

Approved: 02/14/94
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Rochelle Chronister at 1:30 p.m. on February 7, 1994 in Room 313-S of the Capitol.

All members were present except: Rep. Betty Jo Charlton, excused
Rep. Gilbert Gregory, excused
Rep. Robin Jennison, excused
Rep. Phil Kline, excused

Committee staff present: Tim Colton, Legislative Research Department
Paul West, Legislative Research Department
Laura Howard, Legislative Research Department
Jim Wilson, Revisor of Statutes
Jerry Cole, Committee Secretary
Sharon Schwartz, Administrative Assistant

Conferees appearing before the committee:

Deputy Secretary Carole Morgan, Department of Commerce & Housing
Secretary Donna Whiteman, Department of Social and Rehabilitation Services (SRS)
Rep. Barbara Allen, sponsor of HBs 2938, 2939 & 2949

Others attending: See attached list

Chairman Chronister opened the hearing on **HB 2762**. Secretary Carole Morgan, Department of Commerce & Housing, spoke to the committee in favor of the bill urging the committee to favorably recommend it. (See Attachment 1). Chairman Chronister closed the hearing on the bill.

She then opened discussion on the subject of Welfare Reform by inviting Secretary Donna Whiteman, SRS, to address the committee with the department's proposals on reform of the state's welfare system. Secretary Whiteman provided the committee with an example of the form to be completed for welfare assistance. (See Attachment 2). Whiteman moved on to speak about ACT or Actively Creating Tomorrow, SRS's label for its welfare reform proposal to the legislature. She pointed out highlights of the program including the mission of ACT, basic strategies of the program and some initiatives for its success. (See Attachments 3 & 4).

Rep. Barbara Allen, sponsor of **HBs 2938, 2939 and ²⁹⁴⁰~~2949~~** next addressed the committee on the subject of welfare reform. Rep. Allen sponsored the above bills, which dealt specifically with reforming several facets of the state welfare system. She gave a brief description of each of the bills. (See Attachments 5, 6 and 7).

Rep. Mead made a motion to pass and favorably recommend HB 2762, applicable to FY 94, FY 95 and to include a technical amendment alluded to by the Revisor of Statutes committing the monies in the bill to the Department of Commerce and Housing instead of the Secretary of State. Rep. Helgerson seconded the motion and it carried.

Rep. Helgerson made a motion to introduce a bill dealing with Medicaid Managed Care system and a separate bill prohibiting certain SRS contracts for Medicaid populations. Rep. Pottorff seconded his motion and it was carried by the committee.

Rep. Glasscock moved to introduce a bill providing for a phased retirement system under the Board of Regents. Rep. Helgerson seconded the motion and it was carried.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, Room 514-S of the Capitol, at 1:30 p.m. on February 7, 1994.

Rep. Pottorff moved to approve the minutes for the January 24, 25 26 and February 3 committee meetings as presented. Rep. Carmody seconded the motion and it was carried by the committee.

The meeting was adjourned at 3:00 p.m. The next meeting is scheduled for February 8, 1994.

1994 Appropriation Committee Guest List

1	NAME	ORGANIZATION
2	HAROLD C. PITTS	AARP-CCTF
3	ALAN COBB	Wichita Hospitals
4	Julie L. Hair	Hair, Ehart & Hair
5	Paul M. Tibbitts	Assoc. of CMHCs KS, Inc.
6	Michelle Peterson	Ks Gov Consulting
7	SYDNEY HARDMAN	KS ACTION FOR CHILDREN
8	Larry Strand	Kansans for Improvement of Nursing Homes
9	Lea Paslay	2nd Arc Kansas
10	Sue Hill	J.H.W. Committee
11	Ann Koci	SRS.
12	Mike Beam	Ks. As LUSTK Assn.
13	Hege McFarland	Overland Park (Chamber)
14	Rene Gordon	Governor's Office
15	Marty Kennedy	Budget
16	Chip Wheelan	Ks Medical Soc.
17	LEE KARGE	Sen. Burke's Office
18	Douglas Homy	Rep. Dennis Gribbs' office
19	Paul Johnson	PACK
20	Mary Ellen Conlee	St Francis Regional Medical Center
21	Diane McQuinn	Gov. Funnings office
22	David C. Hensley	EDS
23	Ernesta Green	Let Rep-
24	Ernesta Green	APHA
25	Iris Hurlbarger	Ks Healthy Kids Corp
26	Joe Fargan	KCA
27	John Peterson	Ks Assn of Post Psychologists
28	Dr. R.D. Shanks	AARP
29	Jim Robertson	CSE
30	Annabette Green	Rep. Kathleen Sebelius' office

Mon, Feb 7, 1994

1994 Appropriation Committee Guest List

	NAME	ORGANIZATION
31	Ken Baker	K.S. Howell Assn.
32	Kathleen Beardon	Intern for Rep. Bill Beardon
33	Kathleen Beardon	Monitor, K.S. Assn. for Medically Underserved
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Mon, Feb 7, 1994

Testimony on HB 2762
before the
House Appropriations Committee
February 7, 1994

Carole L. Morgan
Deputy Secretary
Kansas Department of Commerce & Housing

House Bill 2762

We appear before you in support of HB 2762, a bill we requested be introduced for us by the Committee on Economic Development to increase the level of the Department's Imprest Fund.

Current statutes allow the Department of Commerce and Housing to maintain a \$3,000 imprest fund, i.e. a local bank account from which we can write checks instead of processing payment vouchers through the Department of Administration. We use the imprest fund almost exclusively to provide cash advances to employees on international travel assignments. The fund was created prior to the creation of the Trade Division.

The Trade Development Division staff, the most frequent recipients of these funds, are active in the international marketplace. Our work program includes frequent travel throughout the world to participate in tradeshow, to meet with clients seeking business opportunity in Kansas and to staff Governor's trade missions. In the normal course of our business, we make use of advance draws of cash from the Agency's imprest fund to pay for meals, taxicabs, tradeshow expenses, registration fees, official hospitality and other legitimate mission expenses. Our experience is that frequently two or three members of our staff will be travelling at the same time in support of Governor's Missions or to coordinate business itineraries for tradeshow participants.

These missions often last two weeks. On one occasion last year three separate missions overlapped in a two month period creating a demand for \$5,000 more cash than we had available in the imprest fund.

The cash required by each employee on such trips can easily range from \$1,500 to \$2,000 or more, particularly when an extended stay is required in developing countries where the use of credit cards is limited. When two or more employees are travelling simultaneously, the \$3,000 imprest fund is totally inadequate to provide the necessary advances. We believe it is an unacceptable financial burden on our employees to ask them to pay out-of-pocket expenses of this magnitude from their personal funds. It is often tough enough to leave spouses and children for several weeks -- it is untenable to do so and take several thousand dollars of personal cash on a business trip.

To support this travel we have asked the Kansas Cavalry to advance funds on six occasions in FY '93 and '94. This is not a role we believe the Cavalry should have to play. Therefore, we are requesting amendment of K.S.A. 75-3066 to increase our imprest fund to \$8,000 to ease the undue burden on our employees.

We prefer to capitalize this increase from our current operating budget, while the bill as written designates FY 1995 funds. We request your favorable consideration of HB 2762 and will be happy to answer any questions.

Thank you for hearing our request.

STATE OF KANSAS



IM-3100
Rev. 9-93

APPLICATION FOR FOOD STAMPS, CASH ASSISTANCE AND MEDICAL ASSISTANCE

INSTRUCTIONS: You must complete Page 2 of this application with at least your name, address (if you have one) and signature and BRING OR MAIL it to the SRS office. **The date SRS receives Page 2 is the date from which your benefits will start if you are eligible.** Complete the rest of the application using Page 12 when additional space is needed. You must complete the application and go to your scheduled interview before we can determine your eligibility for assistance. Your application will be processed promptly within 30 days for food stamps and 45 days for cash and medical assistance. However, you may be able to receive food stamps within five days if your household has little or no income, your rent and utility expenses are more than your income and resources, you are without a place of your own to live or you are a migrant or seasonal farmworker. You may also be able to receive a medical card within five days if you are pregnant.

An interview has been scheduled for you on _____

You may return this form by mail or in person to the following office:

READ THE IMPORTANT INFORMATION ON THE BACK OF THIS PAGE.

ATTACHMENT 2

THINGS TO BRING TO YOUR INTERVIEW: To speed processing time, you should bring to your interview the following information/verification:

1. Proof of Social Security numbers for all persons in your home.
2. Pay stubs, pay envelopes, or earnings statements from employers.
3. If self-employed, federal income tax returns, bookkeeping records, sales and expenditure records.
4. Proof of income from rental property or sales contract.
5. Award letters for Social Security, SSI, Worker's Compensation, pensions, etc.
6. Proof of child support and/or alimony payments.
7. Bank statements for checking accounts, savings accounts, certificates of deposit, or stocks and bonds.
8. Rent receipts/mortgage payment (including homeowners insurance and property taxes).
9. Utility bills.
10. Proof of where you live.
11. Proof of identity.
12. Proof of alien status/citizenship.
13. Proof of medical expenses for elderly/disabled persons, such as medication, doctor bills, hospital bills, and insurance premiums.
14. Proof of age.
15. Child care bills and receipts.
16. Life insurance, burial plans, and health insurance policies.

YOUR APPLICATION MAY BE DENIED IF YOU FAIL TO PROVIDE REQUIRED VERIFICATION WITHIN 10 DAYS FROM THE DATE IT IS REQUESTED.

GENERAL INFORMATION:

1. Food stamps can be used to purchase food for home consumption, including seeds and plants for use in gardens to produce food. Food stamps cannot be used to purchase alcoholic beverages, tobacco products, hot foods, and non-food items such as soap, paper products, cleaning products, toiletries, etc.
2. When using food stamps, the maximum cash change you can receive is 99 cents.
3. You are not required to pay state or local sales taxes on purchases made with food stamps.
4. School-aged children who receive Food Stamps or Aid to Families with Dependent Children (AFDC) are automatically eligible to receive free school lunches/breakfasts/milk.
5. If you do not get your food stamps, you must let your worker know by the end of the month to be eligible for replacement stamps.
6. When you are eligible for Medicaid, you will receive a new medical identification card by mail at the beginning of each month.
7. Your medical card needs to be shown to your medical provider(s) at the time of service. If you do not show your card, you will be responsible for the whole medical bill. If you let anyone else use your card, you will be breaking the law by committing fraud.
8. When your medical provider recommends a medical service, ask if it is covered by Medicaid. Your medical card may not pay for all the services that your provider recommends.
9. If you or a family member are employed or become employed, the agency will contact you about health insurance available through the employer. You must cooperate in providing this information.

PRESS HARD WHEN COMPLETING THIS PAGE

Name: _____

Address where you live:
 Street Address or RR# _____

City _____ County _____

State _____ Zip _____

Mailing Address (If different):
 Street, RR#, or P.O. Box # _____

City _____ County _____ State _____ Zip _____

Directions to your house: _____

Phone number where you can be reached:
 Home: _____ Other: _____

Has anyone in the household received cash, medical or food stamp assistance this month or anytime in the past? ☐ Yes ☐ No

If yes, When? _____ Where? _____ What? _____

Signature of applicant or authorized representative: _____

AGENCY USE ONLY: Date received in agency: _____

Worker: _____ Date Registered: _____

Case No: _____ Interview Date: _____

Expedited: Food Stamps ☐ Yes ☐ No Medical ☐ Yes ☐ No

☐ Initial ☐ Review ☐ Added Program ☐ 30 Day Reapply

EXPEDITED SECTION

- Is anyone in your household pregnant? ☐ Yes ☐ No
 If yes, who? _____ Due Date _____
 - Are you without a place to live or staying someplace temporarily? ☐ Yes ☐ No
 - Is your household's gross income for the month less than \$150? ☐ Yes ☐ No
 - Does your household have less than \$100 in cash, checking and savings? ☐ Yes ☐ No
 - Is anyone in your household a migrant or seasonal farmworker? ☐ Yes ☐ No
- | | |
|--------------------------------------|--|
| 6. Shelter Expenses | Income and Liquid Resources |
| Current Rent/Mortgage \$ _____ | Gross income expected this month \$ _____ |
| Current Monthly Utilities + \$ _____ | Money in cash, checking & savings + \$ _____ |
| Total = \$ _____ | Total = \$ _____ |
- Are your household's shelter expenses more than your household's expected gross income and liquid resources? ☐ Yes ☐ No

HOUSEHOLD MEMBERS:

You must complete the entire application for all individuals for whom you want assistance. LIST YOURSELF as person #1. List your spouse as person #2. List all other persons in your home even if you are not applying for them. If anyone is pregnant, list "unborn child". Also list anyone who is temporarily away from your home. Stating your race or ethnic heritage below is optional; it is used only to ensure benefits are given fairly and will in no way affect your eligibility for assistance. (Title VI of the Civil Rights Act of 1964 allows us to ask for Racial/ethnic information.) **Check the TYPES OF ASSISTANCE wanted for each individual where indicated below:**

Name	Relationship to Person Listed in #1	Sex	Date of Birth	Food Stamps	Cash Assistance	Medical Assistance	Eviction/Disaster	Burial	None	Social Security Number	U.S. Citizen or Legal Alien	In School?	Race or Ethnic Heritage (optional)
1.	SELF										Yes No	Yes No	
2.											Yes No	Yes No	
3.											Yes No	Yes No	
4.											Yes No	Yes No	
5.											Yes No	Yes No	
6.											Yes No	Yes No	
7.											Yes No	Yes No	
8.											Yes No	Yes No	

Other Names Used by Household Members: _____

YOUR RIGHTS AND RESPONSIBILITIES

YOU HAVE A RIGHT TO:

- Equal treatment regardless of race, color, age, sex, handicap, religion, political belief, or national origin.
- Have information given to SRS kept confidential unless directly related to the administration of SRS programs.
- Reapply at any time if your benefits stop.
- Obtain assistance from SRS in completing this application or in obtaining required verification.
- Have your application processed promptly (30 days for food stamps; 45 days for cash and medical assistance).
- Receive information about programs administered by SRS.
- Withdraw your application at any time before you receive a written notice of the agency's decision.
- Request a fair hearing if you disagree with an agency decision and be represented at the hearing by any person you choose. For food stamp purposes this request may be made orally or in writing within 90 days.
- Have your benefits determined from the date you return this form to SRS. If filing before being released from an institution, your benefits will be determined from the date of your release.

YOU HAVE A RESPONSIBILITY TO AND MUST:

- Give your worker the information and proof needed to determine your eligibility for assistance.
- Tell your local SRS office of any change in your situation within 10 days after it happens if you receive cash or medical assistance or are not required to report monthly for food stamps. (Examples of changes to report: baby's birth, pregnancy, someone leaving or moving into your house, a new job, change of income, or new address). If your only assistance is food stamps and you report monthly, you are only required to report changes on the monthly report form.
- Provide or apply for a Social Security Number for each household member. This is required by P.L. 97-98.
- If approved for AFDC, turn alimony and child support payments over to SRS and cooperate with Child Support Enforcement (CSE) staff.
- If approved for medical assistance, turn all payments you receive for medical care over to SRS, and (unless exempt) cooperate with CSE staff.
- Use and report to SRS any resources available to pay for your family's medical expenses, such as from an insurance policy or lawsuit.
- Cooperate with state and federal Quality Control staff if your case is reviewed.
- Repay SRS for any assistance you receive for which you are not eligible.

SRS HAS THE RIGHT TO:

- Use your Social Security Number for computer matches with other agencies, such as banks, the IRS, the Immigration and Naturalization Service, and the State Income and Eligibility Verification System to verify your eligibility for assistance or to obtain alimony or child support for your family.
- Conduct a full investigation of your eligibility, including contacting employers, banks, doctors, or visiting your home (with advance notice in food stamp cases).
- Make payments from Medicaid or Medicare Part B directly to doctors or other medical providers for health services you receive while on assistance.
- Deny the application of or prosecute anyone who knowingly provides false information/commits fraud to obtain assistance to which he is not entitled.

PENALTY WARNING

ANY MEMBER OF YOUR HOUSEHOLD WHO BREAKS ANY OF THE FOLLOWING RULES ON PURPOSE WILL NOT BE ABLE TO GET FOOD STAMPS FOR 6 MONTHS AFTER THE FIRST TIME AND 12 MONTHS AFTER THE SECOND TIME. THE THIRD TIME A MEMBER BREAKS THE RULES, HE/SHE WILL NEVER GET FOOD STAMPS AGAIN. A COURT CAN ALSO ORDER AN INDIVIDUAL OFF OF THE PROGRAM FOR AN ADDITIONAL 18 MONTHS. THE INDIVIDUAL CAN ALSO BE FINED UP TO \$20,000, SENT TO JAIL FOR UP TO 5 YEARS, OR BOTH. UNDER OTHER FEDERAL LAWS, ADDITIONAL CRIMINAL OR CIVIL ACTION MAY BE TAKEN AGAINST THE INDIVIDUAL.

DO NOT GIVE FALSE INFORMATION, OR HIDE INFORMATION, TO GET OR CONTINUE TO GET FOOD STAMPS.
DO NOT TRADE OR SELL FOOD STAMPS, AUTHORIZATION CARDS OR ANY AUTHORIZATION DOCUMENT.
DO NOT ALTER AUTHORIZATION CARDS OR ANY OTHER AUTHORIZATION DOCUMENT TO GET FOOD STAMPS YOU ARE NOT ENTITLED TO RECEIVE.

DO NOT USE SOMEONE ELSE'S FOOD STAMPS, AUTHORIZATION CARDS OR ANY OTHER AUTHORIZATION DOCUMENT FOR YOUR HOUSEHOLD.
DO NOT USE FOOD STAMPS TO BUY INELIGIBLE ITEMS, SUCH AS ALCOHOLIC DRINKS AND TOBACCO.

IN ADDITION TO THE PENALTIES ABOVE, PERSONS FOUND GUILTY OF OBTAINING CASH BENEFITS FOR WHICH THEY ARE NOT ENTITLED WILL NOT BE ABLE TO GET CASH BENEFITS FOR 6 MONTHS UPON THE FIRST VIOLATION, 12 MONTHS AFTER THE SECOND VIOLATION, AND PERMANENTLY AFTER THE THIRD. A COURT MAY IMPOSE AN ADDITIONAL 18 MONTHS PENALTY FOR CRIMINAL CASES ONLY.

4-2

HEALTH DEPARTMENT REFERRAL (Agency Use Only)

205

Name:			
Address where you live:			
Street Address or RR#			
City		County	
State		Zip	
Mailing Address (If different):			
Street, RR#, or P.O. Box #			
City	County	State	Zip
Directions to your house:			
Phone number where you can be reached:			
Home:		Other:	

Requests Kan-Be-Healthy (EPSDT)
Services for children under 21:

☐ Yes ☐ No

Requests family planning services?

☐ Yes ☐ No

Needs transportation assistance?

☐ Yes ☐ No

Needs scheduling assistance?

☐ Yes ☐ No

Requests WIC services?

☐ Yes ☐ No

REFERRAL INFORMATION

HOUSEHOLD MEMBERS:

The household was notified through information provided in the SRS application for assistance of the availability of Kan-Be-Healthy (EPSDT) Services, Family Planning Services, and WIC Services and has given permission for their names to be released so that the Health Department may contact them about available services. Names of household members not receiving assistance have been deleted.

Name	Relationship to Person Listed in #1	Sex	Date of Birth
1.	SELF		
2.			
3.			
4.			
5.			
6.			
7.			
8.			

22

Address: _____

Street	City	State	Zip
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You can authorize someone outside your household to apply for, receive, and/or use your food stamps for you. If you wish to authorize someone, complete the following:

Name of Authorized Representative	Address	Telephone

1. I give permission for my name and the names of those in my case, our address, telephone number, and eligibility status to be given to medical providers so that they may give me information about services they provide.

2. Children and other persons under the age of 21 who are eligible for Medicaid may have free health screening (check-ups) as part of their medical coverage under the Kan-Be-Healthy program. This program promotes good health by finding and treating problems now which could later lead to illness, slow growth, or poor school or work performance. Children who receive health screenings get additional Medicaid coverage. Services are available through your doctor or local health department.

Do you need help with transportation? ☐ Yes ☐ No

4. Another program available at the health department is WIC (Special Supplemental Food Program for Women, Infants, and Children). WIC serves low-income infants, children under 5, and pregnant, breastfeeding or postpartum women. Eligible women and children receive nutrition assistance (including vouchers to purchase certain foods), nutrition education, and some health-related services.

3

CURRENT MARITAL STATUS (Circle one):

Never Married

Married (includes common-law)

Divorced

Legally Separated

Separated

Widowed

DISABLED HOUSEHOLD MEMBERS:

List anyone in your household who is disabled (including children): _____

PAST MEDICAL BILLS:

Does anyone have unpaid medical bills for any of the 3 months just before this month?

☐ Yes ☐ No

If yes, would you like eligibility for medical assistance determined for these 3 prior months?

☐ Yes ☐ No

Did anyone have health insurance during this time?

☐ Yes ☐ No**MEDICARE:**

Does anyone have Medicare coverage?

☐ Yes ☐ No.

If yes, list the name of the person(s) covered, the claim number(s), and effective date of coverage.

Name	Claim Number	Part A	Part B
		Effective Date	Effective Date

HEALTH INSURANCE:

Does anyone have health insurance coverage? (Include policies held by persons outside the household, such as an absent parent.)

☐ Yes ☐ No.

If yes, complete the following:

Company Name and Address	Policy Number	Effective Date	Policy Holder	Persons Covered	Monthly Premium Charge

ABSENT PARENT INFORMATION: (If applying for food stamps only, you are not required to complete this page.)

If you are requesting assistance for a child/unborn child who has a parent not living in your home, complete the following information regarding the absent parent(s):

	Parent #1	Parent #2	Parent #3	Parent #4				
Absent Parent's Name								
Date of Birth								
Address								
Social Security #								
Employer								
Reason for Absence								
Date of Last Contact								
If Applicable, District Court Where Divorce was Filed								
If Applicable, District Court Case #								
Name of Child(ren)								
Paternity Established	Yes	No	Yes	No	Yes	No	Yes	No

By law, you give SRS your rights to alimony and to child support for the children for whom you receive cash or medical assistance. Will you help Child Support Enforcement (CSE) in getting child support and (if needed) establishing the identity of the father of the children receiving cash or medical assistance? ☐ Yes ☐ No

NOTE: There is no attorney-client relationship between you and any attorney who works on your CSE case for SRS.

RESOURCES:

1. Has anyone sold, traded, or given away money, vehicles, land, or other property within the last 2½ years?
☐ Yes ☐ No (NOTE: If applying only for Food Stamps, provide information only for the last 3 months.)

2. Do you own or are you buying your home? ☐ Yes ☐ No Value of home? _____

3. Does anyone own or is anyone buying real estate other than the home? ☐ Yes ☐ No

List anyone who co-owns your home or other real estate: _____

4. Does anyone own, or does anyone's name appear on any of the items listed below? **Check yes or no for each item.** If yes, complete the other columns for that item. Two lines are provided to list multiple savings or checking accounts. Include any assets which are co-owned with someone not living with you. Include children's accounts.

Yes	No	Type of Resource	Name of Owner(s)	Amount	Name of Financial Institution
<input type="checkbox"/>	<input type="checkbox"/>	Savings account, #_____			
<input type="checkbox"/>	<input type="checkbox"/>	Savings account, #_____			
<input type="checkbox"/>	<input type="checkbox"/>	Certificates of Deposit (CD's)			
<input type="checkbox"/>	<input type="checkbox"/>	Checking account, #_____			
<input type="checkbox"/>	<input type="checkbox"/>	Checking account, #_____			
<input type="checkbox"/>	<input type="checkbox"/>	Money not in a bank			
<input type="checkbox"/>	<input type="checkbox"/>	Savings bonds			
<input type="checkbox"/>	<input type="checkbox"/>	Stocks & bonds			
<input type="checkbox"/>	<input type="checkbox"/>	IRA or KEOUGH account			
<input type="checkbox"/>	<input type="checkbox"/>	Prepaid burial contract or plan			
<input type="checkbox"/>	<input type="checkbox"/>	Burial account			
<input type="checkbox"/>	<input type="checkbox"/>	Livestock/Trailers			
<input type="checkbox"/>	<input type="checkbox"/>	Life Estates			
<input type="checkbox"/>	<input type="checkbox"/>	Mineral rights not on home property			
<input type="checkbox"/>	<input type="checkbox"/>	Other (describe) _____			

2-9

2-10

RESOURCES: (con't)

5. Does anyone have life or burial insurance? ☐ Yes ☐ No If yes, complete the following:

Name and Address of Company	Year Issued	Face Value	Owner of the Policy	Name of Insured

6. a. Is anyone's name on the title of a car, truck, motorcycle, all terrain vehicle, RV, or other vehicle?
☐ Yes ☐ No If yes, list all vehicles below:

Make	Model (include # of doors)	Year	Value	Amount Owed	Name(s) on Title

b. Are all vehicles registered in Kansas? ☐ Yes ☐ No If no, list state of registration:

EDUCATIONAL INCOME:

Has anyone received or applied for school grants, loans, scholarships or other educational assistance? ☐ Yes ☐ No
 If yes, complete the following:

Name of Student	Name of School	Type(s) of Assistance	Date(s) Received

UNEARNED INCOME: Does anyone have any of the following income or have they applied for it? **Check yes or no for each item.** If yes, enter amount of income in the "Amount" column. (Show the total amount of income before any deductions.) Two lines have been provided if more than one person has SSI, Social Security or Child Support income. Also list income received or expected from sources such as insurance or lawsuit settlements.

Yes	No	Type of Unearned Income	Name(s) of Recipient(s)	Amount	How Often Received	Date Applied for
<input type="checkbox"/>	<input type="checkbox"/>	Supplemental Security Income (SSI)				
<input type="checkbox"/>	<input type="checkbox"/>	Supplemental Security Income (SSI)				
<input type="checkbox"/>	<input type="checkbox"/>	Social Security, Claim #_____				
<input type="checkbox"/>	<input type="checkbox"/>	Social Security, Claim #_____				
<input type="checkbox"/>	<input type="checkbox"/>	Railroad Retirement, Claim #_____				
<input type="checkbox"/>	<input type="checkbox"/>	Veteran's Benefit, Claim #_____				
<input type="checkbox"/>	<input type="checkbox"/>	Unemployment Compensation				
<input type="checkbox"/>	<input type="checkbox"/>	Worker's Compensation				
<input type="checkbox"/>	<input type="checkbox"/>	Child Support				
<input type="checkbox"/>	<input type="checkbox"/>	Child Support				
<input type="checkbox"/>	<input type="checkbox"/>	Pension/Retirement Benefit				
<input type="checkbox"/>	<input type="checkbox"/>	Cash Contributions from Family/Friends				
<input type="checkbox"/>	<input type="checkbox"/>	Rental Income				
<input type="checkbox"/>	<input type="checkbox"/>	Sale of Livestock or Crops				
<input type="checkbox"/>	<input type="checkbox"/>	Oil/Mineral Rights/Royalties				
<input type="checkbox"/>	<input type="checkbox"/>	Income from Contract Sale				
<input type="checkbox"/>	<input type="checkbox"/>	Interest/Dividend Income				
<input type="checkbox"/>	<input type="checkbox"/>	Insurance/Lawsuit Settlement				
<input type="checkbox"/>	<input type="checkbox"/>	Other (describe) _____				

EARNED INCOME:Is anyone working now? ☐ Yes ☐ No If yes, complete the following:

Name	Employer's Name Phone Number & Address	Hourly Wage	No. Hours Worked Per Week	How Often Paid	Day(s) of Wk/Mo. Paid	Amount of Tips/ Commission

SELF-EMPLOYMENT INCOME:Is anyone self-employed? ☐ Yes ☐ No If yes, complete the following:

Name	Name & Type of Business	Hours Worked Per Week	Hours Worked Per Mo.	Total Monthly GROSS Income	Total Monthly Expenses

JOB TERMINATION:Has anyone stopped working in the last 60 days? ☐ Yes ☐ No

If yes, complete the following for each person who has stopped working:

Name _____

Employer's Name _____

Employer's Address _____

Employer's Phone # _____

Date of Last Paycheck _____ Amount _____

Reason For Termination _____

Name _____

Employer's Name _____

Employer's Address _____

Employer's Phone # _____

Date of Last Paycheck _____ Amount _____

Reason For Termination _____

EXPENSES: (List amounts your household is currently billed for each of the following):

Current Expenses	Amount	How Often Billed?	Who Pays the Expense?
Rent/Mortgage			
Lot Rent			
Property taxes (not included in mortgage)			
Homeowners Insurance (not included in mortgage)			
Electricity (Name of Company: _____)			
Gas/Propane (Name of Company: _____)			
Water/Sewage			
Trash Collection			
Telephone (basic charge)			
Child Support/Alimony			
Child or Adult Care			
Medical Expenses (List only for persons who are age 60 or over or who receive disability benefits. Include health insurance premiums.)			
Other (explain):			

1. Do you (or will you) purchase and prepare meals separately from anyone else in the household? ☐ Yes ☐ No

If yes, list names of those who purchase and prepare separately from you: _____

2. If you rent your home, complete the following:

Name of person to whom you pay rent

Address

Phone Number

3. Are you billed separately from your rent for heating or cooling expenses? ☐ Yes ☐ No

4. Do you get assistance from the Low Income Energy Assistance Program (LIEAP)? ☐ Yes ☐ No

5. Do you get assistance, such as from HUD or FHA, to help pay your housing or utility costs? ☐ Yes ☐ No

2-11

APPLICANT MUST READ AND SIGN BELOW

- I UNDERSTAND THE QUESTIONS ON THIS APPLICATION AND I UNDERSTAND THE PENALTIES FOR HIDING OR GIVING FALSE INFORMATION OR BREAKING ANY OF THE RULES AS STATED IN THE PENALTY WARNING LISTED ON THE BACK OF PAGE 2.
- I CERTIFY UNDER PENALTY OF PERJURY THAT MY ANSWERS ARE CORRECT AND COMPLETE TO THE BEST OF MY KNOWLEDGE.
- I CERTIFY THAT ALL MEMBERS OF MY HOUSEHOLD FOR WHOM I AM APPLYING FOR FOOD STAMPS ARE U.S. CITIZENS OR ARE ALIENS IN LAWFUL IMMIGRATION STATUS.
- I AGREE TO PROVIDE THE DOCUMENTS NECESSARY TO ESTABLISH MY ELIGIBILITY.
- I UNDERSTAND THAT INFORMATION ESSENTIAL TO DETERMINATION OF ELIGIBILITY WILL BE VERIFIED BY FEDERAL, STATE, AND LOCAL OFFICIALS AND THAT THIS INFORMATION COULD AFFECT MY ELIGIBILITY AND BENEFITS.
- I UNDERSTAND THAT IF I RECEIVE MEDICAL ASSISTANCE AFTER AGE 64 OR WHILE INSTITUTIONALIZED, THERE MAY BE A CLAIM AGAINST MY ESTATE TO RECOVER THE MEDICAL EXPENDITURES MADE ON MY BEHALF. YOUR FINANCIAL INSTITUTION(S) WILL BE NOTIFIED OF A PENDING CLAIM.
- I UNDERSTAND THAT, UNLESS EXEMPT, I AND ANY PERSON FOR WHOM I AM APPLYING OR RECEIVING ASSISTANCE AGREE TO MEET WORK-RELATED REQUIREMENTS AND THAT FAILURE TO COMPLY MAY RESULT IN INELIGIBILITY FOR THE PERSON WHO FAILED TO COMPLY AND ALL OTHERS IN THE HOUSEHOLD.
- I AGREE TO NOTIFY THE LOCAL SRS OFFICE OF CHANGES IN INCOME, RESOURCES, HOUSEHOLD COMPOSITION, ADDRESS OR LIVING ARRANGEMENTS WHICH MIGHT AFFECT THE AMOUNT OF MY ASSISTANCE OR MY RIGHT TO RECEIVE ASSISTANCE.
- UNLESS EXEMPT, I AND/OR ALL PERSONS FOR WHOM I AM APPLYING AGREE TO TURN OVER TO SRS ALL ALIMONY OR CHILD SUPPORT PAYMENTS FOR ALL PERSONS APPLYING FOR OR RECEIVING AID TO FAMILIES WITH DEPENDENT CHILDREN OR MEDICAL ASSISTANCE.
- MY SIGNATURE BELOW AUTHORIZES THE USE OF MY (OUR) SOCIAL SECURITY NUMBER(S) TO ADMINISTER ANY PROGRAM (INCLUDING CHILD SUPPORT ENFORCEMENT) FOR WHICH I HAVE APPLIED AND TO ISSUE BENEFITS BY COMPUTER.

AUTHORIZATION TO RELEASE INFORMATION

My signature on this application authorizes my employers, medical providers, financial institutions, insurance providers, benefit providers and other persons or agencies with knowledge of my circumstances to release to the Kansas Department of Social and Rehabilitation Services any information, including confidential information, necessary to establish my eligibility for assistance or to administer any program (including Child Support Enforcement) for which I have applied. All information provided on this application is protected by state and federal confidentiality laws. This release is valid from the date set out below and shall remain valid until revoked in writing by the undersigned. A copy of this authorization is as valid as the original.

- | | |
|--|---------------|
| 1. _____
Signature of Applicant | _____
Date |
| 2. _____
Signature of Applicant's Spouse | _____
Date |
| 3. _____
Signature of First Witness if "X" is Used | _____
Date |
| 4. _____
Signature of Second Witness if "X" is Used | _____
Date |
| 5. _____
Signature of Court-Appointed Guardian | _____
Date |

Additional Information:

2-15

CITIZENSHIP/LAWFUL ALIENAGE DECLARATION (For cash/medical assistance applicants only):

Each household member for whom assistance is being requested must certify below that he or she is a U.S. citizen or lawful alien. Each person who is not a U.S. citizen must provide either documentation from the Immigration and Naturalization Services (INS) or other documents which prove immigration status. Alien status must be verified which will require that we send certain information to INS. The information we receive from INS may affect your household's eligibility and amount of benefits.

I certify, under penalty of perjury, by signing my name below, that I am a U.S. citizen or alien in lawful immigration status. (You must sign your own name for household members under 18 years of age. All other adult household members must sign for themselves.)

Household Member Name	(Check One)		If Alien, Date Entered U.S.	Signature and Date
	U.S. Citizen	Alien		
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

Signature of First Witness if "X" is Used Above

Date

Signature of Second Witness if "X" is Used Above

Date

Actively Creating Tomorrow (ACT) for Families

A welfare reform proposal for Kansas

The mission of the Kansas welfare reform initiative, **Actively Creating Tomorrow for Families**, is to strengthen Kansas families. This mission can be accomplished through a shared vision among all Kansans by:

- promoting personal and parental responsibility;
- developing opportunities for economic self-sufficiency; and,
- creating an environment so the financial and emotional needs of children are met, and individuals and families can strive to reach their maximum potential.

Donna Whiteman, Secretary
Kansas Department of Social and Rehabilitation Services

Does it make Sense that . . .

- 80% of the children receiving AFDC benefits do so while their absent parents do not pay child support?
- Two AFDC families living separately each receive a shelter allowance of \$109 per month for a combined total of \$218, but when the two families move in together to economize, they are fiscally penalized and their combined shelter allowance drops to \$108?
- The state pays for thousands of teen births each year but does not have a statewide teen pregnancy prevention program?
- A person can quit a job and still be eligible for AFDC benefits?
- The state must go to court to establish the paternity of a child for a family on AFDC when it could be done at the hospital when the child is born?
- The money a child saves from a paper route could prevent the family from getting assistance?
- Owning a 1988 car worth only \$2,000 would prevent a family from getting AFDC benefits?
- The state expects people to go to work but would take away a dollar in benefits for every dollar a family earns after allowing \$90 for work expenses?
- A job at less than minimum wage with no medical insurance can make a family ineligible for assistance?
- The state provides only one year of medical assistance to help low income working families make the transition from welfare to work?
- People say Aid to Families with Dependent Children payments are too high when over 60,000 Kansas children living on AFDC are receiving benefits 59% below the federal poverty level?
- The state pays \$300 per month to care for a young child in a foster home, but a child's portion of the AFDC grant which helps keep families together in their own home is less than \$150?

The Facts about public assistance

Myth #1

People make a career of being on public assistance.

Fact: The average Kansas family receiving benefits from Aid to Families with Dependent Children (AFDC) typically receives benefits for only 12 months. A review of open AFDC cases during December, 1992 showed more than half of the cases which closed during that month had been open for less than 6 months. Of the remaining open cases, about 75% had been open for less than two years. Less than 1 in 5 open cases had been open for 41 months.

Successfully enforcing child support can shorten a family's need for AFDC benefits by an estimated 6 months.

Myth #2

Most people who receive public assistance benefits are able-bodied adults who are too lazy to work.

Fact: More than half of all Kansas AFDC and food stamp recipients are children. Most adults who receive AFDC benefits are single parents who face multiple barriers to employment such as a disability or lack of education, experience, transportation and child care.

The number of AFDC recipients who had been out of work for more than two years declined from 43.2% in 1985 to 29.5% in 1990. The number of recipients who were employed increased from 6% in to 17.5% during that same five-year period. Only 9% had never worked.

Myth #3

Most AFDC families have lots of children.

Fact: The average Kansas AFDC family consists of three family members, usually a single mother and two children. The average number of children in a Kansas AFDC family is 1.8

Myth #4

Women on assistance keep having children to get more money.

Fact: Most AFDC families have two or fewer children. A mother with two children typically receives a maximum of \$403 a month. The maximum grant amount increases by approximately \$61, or an additional \$15.25 a week, for each additional household member.

Myth #5

AFDC benefits are too high. People on assistance are doing well financially.

Fact: Assistance benefits do not provide sufficient income to bring families to the 1993 federal poverty level. Kansas typically pays a maximum of \$403/month to a mother with two children. This maximum grant amount represents only 42% of the federal poverty level of \$991 per month. 27 states have higher payment levels than Kansas.

Myth #6
AFDC families receive benefits through several programs which fill any gaps left by inadequate AFDC benefits.

Fact: Not all AFDC families receive benefits under multiple programs. However, many AFDC recipients receive food stamps and energy assistance. When combined, these benefits bring the family's spendable income up to 71% of the federal poverty level.

Myth #7
Most AFDC families get subsidized housing.

Fact: Only a small portion of families on AFDC currently receive any rent subsidy because:

- The number of housing units are very limited;
- The majority of units are dedicated to the elderly, not families; and,
- Many eligible families compete for the limited supply of housing units, resulting in long waiting lists.

In Topeka, for example, only 33% of the AFDC recipients receive housing assistance. The percentage of recipients with housing assistance drops drastically in smaller Kansas communities where little, if any, housing assistance is available.

The majority of Kansas public assistance recipients must use the portion of their public assistance benefits designated for shelter, which ranges from \$92 to \$135 per month, to pay full fair market price for rent.

Myth #8
People move to Kansas to take advantage of our public assistance programs.

Fact: SRS client data shows in 1990, 78% of the persons applying for AFDC benefits had lived in Kansas for five or more years at the time they applied. Nearly 7% had lived in Kansas less than a year and only 2.4% had lived in the state less than six months.

Myth #9
Welfare is for poor people. I'll never need it.

Fact: Unfortunately, most American families are only a paycheck away from needing public assistance. An SRS survey showed that from 1985 to 1990, the percentage of AFDC recipients who had never received unemployment benefits before rose from 67% to 75%.

Many people turn to public assistance programs during times of crisis and need. A sudden job loss may mean a family will need AFDC or food stamps. A newly divorced woman may rely on AFDC benefits to help her family regain financial stability. Parents with low income jobs that do not provide health insurance may rely on the Medicaid program to pay for their children's medical care.

Myth #10
Minorities make up most of the population of persons on assistance.

Fact: Kansans who are white comprise approximately 62% of the AFDC population. An estimated 38% of the AFDC population represent minorities.

Myth #11
The State's Child Support Enforcement program gives services only to persons with limited income.

Fact: A full compliment of paternity, establishment and enforcement services are available to all Kansas children and adults regardless of income.

Myth #12
Child Support Enforcement concentrates on collecting money owed to the State by AFDC families.

Fact: During the past two state fiscal years, SRS collected more than twice the amount of child support for non-AFDC families than for AFDC families

Myth #13
Once a family gets on AFDC, there is little the state can do to make them financially self-sufficient.

Fact: In Kansas, many AFDC recipients have access to a job preparation program, KanWork, that assists participants in reaching self-sufficiency. KanWork is a family support program emphasizing work, training, education and child support. It offers needs-based support services including child care, transportation, and special employment allowances. It was specifically initiated to address the lack of adequate education and support services which were preventing AFDC recipients from obtaining employment and self-sufficiency.

Education is the key to financial self-sufficiency. Studies show the income level of single parent heads of households increase dramatically with the educational level they obtain. One study of single parents under 30, showed those with less than a high school education earned approximately \$6,200/yr.; a high school diploma earned \$13,400/yr; college degrees, \$24,000/yr.

A recent Census Bureau report noted the higher the educational level an AFDC recipient obtains, the less likely she or he will return to receiving public assistance.

Key Proposals

of Actively Creating Tomorrow for Families

□ Focus on attainment of economic self-sufficiency and promote personal and parental responsibility for the support of children.

- Self-sufficiency plan established for each adult with compliance with plan goals mandatory to receive cash assistance.
- No assistance to family when adult voluntarily quits a job or refuses to cooperate in obtaining child support.
- Simplified administrative procedures for establishment of paternity and child support orders.
- Application for federal demonstration project to provide federally-funded guaranteed child support payment to every child when one or both parents are absent.
- Establishment of paternity outreach programs with hospitals and local health departments.

□ Make work pay and provide job training and employment opportunities.

- Increased earnings exemptions for recipients who work.
- Increased transitional medical coverage to 24 months.
- On-the-job training opportunities in private businesses and expanded CWEP opportunities to the private sector.

□ Reduce costs and long-term dependency through preventive programs.

- Case management for teen parents and teens at risk of becoming parents.
- Increased staff allowance in identification of fraud and collection of overpayments.
- An electronic benefits transfer (EBT) system to provide responsible delivery of benefits.
- Removal of program restrictions to two-parent families participating in the AFDC program.
- Assurance of an adequate need and payment standard which provide the financial security to keep families intact and reduce out-of-home placement.
- Satellite health department clinics in schools.*
- A mandated statewide life skills curriculum for grades K-12 to focus on self-esteem building and responsible decision-making.*
- Apprenticeship programs in marketable fields for non-college bound youth.*

* Does not come under the purview of SRS. The role of SRS would be that of encouragement and support.

□ Deliver services based on customers' needs.

- Assessment of different service delivery methods.
- Sufficient staff to deliver services efficiently and effectively

An Overview of Actively Creating Tomorrow for Families

PRESERVE FAMILIES

CURRENT

- A two-parent family may not receive AFDC benefits unless one parent is disabled or is working less than 100 hours a month and has worked at least six quarters of the past 13 and has earned \$50 or more in each of these quarters.

- The father of an unborn child cannot receive assistance under the AFDC program. Once the child is born, the father can be covered if he meets program requirements regardless of whether paternity has been formally acknowledged.

- The State has not determined what it takes a family to live in Kansas. AFDC payments are based on legislative appropriations. Over time, inequities have developed in the need/payment standards due to shifts in demographics within the state and to adoption of regressive policies. For example, an AFDC family's payment is reduced if they move in with someone to economize. Two AFDC families living together can actually receive less for shelter than either living alone.

The current AFDC need/payment standard for a family of three is 59% below the poverty level.

The payment standard was originally based on a 1974 study of costs which set separate shelter rates for different parts of the state. This study has not been updated. However, the legislature has granted cost of living increases in years when funding was available.

PROPOSED

- Allow two parent families to qualify for the AFDC program based on financial need.

- Allow the father of a child, including an unborn child, to receive assistance with his family if he legally acknowledges paternity.

- The AFDC program is the primary program for providing financial security for intact families and keeping families together. It is important to assure that the need and payment standards are adequate to provide that security.

A study would be conducted to determine the cost of moderate living in Kansas. Amounts necessary to meet these costs should be included in future budget requests.

PROMOTE PARENTAL AND INDIVIDUAL RESPONSIBILITY

CURRENT

- Self-sufficiency plans are only developed for some individuals. Some go on waiting lists and others never develop one.

- A person can quit a job and apply for and receive AFDC benefits.

- AFDC recipients who do not cooperate in obtaining child support lose cash assistance for themselves but still receive medical assistance and food stamps as well as cash assistance for their children.

- The court system is the only avenue to change or establish child support orders or to determine paternity.

- Children only receive child support if the noncustodial parent pays. Many families are forced to rely upon AFDC benefits as a result.

- Paternity is often not established until years after the birth of a child requiring a lengthy and expensive procedure.

PROPOSED

- Every family would develop a self-sufficiency plan at the time of application and would have to follow that plan to receive assistance.

- No assistance would be provided if a parent voluntarily quit a job.

- The family would no longer be eligible for cash, medical or food stamp assistance.

- Administrative procedures would be used to establish and modify support orders and take action on uncontested paternities. The court system could review upon request of either party.

- Guarantee the payment of child support to every child and actively seek reimbursement from the non-custodial parent. To do this, Kansas would seek a waiver to operate a federally funded pilot program.

- The state would actively seek voluntary paternity acknowledgement at birth through contracts with hospitals and health departments for outreach services.

SUPPORT AND REWARD WORK

CURRENT

•Recipients who go to work are allowed to keep \$120 plus one-third of their remaining earnings for the first four months, then \$120 for the next eight months, and then \$90 thereafter. All earnings above these amounts reduce the AFDC assistance benefit dollar-for-dollar. Persons who get a job lose eligibility for cash assistance while their available income is far below the poverty level and often have to return to assistance.

•Persons who lose cash assistance due to employment are provided medical coverage for up to 12 months.

•In the AFDC program, one car with an equity value of \$1500 is allowed; the Food Stamp program allows for a car with a market value of only \$4500, regardless of whether there is any equity. The medical program allows for one vehicle.

•Money children save from a job after school can make their family ineligible for assistance.

PROPOSED

•Recipients who go to work would be allowed to keep \$90 plus 40% of the remaining earnings. This provides a greater incentive for full-time employment. Recipients who get a job under this proposal would receive cash assistance until their combined wages, food stamp benefits and earned income tax credits approximate the federal poverty level.

•Persons who lose cash assistance due to employment would receive 24 months of medical coverage.

•One vehicle would be allowed for all programs. This decreases complexity and recognizes the need for transportation.

•Earnings saved by children would not affect eligibility.

PROVIDE TRAINING AND WORK EXPERIENCE TO THOSE WHO CANNOT FIND A JOB

CURRENT

•Provides little incentive for work and limited opportunity to access employment and training services.

•Work experience is limited to government or nonprofit enterprises.

•No public service employment projects.

PROPOSED

•Makes work pay and provides job training and employment opportunities on a statewide basis.

•Work experiences and on-the-job training would be expanded to private businesses.

•Develop public service employment projects with local governments.

ENCOURAGE CHILDREN TO STAY IN SCHOOL

CURRENT

- No funds are provided by SRS for school activities for children in public assistance programs.
- No cash incentives are provided to children for attending school. However, for families involved in the JOBS program, failure of parents to comply with the requirement to attend school results in a reduced cash grant for the family.

PROPOSED

- Provide funds necessary for children in public assistance programs to participate in school activities.
- Establish a pilot project to test the effectiveness of a small cash incentives which would reward children for staying in school. Often cash incentives and other services prevent children from dropping out of school.

CLIENT-CENTERED SERVICE DELIVERY

CURRENT

- Caseload growth without corresponding increases in staff is resulting in declining productivity, accuracy and responsiveness. These declines are costing the state money and resulting in less than adequate services to clients. Since 1989, caseloads have increased 56% while staffing has increased only 3.5%

- Specialized staff deliver programmatic services. A client may see two or more workers depending upon their service needs. A client may have an income maintenance worker who determines AFDC eligibility while a separate worker provides employment preparation services.

PROPOSED

- Provides sufficient staff to deliver services efficiently and effectively by:
 - Contracting with an outside firm or university to develop a model for caseload standards in Kansas.
 - Hire the number of staff necessary to maintain caseloads at the recommended level with the authority to adjust staffing as caseloads rise or fall.
- SRS should assess different service delivery methods through pilot projects to assure the most effective is used.

PREVENT COSTS ASSOCIATED WITH LONG-TERM DEPENDENCY ON PUBLIC ASSISTANCE

CURRENT

- There is no coordinated statewide effort to address teen pregnancy in Kansas.

- Many problems which result in long-term welfare dependency could be resolved at an early age by appropriated health and education intervention measures.

PROPOSED

- A statewide coordinated effort would work with dedicated area staff to build a prevention program and resource network. A case manager would target teen parents to attempt to delay subsequent pregnancies.

- SRS, the Kansas Department of Health and Environment and the Kansas State Board of Education should work together to develop shared initiatives to target youth at risk of long-term welfare dependency. These initiatives could include school-based health department clinics. A K-12 school life skills curriculum, and high school apprenticeship programs for non-college-bound youth.

TO DETER FRAUD AND PROGRAM ABUSE AND RECOVER MISSPENT FUNDS

CURRENT

- Little is done to recover overpayments once an assistance case is closed.

- Mailing of checks and food stamps requires handling and often results in delays or losses.

PROPOSED

- Develop a collection system to aggressively pursue the recovery of overpaid benefits once a person is off of assistance.

- Make benefits available through automatic teller machines (ATMs) and credit card type transactions at grocery stores to speed delivery, reduce handling, and eliminate mail losses.

KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
Donna L. Whiteman, Secretary
House Appropriations Committee
Testimony on Welfare Reform
February 7, 1994

SRS MISSION STATEMENT

"The Kansas Department of Social and Rehabilitation Services empowers individuals and families to achieve and sustain independence and to participate in the rights, responsibilities, and benefits of full citizenship by creating conditions and opportunities for change, by advocating for human dignity and worth, and by providing care, safety and support in collaboration with others."

Madam Chair and members of the Committee, thank you for this opportunity to present testimony on the agency's welfare reform plan, Actively Creating Tomorrow (ACT) for Families. The goal of this reform effort is to support and reward work, promote parental responsibility, and lessen the costs of long-term welfare dependency. For this effort to succeed, five basic policy shifts must occur:

1. **Make Work Pay:** A combination of a minimum wage job, AFDC, food stamps and earned income tax credit should lift a family above the poverty line.
2. **Assure Access to Health Care:** Loss of Medicaid and inability to purchase health insurance is a serious obstacle to work.
3. **Strengthen Child Support Enforcement to Supplement the Earnings of Poor Families:** Child support in combination with wages can lift a family out of poverty. Currently, only 16% of Kansas AFDC recipients receive child support payments.
4. **Expand Welfare to Work Programs:** Local government, state agencies and private enterprise must work in partnership to provide on-the-job training opportunities for welfare recipients. Welfare recipients' greatest need is reconnection to the job market and the opportunity to learn a job on the job.
5. **Offer Community Service Jobs:** This is a viable alternative for people who cannot find or keep private jobs. Society cannot require work as a condition of public assistance without guaranteeing the opportunity to work.

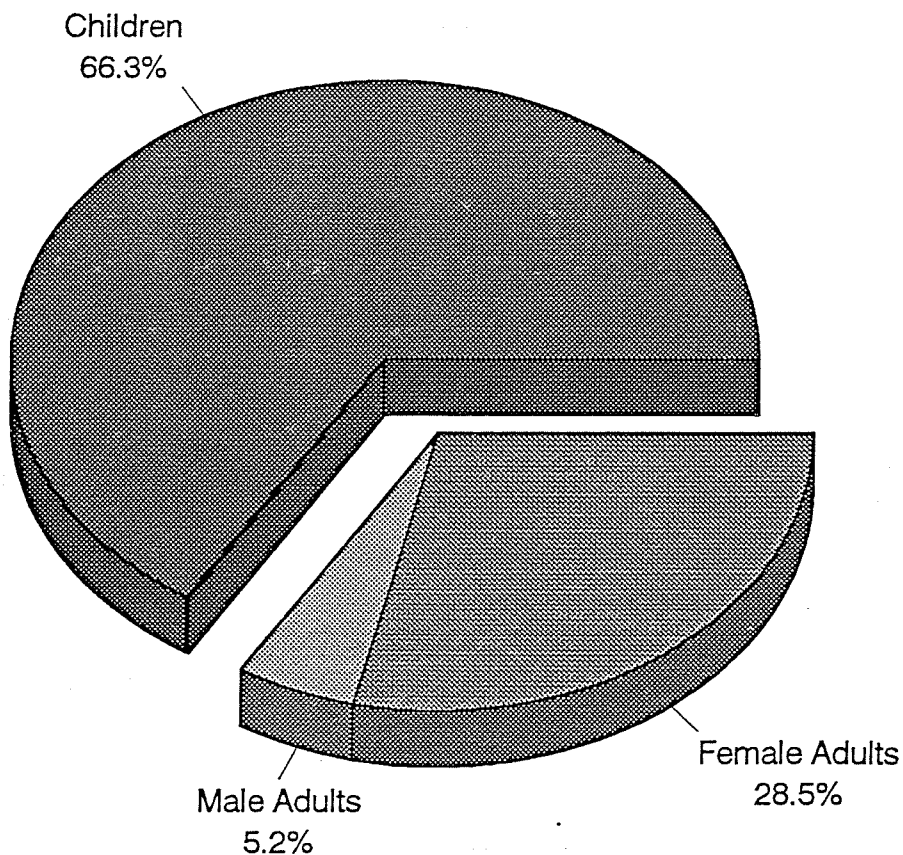
Enabling people to work and become self-sufficient will reap large dividends later; fewer people on assistance, more people paying taxes, and fewer children trapped in poverty characterized by unemployment, crime and hopelessness.

2-7-94

ATTACHMENT 4

Profile of AFDC Beneficiaries

- * The average Kansas AFDC family consists of three family members, usually a single mother and two children
- * The typical Kansas AFDC family receives an average monthly grant of \$348; about \$119 per family member
- * 48% were either divorced or separated; 22% were married
- * 78% had lived in Kansas for five or more years; only 2% had lived in the state for less than 6 months
- * In the KanWork program 44% of the people had completed high school or had a GED
- * Approximately 10% of our AFDC beneficiaries are currently working
- * In an average month in fiscal year 1993 the AFDC program served 87,393 people of which 66% were children





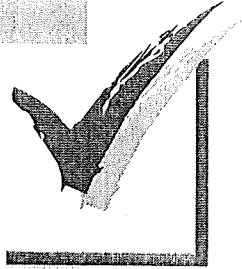
Actively Creating Tomorrow (ACT) for Families

Kansas Welfare Reform Initiative

1995

Kansas Department of Social & Rehabilitation Services
February 1994



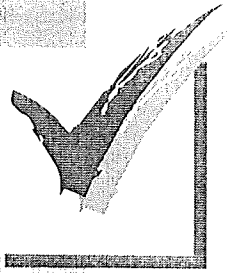


What is the mission of ACT?

To Strengthen Kansas Families

This mission can be accomplished through a shared vision among all Kansans by:

- promoting personal and parental responsibility;
- developing opportunities for economic self-sufficiency; and,
- creating an environment so the financial and emotional needs of children are met, and individuals and families can strive to reach their maximum potential.



How Will Families Be Strengthened?

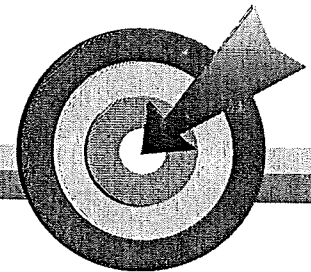
Five Basic Strategies Will Be Used

- Prevent Costs Associated With Long Term Welfare Dependency
- Deter Fraud & Program Abuse and Recover Misspent Funds
- Promote Parental and Individual Responsibility
- Support and Award Work
- Provide Training & Work Experience to Those Who Cannot Find a Job

Initiatives For Success

Waiver Not Required

1. Contract with selected hospitals to establish paternity for a child at the time of birth. In addition, initiate outreach on paternity establishments at local health departments during pre-natal and well baby visits.
2. Promote parental responsibility both financially and emotionally by mandating that paternity be established prior to including an alleged father in the AFDC assistance case.
3. Maximize state dollars spent on Medicaid by shifting costs of eligible individuals to Medicare through increased efforts in the Buy-in process.
4. Increase the collection of public assistance overpayments by developing a centralized claims collection unit to aggressively pursue repayment by persons no longer receiving assistance, and by hiring staff for each SRS area dedicated to increasing the identification of fraud and collection of overpayments.
5. Increase child support collections, prevent fraud, and make more timely adjustments to assistance payments by obtaining legislation which will require the immediate filing of all employees' W-4 forms with the state and provide for immediate compiling and updating of this information with direct access by SRS.
6. Reduce dependency on state funds in the medical assistance program by expanding the Estate Recovery Program. This would include increasing the number of probates filed, and the implementation of a process to recover and liquidate real property.

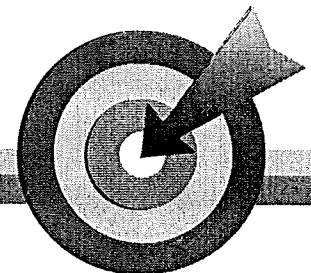


Initiatives For Success - (cont'd)

7. Increase the collection of public assistance overpayments and reporting activity by modifying the KAECSSES system.
8. Expand the Community Work Experience Program to private sector business, thus increasing opportunities for SRS clients to gain skills for gainful employment. Currently, CWEP is offered only through not-for-profit and government organizations.
9. Increase non-custodial parents participation in the financial and emotional support of their children by providing paternity visitation and custody services to non-custodial parents.
10. Reduce errors, improve prevention initiatives and service delivery to clients, reduce agency costs due to excessive turnover, and avoid federal sanctions by initiating a staffing plan that is responsive to changes in public assistance caseloads.
11. Contract with a firm or university to determine the amount of income which is required to live frugally but adequately meet all basic needs. The state is required by federal law to reevaluate it's need standard every three years.

Waiver Required

1. New income consideration policies would be adopted which motivate, rather than penalize, individuals who seek work and retain employment.
2. Both parents in two parent families would be required to look for work or otherwise comply with participation requirements of the JOBS program.



Initiatives For Success - (cont'd)

3. Prohibit assistance for the entire family when the caretaker refuses to cooperate with Child Support Enforcement in establishing paternity or obtaining child support.
4. Assistance would not be provided to a family when the legally responsible adult voluntarily quits a job without good cause.
5. Extend health care coverage to families who no longer receive AFDC due to earnings of a family member from the current 12 month policy to 24 months of coverage following the start of their employment
6. Increase paternity establishment and child support collections in all programs by mandating that all affected food stamp households cooperate with CSE..
7. Exempt one vehicle when determining available resources in order to allow a family to have reliable transportation for employment and education.
8. Penalties currently imposed only upon employed recipients for failure to report changes on a timely basis would be extended to apply to all recipients who fail to timely report.
9. Encourage families to stay together by removing restrictions on two parent families participating in the AFDC program.
10. Seek AFDC eligibility for women in their first two trimesters of pregnancy. These women currently receive GA. In addition, if in the home, fathers of these unborns would also receive AFDC, thus allowing their income to be counted in the eligibility determination.



Initiatives For Success - (cont'd)

11. A teen pregnancy initiative would grant funds to a community agency for a media campaign to promote public awareness of teen pregnancy issues. In addition, SRS staff would be dedicated to encouraging and establishing initiatives which address the prevention of teen pregnancy. There is currently no coordinated statewide effort in this area.
12. Allow AFDC funds for all foster care children and children living with a legally established guardian or conservator.
13. Modify the TransMed program to eliminate the submittal of monthly reporting forms and the 185% of poverty gross earnings test. These cause excessive paperwork and are a barrier to program effectiveness.
14. Require caretakers of infants over 3 months old to participate in education and work related activities. The current policy which exempts all caretakers of children under age three does not provide early motivation or support for parents to seek self-sufficiency.
15. Develop projects with local governments which would serve as resources for community projects as well as provide training for SRS clients and assist in transitioning to self-sufficiency.

Additional Items

1. Require applicants and recipients to enter into an agreement of understanding and responsibility with the agency to work toward self-sufficiency. Assistance for the family could be terminated if the terms of the contract are not met.
2. Increase self-sufficiency opportunities for assistance recipients through the development of on-the-job training opportunities.



Initiatives For Success - (cont'd)

3. Increase employment opportunities of unemployed parents not meeting their child support obligations and by giving authority to hearings officers and courts to mandate referral to an employment preparation program for public service employment or basic job search activity.
4. Encourage participation in school by providing funds for children receiving public assistance to enable them to participate in classes and activities which require fees or other costs.
5. Explore alternate service delivery methods and pilot prior to implementation.
6. Provide better information to SRS recipients and the public by developing handouts and informational brochures for all programs. Thus, improving understanding of program requirements and responsibilities, as well as the scope of services available.
7. Evaluate the effectiveness of cash incentives which reward children for staying in school by testing in a pilot project.
8. Promote greater participation in the work and training programs by reimbursing clients the actual mileage costs they incur.
9. Promote more financial stability and encourage families to economize by sharing household expenses by eliminating the policy which requires reduction of a family's assistance payment when households share costs.



Teen Pregnancy

FACTS:

- 4,575 adolescents aged 10-19 gave birth in Kansas in 1991.

61% of these teens received assistance from SRS, many of these due to the outreach effort of the Medicaid program for pregnant women in which only a medical card is provided.

- Nearly 75% of AFDC mothers under 30 began as teen parents.
- Teen parents are unlikely to finish school - Only 5% complete high school.
- If teen mother has 2nd child, 85% likelihood she will be long-term welfare dependent.

OTHER FACTORS:

- Lack of employment opportunities for teen parents.
- Greater risk of low birth-weight babies and infant mortality.
- Greater risk of child abuse and neglect.
- Women with one child are twice as likely to leave public assistance through employment than women with three children
- 1985 Kansas survey: AFDC clients with fewer children had shorter stays on AFDC, shorter lengths of time between employment, higher educational levels, and better day care access.

A.C.T. PROPOSAL:

- Develop comprehensive life skills curriculum for K-12 in all schools.
- Preventive community health services for elementary and secondary students.
- Increased opportunities for teens completing high school (compulsory attendance for persons 18 and under, youth apprenticeship programs, alternative education).
- Intensive case management services for all pregnant or parenting teens to delay or prevent 2nd birth.
- Grants for increased media campaign.
- Establishment of paternity at hospitals.
- Parenting education.

CHILD SUPPORT ENFORCEMENT

Purpose:

- The goal of Child Support Enforcement is to prevent the need for public assistance by insuring reliable support payments.
- Child Support Enforcement (CSE) services, including establishment of paternities and establishment and enforcement of support orders, are available to both AFDC and non-AFDC families.
 - o AFDC - Support rights are assigned to the state, and cooperation with CSE is mandatory for recipients. The first \$50 collected is given to the family as an incentive. The rest is retained and shared by the state and federal governments as reimbursement for AFDC expenditures.
 - o Non-AFDC - Federal law requires the state to provide child support services to anyone who applies, regardless of income.

Statistics:

- 250,000 Kansans receive CSE services
- Collections have increased 353% since FY 1987. In increased collections, Kansas ranks in the top 10 nationally.
- Collections in FY 1993 were \$80 million.
Collections in FY 1994 are anticipated to be \$94 million.
- CSE collection efforts resulted in the closure of 3,368 AFDC cases in FY 1993 for a cost avoidance of approximately \$13.3 million.
- Paternity was established for over 3,200 children in FY 1993.

ISSUE: Limiting Time on AFDC

FACTS:

o National

Over 50% of AFDC recipients receive assistance less than 1 year

Almost 75% of recipients are off rolls within 2 years.

o Kansas - No time limit on assistance.

Over 60% receive for less than 1 year

Almost 80% are off rolls within 2 years.

o Successful enforcement of child support can shorten stay on AFDC by 6 months or prevent need for assistance

o Majority of families not on assistance continuously but in separate spells.

PROBLEMS:

o Ignores individual and family circumstances

o What happens to families at end of time period who still need help?

o Hardship on children

o Families may have to extend continuous time on assistance to access training and education opportunities

o Focus attention away from individual assessments and employability planning to preoccupation with time.

A.C.T. PROPOSAL:

o Develop individual and family responsibility agreements with time table for transitioning from public assistance

o Agreements time limited with focus on employability, other self-support skills.

o Failure to fulfill conditions of the agreement will result in loss of benefits.

ISSUE: Assistance for Teen Parents

- o Under Kansas' current policy, teen parents must live with family/adults to receive assistance
 - unless determined to be able to act in own behalf by marriage, court action or meeting rigid agency criteria.
- o Kansas has chosen the most restrictive option allowable under federal law.
- o In other states, but not in Kansas:
 - teen parents can receive their own benefits while living in a parent's/relative's home
 - teen parents can receive assistance outside an adult's home even though not determined to be able to act in own behalf.
- o Few teen parents receive their own benefits in Kansas
 - out of 30,000 AFDC cases now open, only 110 are headed by a teen parent
 - in the last 6 months 55 teen parents were denied assistance because the agency determined they were not able to act in own behalf.

ISSUE: Capping Size of Family

FACTS:

o National

70% of AFDC families have only 1 or 2 children

AFDC family size decreasing:

1969 - 32.5% with 4 or more children

1989 - only 9.6% with 4 or more children.

o Kansas - No cap. Assistance based on family size.

Approximately 75% of AFDC families have only 1 or 2 children.

Average number of children in AFDC family - 1.8

Average family size - 2.9

Maximum grant amount for family of 3 - \$403 (only 41% of 1991 federal poverty level).

Value of AFDC benefit declines as family size increases.

o Federal Health and Human Service Survey shows:

- Number of out-of-wedlock births is not affected by whether State has high or low benefit.

- Number of births not affected by whether benefit levels rise with family size, stay the same, or decrease.

o Few states have adopted cap. Most have rejected idea.

PROBLEMS:

o Creates inequity between applicant and recipient families

o Creates hardships for all children

o Based on false presumption that benefit level affects family size

o Increases administrative complexity and cost.

A.C.T. PROPOSAL:

o Focus on individual and family responsibility agreements which promote social and parenting skills and achieve self-sufficiency

o Greater focus on teen pregnancy with more intensive case management services for pregnant and parenting teens to delay or prevent birth of second child.

4-16

WELFARE REFORM
STATE COMPARISONS

State, Site, Date Implemented	Benefits	Learnfare	Family Cap	JOBS	Immuniza- tion and Health Care	Transition- al Child Care (TCC) and Medicaid (TMA)	Earnings Rules	AFDC-UP Rules	Additional Information
<p>CALIFORNIA</p> <p>A) Statewide 12/92</p> <p>B) Pilot in Los Angeles County 1/93</p>	<p>A) Grant Reduction</p>	<p>A) Pregnant & Parenting Teens who have not completed H.S. would be required to participate in Cal Learn</p>		<p>A) Job Club - voluntary to AFDC recipients who cannot be served in GAIN (Calif. JOBS Program)</p>			<p>A) 30 and 1/3 with no time limitations</p>	<p>A) 100 Hr. Rule</p>	<p>A) Residency requirement was overturned in District Court as being unconstitutional</p> <p>B) Fingerprinting required as a condition of AFDC elig.; failure to comply results in ineligibility. Use of Early Prevention and Detection Services are available</p>
<p>GEORGIA</p> <p>A) Pilot in one county 1/93</p> <p>B) Statewide 1/94</p>				<p>B) Increased Family Planning Services and Parenting Skills training</p>	<p>A) Required for preschool children</p>				<p>A) Those in sample would need to take part or probably face sanctions for the child's portion of the AFDC grant</p> <p>B) Elimination of benefits via "Family Cap" and exclusion from the AFDC grant for adults refusing full time employment</p>

State, Site, Date Implemented	Benefits	Learnfare	Family Cap	JOBS	Immuniza- tion and Health Care	Transition- al Child Care (TCC) and Medicaid (TMA)	Earnings Rules	AFDC-UP Rules	Additional Information
ILLINOIS A) Waivers for 5 demos in a variety of sites, 7/94				A) Lower the JOBS participation age from 16 to 14; Serve non- custodial parents aged 18-35 who have a child that receives AFDC, and will agree to participate for 2 years, and have custodial parent's consent		A) For AFDC homeless, increase TCC and TMA to 24 months	A) For AFDC homeless, disregard income up to need standard and increase asset limit to \$3,000	A) Waive 100- hr work history	A) For AFDC homeless, allow E.A. for up to six months in any 12 month period. FFP will be provided Allow the state to use a two- month prospective budgeting method and to budget retrospectively thereafter The Consolidated Intake Process would allow the state to combine the AFDC and CSE intake processes, so the AFDC intake workers could ask CSE related questions during the AFDC intake interview
MARYLAND A) Statewide 7/92	A) Increased grant 6.3%	A) Sanction if children attend less than 80% of classes (good cause exception)			A) Add benefits for those having pre-natal care, health check-ups & sanctions occur when child is not adhering to EPSDT stds				

State, Site, Date Implemented	Benefits	Learnfare	Family Cap	JOBS	Immuniza- tion and Health Care	Transition- al Child Care (TCC) and Medicaid (TMA)	Earnings Rules	AFDC-UP Rules	Additional Information
MICHIGAN A) Statewide 10/92 (see notes at the end)		A) no waiver needed to pursue Higher AIMS program, which provides incentives/ disincentives to all families based upon elementary school attendance		A) JOBS resources may be used to provide activities for non- custodial parents; equal access for mandatory/vol- untary clients; extend Job search before assessment for more than 3 weeks			A) Continuous (not time limited) disregard of \$200 plus 20% of the remaining earnings; student earnings exclusion up to age 19 (also for FS)	A) Waive 100- hr. work history requirements & unemployment rules	A) Prevent diversion of certain funeral related assets to persons not XIX eligible and discourage shifting of resources into irrevocable annuity policies or use by non client joint owners with the use of a penalty; also require XIX recipients to meet spend-down requirement & pay such to the state in the form of a monthly premium
MINNESOTA A) Pilot for teens in 1 school district 6/93							A) Participating teens: disregard/exclude their income from 185% of need std test; allow 30 and 1/3 disregard		
MISSOURI A) Pilot in Kansas City 1/93				A) Voluntary work supplementation for up to 48 months			A) Asset limit of resources up to \$10,000; disregard 30 & 1/3 for 48 months; disregard CSE paid to family that exceeds grant amount	A) 100 hr rule is waive for those in demonstration	

4/19

State, Site, Date Implemented	Benefits	Learnfare	Family Cap	JOBS	Immuniza- tion and Health Care	Transition- al Child Care (TCC) and Medicaid (TMA)	Earnings Rules	AFDC-UP Rules	Additional Information
NEW JERSEY A) Statewide 10/92			A) No increase in benefits for additional children born 10 months after applying for AFDC	A) Require recipients employed 30+ hrs per week to participate in JOBS (if appropriate)		A) Provide 24 months of TMA	A) Increase disregards for those under age 25; families who have additional children and JOBS participants who work as family day care providers.	A) Married families with incomes less than 150% of poverty or state need std. where the husband is not the father of the children, can receive benefits	A) Require all AFDC recipients with a child under age 2 to participate in counseling and vocational assessment (recipients with a child 2 years of age and over will be required to participate in JOBS)
OREGON A) Statewide 7/93				A) Allow participation in job search for as long as necessary; full time participation in JOBS for parents with children age 1 to 6; minor custodial parents under age 16 to participate in basic education; serve medically able pregnant women under age 20, without children, in basic education;					A) Mandatory JOBS participants may be required to participate in mental health and substance abuse diagnostic, counseling, and treatment programs

4-19

State, Site, Date Implemented	Benefits	Learnfare	Family Cap	JOBS	Immuniza- tion and Health Care	Transition- al Child Care (TCC) and Medicaid (TMA)	Earnings Rules	AFDC-UP Rules	Additional Information
UTAH A) Statewide 3/93				A) All AFDC parents and eligible children age 16+ (and not in school) must participate in JOBS or other activities; also serve noncustodial parents			A) Changed to \$100 and 45% of gross earnings minus the disregard; resource limit will be raised to \$2000; FS-vehicle asset exemption to \$,8000, educational income exempted while on AFDC and for 1 year after leaving AFDC, other offsets	A) Additional TCC and TMA	A) Allows a 1-time AFDC diversion payment (not to exceed three times the monthly grant for the household size) will be allowed to meet the basic or special needs of AFDC applicants who are not likely to warrant ongoing assistance and who agree to have their AFDC appl. denied; demo may include a variety of counseling activities; sanction of \$100 for failure to participate in demo; other incentives related to demo
VERMONT A) Statewide 7/94 (providing state legislature approves)				A) Pregnant/parenting minors must attend school or an education/training activity, must live with a parent or in an alternative approved living arrangement; allow unrestricted job search; require parents with temporary disabilities to participate in JOBS training/rehab.; require parents in 2nd & 3rd trimesters of pregnancy to participate in JOBS		A) 36 months of TMA up to 185% poverty level	A) participants in community service jobs will be paid through grant diversion; exclude parental income for teen parents; disregard JTPA stipends; allow unlimited vehicle disregard	A) waive 100-hour work history, and unemployment rules	A) The demo project time limits welfare: it requires those without a job to participate in a subsidized community service job after 30 months on AFDC for single parent families and after 15 months for AFDC-UP recipients; sanctions will be used for failures

State, Site, Date Implemented	Benefits	Learnfare	Family Cap	JOBS	Immuniza- tion and Health Care	Transition- al Child Care (TCC) and Medicaid (TMA)	Earnings Rules	AFDC-UP Rules	Additional Information
VIRGINIA A) Demo in 3 middle schools 9/92	A) 100% state standard of need								A) Teams of school personnel will be established to work with families to meet determined goals; families failing to meet attendance, achievement or parental involvement goals get counseling; if the family fails to respond, sanctions on benefits will begin, starting at 90% of state level of need.

State, Site, Date Implemented	Benefits	Learnfare	Family Cap	JOBS	Immunization and Health Care	Transitional Child Care (TCC) and Medicaid (TMA)	Earnings Rules	AFDC-UP Rules	Additional Information
<p>WISCONSIN</p> <p>A) Pilot in 6 counties 7/93</p> <p>B) Pilot in 3-6 counties 7/94</p> <p>C) Statewide 7/94</p> <p>D) Statewide 7/94</p> <p>E) 2 county pilot (Work Not Welfare)</p>	<p>B) Two-tiered benefits based on residency</p> <p>E) FS cashout & combined with AFDC grant</p>		<p>A) second child born qualifies family for 1/2 of grant increase; no grant increase for third or additional children</p>	<p>A) First-time parents under 20, their spouses, and noncustodial parents are required to participate in JOBS</p> <p>E) Educ/Training only in first 12 months with penalties for failure</p>			<p>A) Disregard \$200 and 1/2 deduction (that would not be time limited)</p> <p>C) \$10,000 asset limit if saved in special resource account (there are many restrictions)</p> <p>D) \$2,500 vehicle disregard</p> <p>E) \$30+ 1/6 disregard - not time limited</p>	<p>A) Eliminate the 100 hour rule and unemployment rules</p> <p>E) 100 hrs rule is eliminated for recipients but not applicants</p>	<p>A) Expand AFDC eligibility for young stepparent families</p> <p>B) This may be in litigation as was true for California</p> <p>E) IF AFDC/FS eligibility ceases, recipient may still be eligible for Medicaid; all current monthly CSE (as well as arrearages) will go directly to family (with some exceptions); throughout this pilot there are possibilities for exemptions and extensions of benefits</p>



TOPEKA

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REPRESENTATIVES

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February 7, 1994

Madame Chairman, Members of the Committee:

Thank you for the opportunity to testify today on H.B. 2938, a welfare reform measure which would require the development of a Family Investment Agreement program within the Department of Social and Rehabilitation Services. This bill offers what I consider to be an alternative to strict welfare time limits, or to what we commonly refer to today as the "two-years-and-off" rule.

A Family Investment Agreement is a contract between the state and recipients of Aid to Families with Dependent Children (AFDC), that spells out what steps the head of household will take to become self-sufficient, and what the state will do to help. The question for a welfare recipient covered by an agreement would become "what steps am I going to take to become self-sufficient?" For example, rather than exempting a participant of the KanWork program from getting a job due to a transportation problem or lack of child care, the focus would become how to solve the problem so that the person wouldn't need an exemption from work.

WHY RESPONSIBILITY CONTRACTS RATHER THAN TIME LIMITS?

We might stop at this point and ask ourselves the 1994 \$64 million question - what goal are we trying to achieve, and what strategies are we going to implement to achieve that goal? I believe the ultimate goal we are striving for in welfare reform is to help welfare recipients achieve self-sufficiency, so they can obtain a job and move off of welfare and into the workforce. Family Investment Agreements are the strategy we can use to help achieve our goal.

Under H.B. 2938, each agreement must include a specific plan the individual will follow to achieve self-sufficiency, and shall include time periods within which specified goals within the plan are to be achieved in order to comply with the agreement. The terms of each contract can be modified or extended, but if an individual fails to comply with the terms of his or her agreement, benefits will be reduced. Upon completion of the terms of the Family Investment Agreement, AFDC assistance to a recipient covered by an agreement will cease or be reduced.

All persons who are recipients of or who have applied for AFDC assistance would be required to enter into an agreement with the state, unless: a) the individual has a child less than 3 months old (if it is a two-parent family, the exception applies to only one parent); b) the individual is already working more than 30 hours per week; or c) the individual is unable to participate in any option under the program due to a disability.

WHAT WOULD TIME LIMITS, AN ALTERNATIVE TO FAMILY INVESTMENT AGREEMENTS, OFFER TO WELFARE RECIPIENTS IN

TERMS OF ACHIEVING THE ULTIMATE GOAL, SELF-SUFFICIENCY?

The idea behind welfare time limits is that adults would have two years to receive benefits before they have to obtain a job and move off welfare. But **simply cutting off benefits after two years does absolutely nothing in terms of helping us achieve our goal, that of self-sufficiency!** Admittedly, at first glance the idea of time limits sounds appealing, but it's a strategy that won't move us toward our goal of self-sufficiency, and for that reason should not be implemented.

LENGTH OF TIME ON WELFARE ISN'T A PROBLEM WE ARE TRYING TO SOLVE -- The average welfare recipient in Kansas only receives welfare benefits for 12 months. 50% of welfare recipients are off the welfare rolls in 1 year, and of the remaining 50%, 75% are off the welfare rolls in 2 years. Only 1 in 5 persons on welfare stay there for 41 months or more.

CAN WE SAVE THE STATE MONEY? -- Obviously, Family Investment Agreements are going to **cost** the state of Kansas money initially, because of increased case management. The state of Iowa, which has a state population slightly larger than ours (2.7 million people), will make an initial investment of \$3.5 million in its new Family Investment Agreement program. **But the state anticipates enough people will move off welfare and into jobs that the system will start saving the state \$10 million annually by the third year, and close to \$60 million annually by its tenth year.**

LOOK AT THE ALTERNATIVE -- Time limits may in fact create new problems more complex and expensive than the ones they were meant to solve. While they are politically popular, no one knows for sure what a tough time limit law would actually do. **Will there be enough jobs in the private sector to accomodate all the people forced off welfare who will be looking for employment? If not, will the state create subsidized work in return for welfare benefits? If the only job available doesn't pay the rent, food and clothing bills, will the state step in and subsidize incomes?** When the clock runs out, there has to be a job available which will pay the bills!

In the end, it seems likely that welfare time limits might actually be more expensive than "welfare as we know it." According to Virginia's Commissioner of Social Services "[i]t's cheaper in the short run to hand out a welfare check." **If the goal is to save the state money, welfare time limits probably won't work anyway.**

FAMILY INVESTMENT AGREEMENTS, NOT TIME LIMITS -- There are no easy solutions when it comes to welfare. But if the goal of welfare reform is to help AFDC recipients achieve self-sufficiency, a Family Investment Agreement program is the strategy the state should implement. Hopefully, a by-product of an effectively run, results-oriented program would be cost savings through a reduction of the welfare rolls.



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February 7, 1994

Madame Chairman, Members of the Committee:

Thank you for the opportunity to testify before you today on H.B. 2939, a welfare reform measure intended to encourage AFDC recipients to work, rather than penalize them for obtaining employment, by allowing recipients to keep a larger portion of their earnings than is allowed under current AFDC policy.

Under the provisions of this bill, AFDC recipients who go to work would be allowed to keep \$90 plus 40% of their remaining earnings, and still be eligible for AFDC benefits. In other words, when a person begins earning an income, his or her welfare grant would only be reduced by 60%, as opposed to current policy which basically allows for a dollar-for-dollar reduction in AFDC benefits when a person gets a job (with the exception of either a \$90 or a \$120 income disregard.)

Today, persons who obtain a job lose eligibility for cash assistance while their available income is far below the federal poverty level. As a result, they often must return to the welfare rolls. By contrast, H.B. 2939 provides that an individual's eligibility for AFDC benefits would continue until the individual's combined wages, food stamp benefits, earned income tax credit, and other resources approximate 100% of the federal poverty level.

The bill also allows for a work expense deduction from earned income, to include all work-related expenses other than day care. These expenses would specifically include taxes, transportation expenses, meal expenses, and uniform expenses.

In addition, if an individual who has applied for AFDC benefits and who is long-term unemployed (at least 12 months) becomes employed, his or her earnings would be subject to an income disregard during the first four months of employment, in determining eligibility for welfare assistance. After four months, the \$90 plus 40% of earnings income disregard provisions of the bill would apply. Again, this provision is another attempt to motivate, rather than penalize, persons who want to work for a living, but who may have a hard time surviving if their welfare benefits are immediately and drastically reduced once they get a job.



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February 7, 1994

Madame Chairman, Members of the Committee:

Thank you for the opportunity to testify before you today on H.B. 2940, which would increase the Medicaid income eligibility guideline up to 100% of the federal poverty level for all children up to age 18. That means eligibility would increase for kids born before September 30, 1983, until their 18th birthday. The bill would be affecting the population ages 10 through 17.

Currently, Medicaid eligibility for children in Kansas is the following:

Pregnant women and infants to age one:	150% of the FPL
Children ages one to five:	133% of the FPL
Children born after September 30, 1983:	100% of the FPL*
Children born before September 30, 1983:	Eligibility tied to AFDC or spend down, which is about 46% of the FPL

Because eligibility is tied to date of birth, the income eligibility level increases each year. For instance, kids up to age 10 are eligible for Medicaid now at 100% of the FPL. Next year, these kids will be another year older but will still remain eligible for Medicaid at 100% of the FPL. In the year 2001, these kids will be 18. Then, Medicaid eligibility will be 100% of the FPL for all children up to age 18.

Under current law, children ages 10-17 in Kansas are only eligible for Medicaid benefits if the household income level is 46% of the FPL or less. This basically means the parent cannot be working. If the family income level is greater than 46% of the FPL, children between the ages of 10-17 are not eligible for health care services.

To put this information in practical terms, let me give you an example. Currently, if a mother has a nine year old child and an eleven year old child, and she earns over 46% of the FPL, her nine year old would be eligible for Medicaid benefits but her eleven year old would not!

As many of you know, I have taken a special interest in primary and preventive health care for children in the last two years through my work with the Kansas Healthy Kids Corporation (KHKC). Authorized by the Legislature in 1992, the KHKC was charged with creating a plan to provide access to health insurance for low-income school aged children.

ATTACHMENT 7

Our Board of Directors is recommending the statute authorizing the KHKC be repealed this year--simply because we were unable to raise enough funding to implement three pilot programs. Our fundraising efforts took us to every major potential funding source in Kansas and in the metropolitan Kansas City area.

Although we were able to entirely fund the Shawnee Mission School District pilot project, we were turned down by several foundations who fund projects in the health care arena. I believe one of the significant reasons we were not funded by these private foundations was they were unsure about Kansas' own commitment to ensure health care for all children.

A number of states have initiated major health care reforms, and as a first step have targeted further increases in Medicaid access for pregnant women and children. Moving significant numbers of their populations into managed care plans, particularly low-income pregnant women and children, has also been a focus in many states. In addition, states have placed an increased emphasis on preventive services for children.

Currently, the states of Missouri, Virginia, Washington, and Georgia all have eliminated the phase-in of Medicaid expansion for children ages 6-18, and are now covering them at 100% of the FPL. In fact, 21 states have increased Medicaid eligibility for children in some fashion, although eligibility and ages of the children vary.

I would like to see Kansas follow Missouri's lead, and provide Medicaid coverage for children ages 10-17 in households with family income which does not exceed 100% of the FPL. While I recognize there will be significant costs involved, it is important to remember state funds will be matched at the level of 41% (state) to 59% (federal). Although I cannot tell you where all these funds will come from, I suggest we start with the approximately \$200,000 the KHKC will be returning to the state general fund this year.