

Client Utilization of Temporary Disability Assistance Program

August 2009

Abstract: *The purpose of this study is to determine how Temporary Disability Assistance Program (TDAP) recipients use the \$185 monthly benefit. Between July 20 and August 14, 2009, 777 current and past beneficiaries were interviewed regarding their use of financial assistance. Results indicate that 64% use TDAP for housing and, of this group, 55% secured housing for most or all of the month; 48% use at least a portion of the stipend for food; and 48% eventually received SSI/SSDI. Conclusion: TDAP participants primarily use program assistance to meet basic human needs.*

Program Description

The Temporary Disability Assistance Program (TDAP) is administered by the Family Investment Administration of Maryland's Department of Human Resources. TDAP provides \$185 in monthly cash assistance to single adults with no other source of income who have been certified by health providers as unable to work due to serious medical disabilities. TDAP began on August 1, 2004, when it replaced a similar program, entitled Transitional Emergency, Medical and Housing Assistance (TEMHA). According to state data, a monthly average of 15,133 individuals were enrolled in TDAP in Fiscal Year 2009 – ranging from a low of 12,379 in July 2008 to a high of 17,615 in May 2009. Nearly three out of four individuals receiving TDAP assistance in May 2009 lived in Baltimore City or Baltimore County.

TDAP provides support to two groups: individuals with short-term disabilities who are expected to recover and return to the workforce and those with long-term or permanent disabilities who are deemed unable to work. People with short-term disabilities (expected to last 12 months or less) are eligible to receive TDAP for nine months out of 36 consecutive months. These individuals accounted for 15.6% of TDAP beneficiaries in May 2009. Most people enrolled in TDAP have permanent disabilities (expected to last 12 months or longer). These recipients accounted for 84.4% of beneficiaries in May 2009. People with long-term disabilities are required to apply for federal disability assistance, a process that takes an average of two years in Maryland. For these recipients, TDAP is a “loan” program. Once individuals receive retroactive federal benefits, the state is reimbursed for all previous TDAP expenditures for these cases.

Purpose of Study

The purpose of this study was to determine how current and past TDAP (or TEMHA)¹ recipients use the monthly stipends. At roughly 20% of the state Minimum Living Level² for a single person (set at \$920 in 2008), the TDAP grant of \$185 per month is insufficient to meet all of an individual's necessities. Nonetheless, strong anecdotal evidence has suggested that TDAP allows beneficiaries to access *some* basic needs – including, in many cases, temporary housing or shelter. When a similar program (the Disability Assistance Loan Program, or DALP) was

¹ For the purpose of this survey, no distinction was made between those individuals receiving the temporary state disability assistance provided before August 1, 2004 (TEMHA) and those receiving it after August 1, 2004 (TDAP).

² The 2008 Minimum Living Level as established by the state Department of Human Resources was \$920 a month. More information can be found at <http://www.cecildss.org/fia/pdf/TempCashMinLivingLvls.pdf>.

eliminated in 1994, a survey of former beneficiaries found that more than 80% used their benefits to secure housing for all or a portion of each month.

Methodology

Staff at Health Care for the Homeless (HCH) in Baltimore City developed the survey tool [Appendix A] in close consultation with members of the organization’s Consumer Advocacy Committee – most of whom are current or former TDAP beneficiaries. HCH interns and Consumer Advocacy Committee members, as well as other service provider staff, surveyed 777 current and former TDAP beneficiaries at sites in Baltimore City and County – representing roughly 5.4% of the average number of monthly TDAP beneficiaries in Fiscal Year 2009. The survey was conducted from July 20 to August 14, 2009, and was administered confidentially; surveyors did not collect the names of the individuals surveyed. Each consumer received training on how to use the survey and record accurate data.

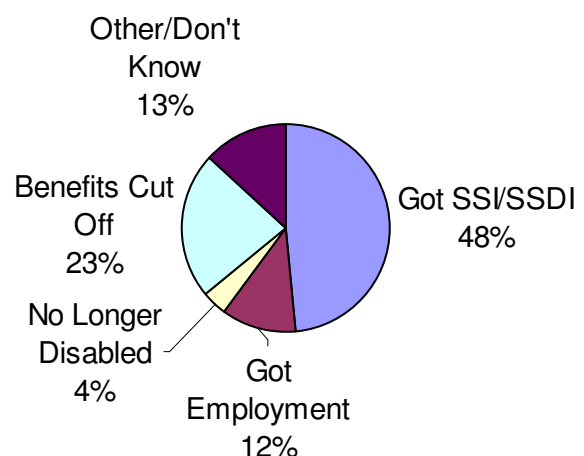
Survey sites were selected by HCH staff and the Consumer Advocacy Committee in consultation with SHARP, a coalition of Baltimore-area service providers working to *Stop Homelessness And Reduce Poverty*. Sites were selected to ensure representative diversity of geography and service provision. Given that all TDAP beneficiaries live in extreme poverty and have disabilities severe enough to prevent work, all selected sites were places where poor and disabled individuals live and/or receive services. Survey sites included Health Care for the Homeless, the Beans and Bread Center, the Baltimore City “Code Blue” emergency shelter, Project PLASE, the Our Daily Bread Employment Center, Seton Hill Station, Helping Other People through Empowerment, Helping Up Mission, St. Vincent de Paul Catholic Church, the Community Assistance Network’s Westside Shelter, Harford House, Micah House, and Paul’s Place.

Results

777 individuals surveyed reported receiving TDAP assistance currently or at some time in the recent past. This number represents 5.4% of the average number of monthly beneficiaries in Fiscal Year 2009. Of this number, 57% (443 people) reported being a current TDAP beneficiary. 334 received TDAP assistance in the past – but no longer.

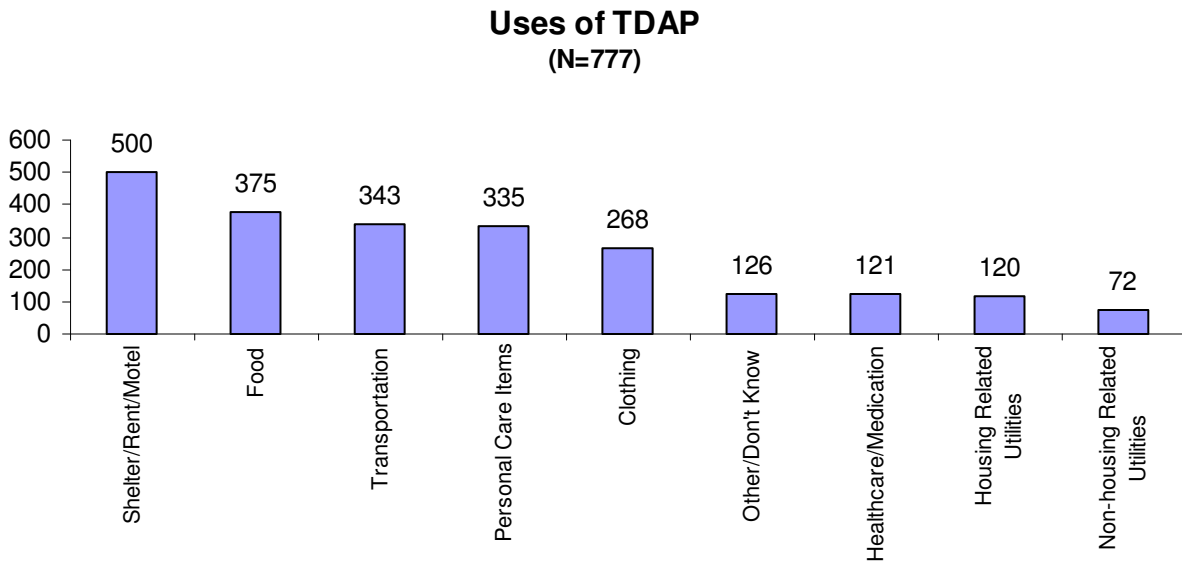
Of those who reported no longer receiving TDAP, nearly half (48%) reported now receiving federal disability benefits; 11.7% reported that they secured employment; 3.6% no longer have a disability. Those who secured employment and those who were no longer disabled together represented 16% of respondents no longer receiving assistance. This is very close to May 2009 state statistics indicating that 15.6% of TDAP recipients that month had temporary disabilities. This similarity helps confirm that the survey pool was representative in this manner of the larger population.

Reason No Longer Receiving TDAP



Of those who reported currently receiving TDAP, 87% reported that they applied for federal disability benefits – a requirement for receiving the assistance for more than nine months.

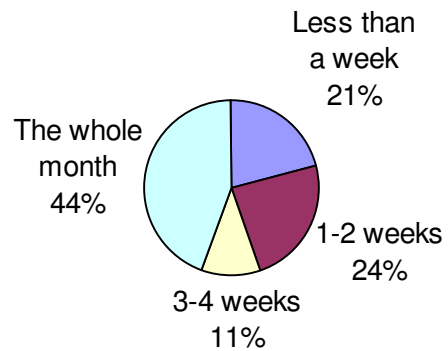
Two-thirds of respondents (N = 500 people, or 64%) reported using some or all of their TDAP benefit to secure some form of housing or shelter for some portion of the month. Respondents also frequently reported using the TDAP benefit to access food (N = 375, or 48%), transportation (N = 343, or 44%), personal care items (N = 335, or 43%), and clothing (N = 268, or 35%).



Note: Choices were non-exclusive; recipients could indicate as many as applied.

Of those who reported using TDAP to access housing or shelter, 44% reported being able to secure housing or shelter for the entire month. More than half of those surveyed (55%) were able to secure housing or shelter for at least three weeks or more. The monthly stipend of \$185 is far below the fair market rent for even an efficiency unit in Baltimore City (\$748/month) or in Maryland generally (\$826/month).³ Surveyors report that many of the respondents who stated that they were able to secure housing or shelter for the entire month reported staying in a shelter that charged a nightly fee, in a program that charged some or all of their monthly TDAP benefit, or with family or friends who charged all or some portion of their monthly benefit.

Duration TDAP Keeps One Sheltered



³ *Out of Reach 2009*, National Low Income Housing Coalition. Retrieved August 17, 2009 at <http://www.nlihc.org/oor/oor2009/data.cfm?getstate=on&getcounty=on&county=10761&state=MD>.

Discussion

The monthly TDAP grant allows beneficiaries to meet some of their most basic human needs – in particular, housing – for at least a portion of each month. Because surveyors did not ask for names from anyone who was surveyed and since the large majority of surveys were not conducted by agency staff, there is good reason to believe that the reported spending habits accurately reflect actual spending habits. Shelter is among the most basic of human needs; thus, it is not surprising that nearly two-thirds of beneficiaries reported using some portion of their monthly grant on housing or shelter. Given the high cost of housing, it may surprise some readers that 44% of those surveyed were able to access housing or shelter for the entire month (and over half for three weeks or more). Recipients described securing shelter by pooling resources with others, using emergency shelters that charge a small nightly fee, participating in programs that provide housing and supportive service by charging participants some or all of the monthly TDAP grant, or by staying with family or friends who supplement the TDAP grant or charge some portion of it in exchange for a bed or room. It must be noted that these arrangements nonetheless are tenuous in nature and are no substitute for permanent affordable housing.

Some of the basic necessities that individuals reported accessing with the TDAP grant suggest inadequacies of other state and federal programs. For example, 48% of individuals surveyed reported spending some of their TDAP benefit on food; this suggests the inadequacy of the monthly food stamp grant. Other responses suggest an altogether lack of programs that meet certain needs. For example, because food stamps cannot be used to access personal care items, it is not surprising that 43% of respondents used some portion of their TDAP grant to access necessities like soap, shampoo, razors, toothpaste, and toilet paper.

Short-term cuts have costly long-term consequences. History has shown programs like TDAP [in the form of its predecessors, General Public Assistance (GPA), DALP, and TEMHA] are vulnerable during state budget crises. Nonetheless, as noted by many of those surveyed, “it’s all we’ve got.” The survey clearly shows that despite being less than 25% of the state’s Minimum Living Level, the \$185 monthly grant provided to poor single adults with disabilities allows recipients to satisfy basic needs – in particular, housing or shelter – for a significant portion of the month. Cutting or freezing TDAP likely would result in more extremely poor individuals with disabilities on the streets for more of each month. Because homelessness directly contributes to other societal costs, this would ultimately prove more costly to the larger community.

The state recaptures at least half of the funds allocated to TDAP. Nearly half (48%) of those surveyed who reported no longer receiving TDAP report that they receive federal disability benefits today. Note that the majority of surveys were conducted at locations where extremely low-income individuals live or receive services. Because eligibility for federal disability benefits often brings with it eligibility for public health insurance (Medicare or Medicaid) and subsidized housing, it is likely that many individuals with SSI or SSDI no longer live or receive services at the locations where surveys were administered. Therefore, it is reasonable to believe that the 48% of former TDAP

As then-Mayor Martin O’Malley noted when the TEMHA program was frozen in 2004, “to make these cuts on the front end, you will only exacerbate the deep-end costs – the jail costs, the costs of emergency room treatment for the homeless people who are going to get their toes and fingers frozen off.”
(Baltimore Sun, January 14, 2004)

beneficiaries who reported now receiving federal disability benefits is an underrepresentation. When these individuals receive a retroactive federal benefit, the state recaptures all TDAP expenditures previously issued.

Recommendations

Based on the results of this survey and the context within which program participants live, we make three key recommendations:

1. **Do not eliminate, freeze or in any other way reduce the TDAP program.** To do so would seriously undermine beneficiaries' ability to secure shelter, food, and other basic necessities. Without assistance, individuals with disabilities who have no other source of income are more likely to sleep on the streets and rely more heavily on soup kitchens and other venues for food needs. This only complicates health conditions for individuals with a range of chronic illnesses including diabetes and hypertension. Reductions to the current program further jeopardize those individuals already living on the economic edge and shift costs to other areas of the community (such as shelters, criminal justice/courts, police, and emergency medical services).
2. **The state should work to expedite the determination process for federal disability benefits.** According to DHR, roughly four out of five TDAP beneficiaries receive long-term support and therefore are required to apply for federal disability benefits. Nearly 3 in 10 (27%) of those surveyed reported having TDAP for more than one year. Narrowed eligibility criteria for SSI/SSDI benefits, average waiting periods of over two years between initial application and eligibility determination, and significantly higher denial rates for homeless claimants exacerbate the difficulties these individuals face and increase the amount of time many receive TDAP assistance. The state could significantly reduce the number of TDAP participants by expediting the determination process for SSI/SSDI. An initiative currently funded through DHMH is pursuing this goal for persons experiencing homelessness.
3. **The state should look for ways to increase the TDAP grant that will bring the total benefit level for disabled individuals to at least 61 percent of the Minimum Living Level (MLL).** Temporary Cash Assistance for families is indexed by law to 61% of the MLL; TCA beneficiaries receive the maximum food stamp allotment and a monthly cash benefit which, combined, meet this threshold. We recommend similarly indexing TDAP benefits for Marylanders with disabilities. As this study demonstrates, TDAP is an important resource for vulnerable disabled Marylanders. As living costs rise, recipients are left with few options other than already overcrowded shelters or the streets. Increasing the benefit level will help recipients access housing, food and other basic needs for a greater portion of each month. While we acknowledge limited resources in the current economic environment, we suggest that Marylanders already pay higher costs for not adequately supporting these vulnerable program participants.

Acknowledgements

Health Care for the Homeless is grateful to our interns, Julia Schreiber and Patrick McQuestion, for their leadership and diligent work to conduct this study and complete the final report. We also appreciate the work of the Consumer Advocacy Committee, SHARP (a local coalition of service providers working to *Stop Homelessness And Reduce Poverty*) and the directors and staff of the many programs identified in this report.

APPENDIX A

TDAP Survey

To surveyee: We're conducting this survey to get a better idea of the importance of the \$185 people receive each month from TDAP. Has anyone asked you to do this survey recently? (If they've already taken this survey, thank them for doing it. We don't want them to do it again.)

1) Do you now or have you ever received \$185 a month from DSS through the TDAP/TEMHA program?

- a) Yes
- b) No

2) **Yes (a):** Are you currently receiving \$185 a month through TDAP/TEMHA?

Or did you receive it in the past?

- a) Currently receiving
- b) Received in the past

No (b): Have you applied for TDAP/TEMHA?

- a) Yes
- b) No
- c) Don't know

3a) **Currently (a):** How long have you received it?

- a) Less than 1 year
- b) One year or more
- c) Don't know

3b) **Past (b):** Why are you no longer receiving \$185 a month through TDAP/TEMHA?

- a) Got SSI/SSDI
- b) Got employment
- c) No longer disabled
- d) Benefits cut off
- e) Other/Don't know

Thank you.

4a) Have you applied for SSI/SSDI?

- a) Yes
- b) No
- c) Don't know

5a) What did/do you buy with the \$185 a month through TDAP?

- a) Shelter/Rent/Motel
- b) Housing related utilities (e.g. gas and electric)
- c) Non-housing related utilities (e.g. phone)
- d) Transportation
- e) Healthcare/Medication
- f) Food
- g) Personal care items
- h) Clothing
- i) Other/Don't Know

4b) **Benefits cut off (d):** Have you reapplied for benefits?

- a) Yes
- b) No
- c) Don't know

6) **Housing/Shelter/Motel (a) and/or Utilities (b):** How many days of each month were/are you usually able to stay housed/sheltered by using at least a portion of the \$185?

- a) Less than a week
- b) 1-2 weeks
- c) 3-4 weeks
- d) The whole month