

Public Benefits Hotline

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Public Benefits Hotline Steering Committee

Action for Children

Catholic Charities

Chicago Coalition for
the Homeless

Chicago Jobs Council

Health and Disability
Advocates

Illinois Caucus for
Adolescent Health

Illinois Coalition for
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Illinois Hunger
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EMBARGOED UNTIL: TUESDAY, MAY 24, 2005

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Administrative Failures Linked to Dramatic Decline In Chicago Area Welfare Case Loads

*Study Says Lost Paperwork, Red Tape, Lack of Communication,
and Agency Delays Block Poor People's Access to Benefits*

CHICAGO—Administrative disorganization, delays, miscommunication, and processing hassles are blocking access to the safety net that provides public benefits to eligible poor and low-income Chicago area residents. These administrative failures are linked to dramatic welfare caseload declines in the Chicago area and are hurting working poor families, according to a new study, conducted by a team of University of Chicago researchers. The report was released today by the Public Benefits Hotline Steering Committee and the Legal Assistance Foundation of Metropolitan Chicago, sponsors of the Public Benefits Hotline.

The Hotline is a call-in service for people who need help with their Medicaid, Food Stamps, and TANF (Temporary Assistance to Needy Families) benefits. Its records provide a rare glimpse into the day-to-day, inner workings of the complex administrative system that serves as a gatekeeper to public benefits.

According to the study, funded by The Joyce Foundation, Illinois Department of Human Services (IDHS) administrative staff routinely demand unnecessary documents, lose or misplace case records, fail to respond to inquiries or answer the phone, and provide inadequate or inaccurate information. The problems reported in the study result in delayed or lost benefits and missed job opportunities for families and individuals struggling to make ends meet.

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Difficulty accessing benefits was especially pronounced for TANF recipients. An analysis of the Hotline data showed a positive and statistically significant relationship between the rate of decline in local welfare office TANF caseloads and the volume of Hotline calls reporting problems. In the year of the study, Cook County TANF caseloads declined 15 percent. The study shows that IDHS offices with the most complaints are more likely to have a higher rate of decline, even with other possible reasons for caseload decline taken into account.

Significantly, the Hotline has handled more than 16,000 cases since it opened. Calls to the Hotline have increased fivefold from 1997 to 2004. Currently, Illinois has the third highest decline of TANF caseloads in the country. Between 1994 and 2004, caseloads have been reduced by 82 percent.

As study author and University of Chicago School of Social Service Administration Professor Evelyn Brodtkin observes, "There is a widely held view that TANF caseload decline represents a positive achievement. The study, however, suggests that caseload decline may have been achieved, at least in part, by administrative barriers that blocked access to benefits."

The report also shows that low-wage workers are particularly at risk. Hotline data indicate that access to benefits for working families is jeopardized when the administrative system cannot adequately accommodate frequent changes required by work arrangements.

The experience of Hotline staff confirms how hard it is to overcome those barriers. Sheldon Roodman, Executive Director of the Legal Assistance Foundation of Metropolitan Chicago, notes, "Even when clients had the help of skilled advocates armed with fax machines and copies of official rules and policies, it often took three or more calls to resolve relatively simple problems. Those working hardest to make ends meet continue to get tangled in red tape rather than getting the assistance they need."

"These problems are embedded in day-to-day practices and consistently hold individuals back from doing what we say we want them to do: get stabilized, get a job and get on with their lives," said Wendy Pollack, Senior Attorney at Sargent Shriver National Center on Poverty Law, and Chair of the Public Benefits Hotline Steering Committee. "These are not isolated incidents, but a breakdown in the system."

After declining precipitously, there is a slight rebound in the amount of TANF caseloads this past year. But this rebound is still way below what we would expect given Illinois poverty, child poverty, and unemployment rates."

The Public Benefits Hotline was set up in 1997 to assist Cook County residents with their difficulties navigating the state's public benefits system in the period following welfare reform. *Accessing the Safety Net: Administrative Barriers to Public Benefits in Metropolitan Chicago* uncovers problems limiting access to the three major benefits programs: TANF, Food Stamps, and Medicaid. Researchers analyzed records of calls to the Public Benefits Hotline for one year between August of 2000 and July of 2001, three years after Illinois initiated major changes under the rubric of welfare reform. Problems with TANF accounted for 46 percent of calls; 33 percent reported problems with Food Stamps; and 21 percent encountered difficulties with Medicaid.

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Key findings of the study include:

- **Administrative failures are linked to decline in welfare caseloads.** An analysis of the Hotline data showed a positive and statistically significant relationship between the volume of Hotline calls reporting problems and rate of decline in local office TANF caseloads.
- **Routine problems in case processing block access to benefits.** Lost and mishandled paperwork, confusion over scheduling and appointments, and miscommunication between agency staff, clients, and among different departments are among the hassles clients encounter.
- **Mismanagement, confusion and error in determining eligibility of benefits.** Verifying the employment of clients (needed for TANF and Food Stamps) was often handled incorrectly, caseworkers failed to help clients obtain inaccessible documents, employment verification rules were incorrectly applied and misinterpreted, and records were not updated promptly.
- **Difficulties accessing benefits were most acute in the TANF program.** Nearly half of all calls to Public Benefits Hotline were to report TANF problems.
- **Working families are at risk of losing access to Food Stamps and Medicaid.** Management record-keeping and information systems are poorly designed to handle routine changes in employment and work hours that are common features of low-wage jobs.

Accessing the Safety Net recommendations include:

- Improve administrative infrastructure in order to enable caseworkers to do a better job of managing bureaucratic case-processing functions.
- Improve internal monitoring and feedback in order to advance accountability for protecting access to benefits.
- Use external monitors, advocates, and citizens as agency watchdogs in order to safeguard access to public benefits and help improve administrative accountability.

“The Illinois Department of Human Services and other agencies need to be accountable for getting benefits to those who need them—and should get them—instead of putting individuals through administrative hoops and red tape,” said Pollack. “They need to fix the system.”

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