanatory factors. If caseloads declined as a result of improved family circumstances (whether through work, marriage, or other changes in the family), one would expect to find no relationship between caseload decline and Hotline call

volume. That is, administrative obstacles would not be at issue. However, if caseload decline were related to administrative practices that create barriers to access, one would expect local offices showing the greatest decline in caseload to generate a disproportionate share of Hotline calls.

- The model shows a positive and statistically significant relationship between the rate of decline in TANF caseload and the volume of Hotline calls reporting problems at local offices. This relationship holds even after controlling for variation in local office caseload share and explains 35 percent of the local office variation in Hotline call volume.¹⁰

This relationship is particularly striking given the widely held view that caseload decline represents a positive achievement. On the contrary, the model suggests that caseload declines may have been achieved, in part, by administrative practices that obstruct access to benefits.

PROTECTING ACCESS TO PUBLIC BENEFITS

IDHS is the gatekeeper to the federal government's three major programs that provide a basic safety net for Chicago-area residents (TANF, Food Stamps, and Medicaid). Findings from the Public Benefits Hotline Research Project point to the hidden workings of a complex administrative system and the difficulties that it presents to those seeking access to these programs. It indicates that benefits made available by law may not be available in practice.

This report focuses on an "ordinary" year, midway through the first five years after welfare reform. However, that year also held special significance, as it alone registered a 15 percent decline in welfare caseloads. Subsequently, TANF caseloads continued their general decline until a recent uptick, and there have been increases in Food Stamp and Medicaid caseloads. Recent years have also seen a marked rise in the state's poverty rate, which rose from 10.7 percent of the population in 2000 to 12.6 percent in 2003.¹¹ The number of individuals living just above the poverty level (that is, up to 125 percent of the poverty line) rose from 13.1 percent to 16.3 percent. This includes individuals in households of lower-wage workers who may not qualify for TANF but may be eligible for Food Stamp and Medicaid benefits to help make ends meet. These general indicators of rising poverty underline the continuing importance of access to federal safety net programs for Illinois residents.

In the period since this study was conducted, although caseloads and poverty rates have varied, there has been little change in the basic elements of benefits administration. If anything, some of the difficulties identified in this report may have been exacerbated by IDHS downsizing and layoffs (including a hiring freeze) that have generally increased the workload for individual caseworkers and the strains on the administrative system overall. Moreover, complex policy requirements dictated by federal legislation continue to

complicate state-level benefits administration in ways that put benefits at risk. TANF reauthorization legislation currently before Congress would add to this complexity.

In this context, it is noteworthy that the average annual Hotline call volume rose nearly 50 percent, growing from an average of 5,200 calls a year during its first five years of operation to an average of almost 7,700 over the last three years.¹² These figures underscore the fundamental concerns raised in *Accessing the Safety Net*.

Accessing the Safety Net highlights the importance of taking steps to protect access to benefits in order to ensure that

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the safety net performs its intended functions. Many areas of benefits administration can be improved, although no one "silver bullet" can remedy the systemic problems that have been identified. That will take a plan for systemwide administrative reform, the details of which are beyond the scope of this report. Nonetheless, the findings reported here point to three distinct areas in which IDHS can take action to protect access to benefits.

1. Improve administrative infrastructure in order to enable caseworkers to do a better job of managing complex case-processing functions.

Pointing the finger at caseworkers is all too easy when problems occur in benefits delivery. This has sometimes led to initiatives to increase training in procedures but with uncertain results for protecting access to benefits. Before blaming those

at the lowest reaches of public agencies, we need to consider whether they have the tools needed to do the job well. Federal reviews of IDHS practices have repeatedly called for improvements in the basic elements of the administrative infrastructure, among them, computer systems, data management software, and telephone systems.

- Upgrade records management to reduce blockages to access by improving the availability of accurate and timely information and the integrity of case files.

Although some aspects of case management are computerized, files are not always reliable or complete, and caseworkers still rely on paper records and antiquated filing systems that contribute to the types of case-processing and information

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problems identified in *Accessing the Safety Net*. Moreover, when records must be shared within different parts of IDHS or adjusted to account for changes in individual circumstances, the administrative system lacks the flexibility efficiently to accommodate routine record sharing, adjustments, and corrections.

- Identify a single locus of responsibility for each case.

As Hotline data show, Chicago-area residents seeking information about their cases can run a frustrating gauntlet of transfers from caseworker to caseworker in search of records and answers. The data also indicate that responsibility for a case may be dispersed among different organizational units and staff, in practice leaving no single person fully accountable for case management. Those seeking benefits need a place where they can reliably obtain accurate information, answers to questions, and authoritative responses to administrative concerns.

- Structure the record-keeping system to accommodate common features of lower-wage work, especially shifting work hours, income, and child care expenses.

Hotline records indicate that access to benefits is jeopardized when case management systems cannot adequately accommodate commonplace aspects of lower-wage jobs that have frequent changes in employment, work hours, wages, and child care expenses. Improvements in data management systems can protect access to benefits by enabling caseworkers to respond more rapidly and reliably to changes in client information and status.

2. Improve internal monitoring and feedback in order to advance accountability for protecting access to benefits.

Internal monitoring systems currently used by IDHS cannot track the kinds of administrative problems identified in *Accessing the Safety Net*. IDHS monitoring of TANF emphasizes indicators showing numbers of individuals placed in work activities or removed from TANF caseloads, but IDHS does not track individuals wrongly denied access to benefits. This approach to agency monitoring may even exacerbate the problems described in *Accessing the Safety Net* by creating perverse incentives for front-line workers. Internal performance measures hold caseworkers accountable for caseload reduction and work activity quotas but place no safeguards on how they do it. So long as caseloads go down and the quotas are met, administrative practices that incorrectly prevent access to benefits can escape recognition.

These problems have been raised by caseworkers themselves. For example, testifying at public hearings, some caseworkers complained that they were pressured to call in large numbers of clients for extra appointments and use any failure to appear as a rationale to terminate benefits.¹³ While IDHS has ended mass call-ins, this practice points to the importance of monitoring agency practices that now evade regular review.

- Monitor administrative practices that contradict policy or impede access to benefits.

The development of more sophisticated quality-assurance monitoring can help track administrative practices that contradict policy or impede access to benefits. It also can yield more balanced feedback to caseworkers and local office managers and shift incentives toward ensuring that those who are eligible for benefits receive them.

- Reconsider the functions of the offices of ombudsman and inspector general.

Although IDHS has both an ombudsman and an inspector general, neither office currently investigates whether administrative practices are consistent with IDHS responsibility for providing access to public benefits. In some other state agencies, these offices take a more active role in monitoring administration, problem solving, and client advocacy.

- Consider improving and extending the IDHS Food Stamp hotline.

The agency's internal Food Stamp hotline, mandated by federal law, has been criticized by federal reviewers who have pointed out long delays in answering the phones, among other problems. Records from the Public Benefits Hotline also indicate that difficulties locating information and records—similar to those documented in local offices—may limit the capacity of the Food Stamp hotline staff to respond to problems. The Food Stamp hotline should be upgraded to improve its effectiveness and possibly to include services to TANF and Medicaid recipients.

3. Use external monitors, advocates, and citizens as agency watchdogs to safeguard access to public benefits and help improve administrative accountability.

Access to benefits provided by law can be more strongly protected when there are external checks on administrative practices. As examples from the Hotline's files show, skilled advocacy is an important component of any effort to pursue remedies for administrative problems. For some who called the Hotline, information and advice were sufficient to address their concerns. For others, far more was needed. *Accessing the Safety Net's* analysis of the correction process indicates that at times the effort required to resolve administrative problems can be substantial and far beyond the capacity of individual citizens.

Just as there is no single solution to the administrative concerns raised by *Accessing the Safety Net*, there is no single strategy for improving agency accountability. A variety of efforts, including those suggested here, can contribute to addressing IDHS' complex administrative problems.

- Ensure the availability of skilled advocacy to support Chicago-area residents in overcoming barriers to accessing public benefits.

The development of more sophisticated quality-assurance monitoring can help track administrative practices that contradict policy or impede access to benefits.

In cases reviewed as part of this project, skilled advocacy was often crucial to holding IDHS accountable for correcting administrative errors. Although a case-by-case approach cannot, on its own, address the problem of systemic obstacles, it is a crucial element in an overall reform plan.

- Conduct independent studies and reviews of agency practices.

External studies and reviews should be considered as part of a multifaceted plan to protect access to benefits. A variety of strategies, among them federal reviews, studies of Hotline data or fair hearing records, field research studies of local office practices, and other independent research efforts, can help IDHS identify problems and support advocates and citizen watchdogs in monitoring and identifying systemic problems preventing access to benefits.

- Experiment with innovative strategies to improve administrative performance and accountability.

Strategies can include having citizen monitors observe agency practices, developing client advocates, or creating new approaches to agency oversight.

Administrative barriers stand between Chicago-area residents and access to federal safety-net programs that support lower-income families and individuals. *Accessing the Safety Net* reveals that public benefits, available by law, are not necessarily available in practice. The challenge for Illinois is to assure that its agencies protect access to public benefits for all of the state's residents.

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Endnotes

- 1 The Public Benefits Hotline Research Project is supported by a grant from the Joyce Foundation. The Hotline is supervised by the Public Benefits Steering Committee that includes representatives from the Sargent Shriver National Center on Poverty Law, Health and Disability Advocates, Chicago Jobs Council, Chicago Coalition for the Homeless, Illinois Hunger Coalition, Illinois Caucus for Adolescent Health, Catholic Charities, Metropolitan Family Services, Illinois Coalition for Immigrant and Refugee Rights, Action for Children, Mid-America Institute on Poverty of Heartland Alliance, and Ounce of Prevention Fund.
- 2 There are some limitations to keep in mind in reviewing the findings. Because the Hotline is used to report problems in the administration of benefits, the Hotline does not give researchers a means of assessing what IDHS has done well. Nor does *Accessing the Safety Net* necessarily capture the full extent of difficulties occurring in benefits administration. *Accessing the Safety Net* is limited to an analysis of those issues reported by Hotline callers.
- 3 Cook County includes the city of Chicago and nearby suburbs. Cook County caseloads declined from 119,526 in the 1998 fiscal year to 41,494 in the 2002 fiscal year. Statewide TANF caseloads declined from 180,312 in the 1998 fiscal year to 56,191 in the 2002 fiscal year. These figures are based on Illinois Department of Human Services, Bureau of Performance and Outcomes Measurement, Monthly TANF Historical Data Updates (Aug. 2000–Sept. 2001). For details, see *Accessing the Safety Net*, Figures 1.1A and 1.1B.
- 4 For purposes of the analysis, Hotline callers were categorized into three program groups: (1) a TANF group (seeking access to TANF and related programs), (2) a Food Stamp group (seeking access to Food Stamps only or including Medicaid), and (3) a Medicaid group (seeking Medicaid only).
- 5 The case-processing category includes a variety of specific problem reports. For details, see Figure 4.4 in *Accessing the Safety Net*. In this calculation, problems with verification are excluded and placed in a separate category. If verification problems were included, case-processing difficulties would amount to 72 percent of all problems reported.
- 6 The case examples are drawn from the Hotline files. Names and other details that might identify individuals are altered to protect confidentiality.
- 7 For details, see Figures 4.1 and 4.5 in *Accessing the Safety Net*.
- 8 *Accessing the Safety Net* cites examples from individual Hotline cases that illustrate the challenges faced by some Chicago-area residents trying to correct administrative errors. See, for example, the "Raymond" case in Chapter 7, "Correcting Administrative Errors: What Does It Take?"
- 9 U.S. Department of Health and Human Services, "Study of the TANF Application Process" (Apr. 2003). In contrast to the 30-day wait for TANF, eligibility for Food Stamps is calculated from the date of application. The study suggests that "applicants seeking immediate support may be surprised at the mandatory waiting period and ultimately elect not to apply."
- 10 Hotline calls are only a rough measure of the difficulties that Cook County residents have encountered in seeking access to benefits and cannot alone provide a causal test of the effects of administrative practices. However, this analysis points to the importance of looking more closely at how those practices may prevent families from securing assistance provided by law.
- 11 U.S. Census Bureau, Historical Poverty Tables, tbl. 21, at www.census.gov/hhes/poverty/histpov/hstpov21.html (last revised Aug. 26, 2004).
- 12 Calls to the Public Benefits Hotline totaled 7,054 between August 2001 and July 2002; 8,418 between August 2002 and July 2003; and 7,579 between August 2003 and July 2004. These numbers represent all calls to the Hotline, including but not limited to those dealing with the three federal benefit programs that are the focus of this study.
- 13 Caseworkers described being instructed to call in clients who were exempt from work requirements. They claimed that they often gave clients only short notice and cancelled benefits even to those who called to reschedule (contrary to official policy). They said that they were allowed to reinstate only those who later made a personal appearance at the office. IDHS performance monitoring cannot determine whether these practices were unusual or widespread. "Testimony at Caseworkers' Rights Board Hearings Shows Common Interests and Concerns with IDHS," Illinois Welfare News, June 1999, p. 6.



To download a copy of **Accessing the Safety Net: Administrative Barriers to Public Benefits in Metropolitan Chicago**, the Research Brief and the full report, visit www.povertylaw.org or www.lafchicago.org.