

Indiana Home Care Task Force
One North Capitol Avenue, Suite 1025
Indianapolis, IN 46204

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**Comments to the House Health Public Health Committee's Subcommittee on
Welfare Privatization and Modernization Issues**

Since January 2008 the Indiana Home Care Task Force, through its Committee on Welfare Privatization Issues, has had volunteers doing direct field investigations of welfare clients who have lost their Medicaid, food stamp and TANF benefits. These volunteers have helped hundreds of Hoosiers through the process of getting their welfare benefits restored. In 2008, these volunteers logged over 11,000 hours in helping clients and in investigating the immediate impact of welfare privatization and modernization on Hoosiers.

These volunteers worked with the Task Force, The Generations Project, and attorneys who specialize in Medicaid, welfare and elder law. The volunteers included persons with extensive experience as welfare professionals, social service agency administrators, non profit leaders, and even a former federal court investigator. The volunteers also worked directly with county DFR personnel, the office of Governor Daniels, state legislators, and local VCAN agencies.

In recent weeks the Task Force and The Generations Project have been conducting a review of the volunteer findings and their joint investigations. The following conclusions have been reached.

1. The Division of Family Resources welfare privatization and modernization project is a failure: services cannot be reliably maintained, clients are at risk, and properly credentialed and trained personnel cannot be maintained in the system.
2. The failure is most pronounced in the 59 modernized counties but it extends through all 92 counties because of the impact of the privatization process that was implemented throughout the state on March 19, 2007.
3. The Division of Family Resources does not have the resources in the current system to address these problems. The DFR is presently shifting personnel from county to county to trouble shoot the most glaring crisis situations. This ad hoc, thumb in the damn approach is not working and cannot be sustained over time.
4. Significant violations of federal law appear to be occurring throughout the entire state per the enrollment and the maintenance of clients in Medicaid, TANF and food stamp benefit programs. Significant problems in the IMPACT program are suspected.
5. The call centers operated by IBM and ACS are substantially failing, and there are significant questions about the performance of the private contractors throughout the system and the parameters of the services they provide.

6. Fraud protections built into the system prior to the privatization and modernization process may be dissolving across the state.

What are the solutions?

Dramatic solutions need to be implemented by the Indiana Family and Social Services Administration. To effectively do that, the agency needs to work in concert with the General Assembly and a wide array of public interests.

1. The Indiana Family and Social Services Administration needs to issue a frank and completely open assessment of the problems throughout the welfare system. Anything less than a totally open and honest assessment of the system's problem will make it very difficult for the legislative and executive branches of government to work with the agency to address the deep problems in the system.
2. The agency should also establish an advisory team of advocates, local agencies, labor and providers that have been in the front lines attempting to help clients and their families since the modernization process started.
3. The agency needs to begin now the planning process for substantially changing the system including assessing the costs, personnel, data management systems, and intra and inter agency infrastructures needed to make such a change.
4. The agency needs to examine successful models in other states, including crisis intervention models, and bring in assistance from other state governments where possible and available.
5. The agency should be prepared to compensate in the short term local non-profits and area agencies on aging for providing assistance to clients as an interim emergency step before implementing any permanent solutions.
6. The agency should immediately ask the General Assembly to establish a bipartisan House-Senate team to work with it to develop any and all solutions.

Solutions proposed by the Task Force and The Generations Project

1. Bring back the caseworkers. Welfare reform cannot work and has not worked anywhere in the nation without caseworkers in local (county) offices working one on one with vulnerable clients. The best state models employ caseworkers who are public employees because of the importance of having a mission driven staff without the conflicts of interests created by private for-profit management.
2. FSSA should take emergency measures now to prepare for the return of the caseworkers to the county offices. Those emergency measures should include the six steps noted under the solutions listed above.
3. Target April 15, 2009 as a deadline for presenting solutions to the General Assembly.

Conclusions

The tasks described above are large and will be difficult. The system has been badly damaged. The Task Force does not believe that is the fault of the present FSSA

leadership team. In fact, that team is one of the reasons positive solutions are possible. The Task Force also believes all parties in this process can make positive and worthy contributions: the advocacy community, labor interests, IBM, ACS, and the many community based entities, providers and volunteers who have been trying their best to serve clients over the past two years. But action is needed now. Clients are at risk for their health and well being. The status quo is not acceptable.