



## **Interview with Joseph Gauntner**

**Director, Cuyahoga County Job and Family Services**

*Wendy Patton conducted this interview for “Shrinking aid for Ohio’s poorest families,” a report released by Policy Matters Ohio in November 2013.*

### **What is the work participation rate in Cuyahoga County at present?**

Last month it was 43 percent. It has been hovering in the mid 40s for the past several months. It has risen about 20 points since last year. We have not yet hit 50 percent.

### **How do you provide work participation experiences to people?**

We utilize all the options that are available to us.

For one thing, many on cash assistance actually already work, and thus fulfill the work requirements.

When the TANF law was changed, with the Deficit Reduction Act of 2006, it limited the options of what could be counted as work participation. There was a harmful limitation of individual customers’ ability to spend time searching for a job. For example, you can only spend 4 weeks continuously on job search activity. You can only spend 6 weeks on job search activity in the course of a year. Those are pretty narrow windows of opportunity for someone who has, say, lost a job after 20 years, doing the same thing, to reconnect to the labor market. It’s hard for anyone under any circumstances. Then when you look at the folks who are driven to the TANF cash assistance program – these tend to be people with less resources: lower levels of education, less skills, maybe more barriers of literacy or numeracy or other issues that would appear to present barriers to work.

Last year, we did testing with owf applicants who wanted job training. Most had math and reading level scores that made them ineligible for formal training programs. We find that 50 percent of entrants have a high school diploma or a GED at entry, but when you look at the entire Ohio Works First caseload at a given moment in time, you find that drops to 25 percent pretty quickly. People with a high school diploma or equivalent exit the program more quickly. The people left on have big barriers. Lack of education and skills are big ones. The less education one has, the harder it is to get a new job, move up. This is the primary barrier and opportunity. We would like to get folks into community college. We do a lot of short-term skill training. The Workforce Investment Board (WIB) is involved in that.

### **How are the employment one-stops involved?**

The one-stops are involved in the job search process and here in this county, when someone applies for cash assistance, they can begin a job search immediately, during the five days it takes for their application to be processed. One positive element of the new state budget is more money for job placement activities. We work through the One-Stop – the Workforce Investment Board (Ohio Means Jobs) to place people. TANF is the primary funder for local One-Stop services after the State of Ohio.

The One-Stop provides access to skill training. Our offices also contain two “career centers” outfitted by the WIB, providing WIB services, available to anyone in our offices – job search, computer access, and so forth.

**Are the staffing requirements for work participation labor intensive?**

Work participation is an intensive constellation of benefits and rules. A straight benefits caseload may be 600 to 700 per month for a caseworker. For Ohio Works First, the case load might be more like 135 per OWF worker. This is a more labor-intensive caseload.

The data reporting of this caseload is very complicated. You must have precisely the right number of hours, in the right category, for the work activities to count as they should. If there is a mistake – under Fair Labor Standards Act – say you work too many hours – it does not count. Too few hours – it does not count. If the hours are somehow misclassified in data entry, it does not count.

The data doesn’t always align. We do review cases before people are sanctioned, or removed from the program, for failure to meet program rules. If the error is found to be on our part, we do not sanction them. The client would get the benefit, but our overall work participation rate would be lowered. We do not have sufficient staff to review all cases for possible sanction each month.

**What changes might help in achieving better work participation successes?**

- 1) Having flexible assignments across different options (e.g. employment and community work experience) and hold clients accountable for the overall total hours would help.
- 2) “Alternative assignments” are needed – this would take a federal change to have such activities count for meeting the rate – Sometimes a client needs to be allowed to spend more time on education/numeracy/literacy... take refugees, for example. Their best chance to get a job is to learn English as a second language. If they could spend three to five months just really focusing on that, they would be more employable.

In fact, changes in the law in 2006 seem to guarantee that people stay in poverty instead of swim upstream. Those changes reproduce poverty.

**How do you expand capacity to meet the requirements of work participation?**

We expand our capacity through the use of contracted partners. Behavioral health experts screen applicants so we can catch the learning disabled or mentally ill, those with other health problems. Some people have significant impairments and may be eligible for SSI (Social Security for the disabled).

We contract out for job readiness assessment and job search assistance.

The work experience program has been contracted out.

The home visiting safety net program – follow up after a family has been sanctioned or separated – has been contracted out to community groups perhaps better trusted than the county agency, which just stopped their benefit.

We are currently challenged by a new requirement in the area of sanctioning. OWF participants who are sanctioned must now make up failed hours before their benefits can be restored.

Make-up must happen within a specified time frame – or it must start over again. Specific dates and hours must be committed to and completed. If not, you start over again.

**What does an increase in the work participation rate mean? Are people doing better?**

It means a bunch of things. It means that some people are working, but the overall change, over time, has come to indicate reductions in the denominator– in other words, there are simply less people in the program.

Are people better off when the rate is up? Not necessarily... this is not an indicator. It has the primary impact of meeting federal requirements, that is all. If the increase in the work participation rate comes from a decrease in the denominator, it means less people are getting help.

Ohio is at a disadvantage compared to other states. One, Ohio got on the bandwagon with case load reduction quickly in 1997 – the state went with the three-year time limit when it could have gone with 5; we saw a quick caseload reduction. However, when the caseload reduction factor was reset in 2006, there was less progress to show, because Ohio had reduced the caseload so swiftly, so early. So, relative to other states, Ohio looked like it was not improving.

Two, other states invested more in caseload reduction credits. State funds used over and above the required ‘Maintenance of Effort’ match, for related activities, can earn “caseload reduction credits”, reducing the overall required work participation rate Ohio made fewer investments.

In addition, there was a push in Ohio to avoid federal sanctions.

Recently, Ohio also invested additional money with the WIBs, trying to move people quickly to work.

While indeed, a job with a living wage is the best solution, but its hard to get there. How could we better get from here to there, given the limits of the federal program?

- 1) Ohio’s unemployment insurance program does not cover low-wage workers. Many people do not work enough hours or earn enough money to be covered by Ohio’s UI program. If our unemployment insurance treated low wage workers the same as other workers, people would have less difficulty moving from one job to another at times of layoff.
- 2) Getting approval for disability assistance in Ohio is very lengthy. Virtually everyone is turned down the first time. It takes a minimum of 8 to 24 months get approved for disability. If this program worked better there would be less of a caseload in cash assistance.
- 3) The best way to improve someone’s chances for employability is through education and training. There are limits of time and budget. In many counties, the default activity used for client assignments is unpaid community work experience. However, we know – research tells us – that the unpaid community work that we require of most recipients almost never leads to a job. If we are going to require activities, we need to require activities that will lead to self-

sufficiency. The work participation we provide now does not do that. We deny or limit opportunities to engage in activities that would promote self-sufficiency.

**What does the extension of work participation requirement for food aid mean?**

Now we face an increase of ten times over our current caseload in work participation activities in order to give food assistance through SNAP.

I have outlined above how work participation is frequently of little value to the client, and we are talking about expanding it more than ten times over.

We are undertaking a telephone process to assess the 29,000 adults who must now work for food assistance starting January 1. From 7 am to 7 pm, Monday through Saturday, we will be calling them; we will mail to their address; we will try to contact all of them. This is a tremendous amount of work that will cost \$1.5 million dollars.

We expect to find that some are already working, but it has not been entered in the employment screen in CRISE (The state database). We will find that some people are disabled and will not be required to work. Some people will self-select out. But we don't really know what the final count will be of people needing work participation to qualify now for food aid. We'll amend our contract for a few hundred more work slots. Some people will find their own acceptable community service opportunities. WIA opportunities may help.

There is an element of counter-intuitiveness going on. Medicaid expansion has just occurred. Yet we are going to deny many of the same individuals food aid. Maybe we need joint marketing, with green on one side – 'good news, you can see a doctor' – and red on the other – 'but you don't get to eat'. There was cut for food stamps on November 1 of 5.7 percent, when the federal stimulus funding ran out. This translates to a reduction in the community's food budget of more than \$20 million per year. Now more people lose their food aid. The current estimated food stamp benefit payroll for the 29,000 ABAWD clients is over \$50 million per year. Undoubtedly, we will see a reduction here as well. Some will be fine, others will not. They will eat in jails, in psychiatric institutions, in jails, at meal programs, and in emergency rooms.

These are adults without children. By definition children are not hurt – but these people are going to eat somewhere. Maybe there will be less food in a household. Everyone has less, including the children.

**Will new money for supportive services in the TANF budget help?**

There is more money for prevention, retention and contingency in TANF to help people meet the work requirements – transportation money, maybe, things like that. I do not yet know specifically what may be in my budget for the year ahead.

**What should we do to improve SNAP?**

Ask for the statewide waiver from the work participation requirement. They came to the cancellation at the last minute. Take a year to allow the counties to staff up to meet the demand of a tenfold increase in work participation requirement.

**What could we do to improve the cash-assistance program?**

Overall, ODJFS is not the bad guy here, they are doing the best they can within the constraints of the federal program. They could do away with sanction compliance or simplify it; there is probably a way of making it less onerous.

It is my understanding that some state officials want to impose a work requirement in order to get Medicaid. I cannot envision how that could be implemented on top of everything else. Within counties, there is already such incredible competition for caseload time. Now that they hope to implement a new eligibility system by January 1, 2014 – a new state eligibility system for adults on SNAP, a medical system – caseworkers will have to bifurcate cases between the old eligibility system – CRIS-E and the new system, doing double entry.

It's the "perfect storm." It is very challenging to see how this will all unfold. We have no idea how many food stamp recipients required to work will seek work participation or will say: "no thanks." Based on state projections, Medicaid expansion will result in more than 80,000 additional enrollees in Cuyahoga County by June of 2015.