

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

EFFECT OF LEGISLATION

ON

GENERAL ASSISTANCE

IN

MAINE

JULY, 1983 to DECEMBER, 1984

Prepared by:

Income Maintenance Bureau
Department of Human Services
May, 1985

FEB 19 1987



JOSEPH E. BRENNAN
GOVERNOR

STATE OF MAINE
DEPARTMENT OF HUMAN SERVICES
AUGUSTA, MAINE 04333



MICHAEL R. PETIT
COMMISSIONER

May 14, 1985

TO: Honorable Georgette Berube, Senate Chairperson, Human Resources Comm.
Honorable Merle Nelson, House Chairperson, Human Resources Committee
Honorable Michael Pearson, Senate Chairperson, App. & Finance Comm.
Honorable Donald Carter, House Chairperson, App. & Finance Committee

FROM: ^{MRP} Michael R. Petit, Commissioner

SUBJECT: Review - Effect of Legislation Changes on General Assistance in Maine
(7/1/83 to 12/31/84)

Attached is the report of the Department of Human Services on the effect of legislative changes made by the 111th Maine State Legislature in regard to the General Assistance Program in Maine. This report was mandated by the 111th Legislature to be made by this Department at the first regular session of the 112th Maine State Legislature. It deals with this Department's experience in working with municipalities in implementing and carrying out the legislative changes during an 18 month period (7/1/83 to 12/31/84) and characteristics of the program.

MRP/lr
cc: Governor Brennan
cc: Speaker of the House
cc: President of the Senate
Attachment

EFFECT OF LEGISLATION

ON

GENERAL ASSISTANCE

IN

MAINE

JULY, 1983 to DECEMBER, 1984

Prepared by:

Income Maintenance Bureau
Department of Human Services
May, 1985

TABLE OF CONTENTS

Letter of Transmittal

CHAPTER I	Page
INTRODUCTION	1
CHAPTER II	4
IMPLEMENTATION OF LAW (Training, Consultation, Monitoring)	
CHAPTER III	7
RESPONSE TO OUTSIDE COMPLAINTS, QUESTIONS Validity, Examples	
CHAPTER IV	11
FINDINGS The Law, It's Implementation, Complexities, Conflicts	
CHAPTER V	17
CASELOAD AND COSTS Size and Growth Distribution of Caseload Caseload Characteristics - Estimation	
CHAPTER VI	27
SUMMARY AND CONCLUSIONS	



STATE OF MAINE
DEPARTMENT OF HUMAN SERVICES
AUGUSTA, MAINE 04333



MICHAEL R. PETIT
COMMISSIONER

JOSEPH E. BRENNAN
GOVERNOR

May 1, 1985

TO: Michael R. Petit, Commissioner

FROM: Paul A. LeVecque, Director, Income Maintenance Bureau *PL*

SUBJECT: Report - Effect of Legislative Changes, General Assistance Program
(July, 1983 to December, 1984)

Attached is the report on the effect of legislative changes made by the 111th Maine State Legislature in regard to the General Assistance Program in Maine. This report was mandated by the 111th Legislature to be made by the Department at the first regular session of the 112th Maine State Legislature.

The report includes steps taken to implement the changes; evaluation of requests Department received to intervene in complaints relating to local case decisions, evaluation of the effect of the law, complications that have occurred due to the misunderstanding or differences of opinion in regard to the law and overall caseload characteristics, caseload distribution and cost projections.

The summary and conclusions are self-explanatory. Except where specific indication is given in the report pertaining to certain portions of the law which appear unclear there are no recommendations. Reference is made to previous reports submitted by the Department outlining recommendations and alternatives.

PAL/lr
Attachment

GENERAL ASSISTANCE IN MAINE - 1984

I. INTRODUCTION

During the 111th Legislative sessions, a variety of proposed changes in Maine law were submitted for the purpose of correcting what various groups perceived as inequities in the General Assistance Program. Although viewed from different perspectives these groups were in agreement that the present program had severe shortcomings.

Local municipalities felt the program did not give specific enough control to the local administrator in the eligibility determination process. In addition, they felt that administrative and grant costs were growing to the extent that it was a burden on local property taxpayers. Their major emphasis was on placing more restrictive requirements into the law pertaining to verification of eligibility, and one definition of immediate need and rights of municipalities in billing previous municipalities of residence for assistance given to what they referred to as "transients" or "newcomers."

Advocates wanted quicker and more comprehensive assistance, statewide standards of assistance determined by the State Department of Human Services and supervision of local administration or outright State administration of the program through a single state agency (namely, the Department of Human Services). Such legislation was, in fact, submitted. It was withdrawn when it became apparent that there would be a significant increase in costs for a single state administered program or a state supervised program.

"Compromise Legislation", supposedly speaking to the concerns of the two major viewpoints, was drafted over a period of weeks and was eventually passed. The Department of Human Services was directed to review the effect of this legislation on the program and on specific groups. It was directed to report back to the 112th Legislature with the results of its' review.

This report will speak specifically to major aspects of changes made in the law and what, if any, effect these changes had. In addition, the success and problems of carrying out the legislative mandate to the Department to monitor, intervene, and give technical assistance will be outlined.

Specifics of Legislation Directed to Administrators:

The changes made in L.D.1764 do not basically add to or delete from the law as much as they elaborate and make particular areas more specific. The legislation does the following:

- I. It confirms legislative intent that there will be a General Assistance Program available to all people in Maine who are eligible, confirms present legislative intent that the program will be administered by each municipality, funded by the municipality and, under specific conditions, reimbursed by the Department of Human Services, it confirms legislative intent that municipalities will establish local policy. However, it sets limits by requiring that the standard of need be defined and include basic necessities of at least

food, clothing, shelter, fuel, utilities, and essential medical services; defines who is considered part of the household.

- II. It requires ordinances to be filed and available for people to see, confirms intent that towns shall keep records of applications and results of decisions. Decisions aren't to be made on impulse or opinion but on facts.
- III. It defines, in addition to standard of basic needs, "Emergency" situations where a person not otherwise eligible may need temporary help.
- IV. It requires notices so that people will understand for what they are eligible and for what they are not eligible.
- V. It allows for a work requirement and a job search, places reasonable limits on who can be required to work and when, allows "just cause" for quitting a job.
- VI. It defines what is to be considered income and allows for work related expenses of a reasonable nature.
- VII. It makes clear that the burden of proof of eligibility is on the client but that the municipal official has responsibility for being clear as to what proof is needed and why.
- VIII. It attempts to clarify periods of eligibility.
- IX. It allows requirements by the town for clients to provide documentation but also requires prudent judgment if a person can not easily provide documents.
- X. It clarifies the intent that a person be required to use potential resources (Section 4317) prior to receiving assistance, requires that assistance not be denied if a person has applied for a resource and is waiting for benefits (such as Social Security, AFDC, Veteran's benefits, etc.).
- XI. It makes clear that if a person is denied or dissatisfied he or she does have hearing rights. These rights are to be handled promptly, reiterates the intent that those persons conducting a hearing be knowledgeable about the program but not part of the original decision being appealed.

Specifics of Legislation Directed to Department of Human Services

The Department of Human Services was directed to do the following:

- 1. Offer training, technical assistance, and consultation to municipalities on the legislative changes and the program in general.
- 2. Monitor the willingness and ability of municipalities to carry out the law.

3. Offer interventive services to individuals calling the Department who are dissatisfied with local decisions. A toll free telephone line was established for access to the Department. Each municipality is required to publicize this number in all its written decisions.
4. As appropriate, withhold funding and seek court action against municipalities violating the law; if necessary grant assistance to individuals where municipalities have ignored the law and to collect the expenditures from the municipality. Where continual widespread violation occurs in a municipality the Department is directed to "take over" the actual day-to-day administration of the program. All municipalities are given rights to a hearing and appeal before such action takes place.
5. Report back to the 112th Maine State Legislature on its findings as to the effect of the legislative changes on General Assistance, and the results of its monitoring and intervention activities. It is also directed to report findings as to the number or percentages of persons applying for General Assistance who are denied; estimates of the number of General Assistance cases that would be potentially eligible for the AFDC Unemployed Parent Program; estimates of potential use of an optional program providing full-time coverage to pregnant women under Medicaid and estimates of potential use of an Emergency Assistance program for families which might be administered by the Department in accord with Federal law.

Subsequent to the specific legislation on General Assistance, legislation on the potential programs listed above was passed. The Programs were established by the Department for AFDC to Unemployed Parents and Emergency Assistance to Families.

Related Changes in Law Potentially Effecting General Assistance

1. AFDC for Unemployed Parents authorized effective November 1, 1984.
2. Emergency Assistance to Needy Families with Children Authorized Effective 7/1/83.
3. AFDC grant increases authorized 5% increase each year of biennium plus 2.5% effective January 1, 1985.
4. Medicaid expanded to include coverage for first time pregnant women effective 4/1/84.

Medicaid expanded for AFDC recipients removed from rolls because of employment effective 1/85.

5. Catastrophic Illness Program discontinued hospital benefits 5/1/84.

II. IMPLEMENTATION OF LAW, TRAINING, CONSULTATION, MONITORING

Immediately upon passage of the law, copies of the new laws relating to General Assistance were mailed by the Department to each municipality throughout the State with an explanation of basic changes that had to be implemented by October, 1984. Copies were also sent to Department "Agents" administering General Assistance in Unorganized Territories. Through the State's Administrative Procedures Act the Department made draft changes in its policy governing the administration of the program plus conditions under which it would monitor and intervene in the local administration of General Assistance. Public hearings were held. Finalized policy to be effective 10/1/84 was implemented. Meetings and review of policy and procedures were held with all Department staff responsible for the program. At the same time the changes were reviewed by Department Attorneys to make sure they were in basic conformity to the new laws.

On a broader base the Department staff, in cooperation with representatives of the Maine Municipal Association, arranged formal training sessions for municipalities throughout the state. Nineteen training sites were established. Representatives from towns where cities were located and surrounding areas attended the sessions. These sessions were held both during the day and during the evening to allow municipal officials otherwise employed to attend. Two hundred and eight (208) towns were represented at these sessions with 300 people attending one or more of the 19 sessions. This is actually less than half of Maine's 498 municipalities.

LIST OF TOWNS HOSTING TRAINING SESSIONS

Topsham	Ellsworth	Dexter
Farmington	Baileyville	Belfast
Mexico	Skowhegan	Bridgton
Madawaska	Augusta	Rockland
Caribou	Sanford	Lewiston
Machias	Westbrook	Houlton
Bangor		

After the formal initial training sessions the Department responded to requests from approximately 100 additional towns for more training and review. This took place prior to and after implementation of the new law.

During this period the Department staff reviewed existing and pending policies and procedures of each municipality, informed them of any deficiencies or problems and gave individual town consultations. By January, 1984 the Department felt that all towns had written material conforming to the law. During this initial period concentration was on establishment of written policy. The effectiveness of actual day-to-day administration was and continues to be another and significant problem.

By October 1, 1983 a toll free line was established so that people, who were dissatisfied with the local administration or a particular decision by local municipalities, could call.

From the beginning, this has been the most contentious of the changes in the law. Advocate groups and some of the legal representatives of low income people expected the Department to act as a "Super Hearing Authority" ruling on any and all decisions made by municipalities if a client either was dissatisfied with the local hearing decision, wanted to bypass the local hearing authority or did not agree with a policy limitation established by the town, even though the town was legally entitled to establish such policy. In addition, some complaints were so general in nature and so inept of reasonable facts that a detailed review was impossible.

An example of the latter is taken from a letter from a Legal representative of an advocate group. The letter said in essence

"All towns from Brunswick to Sorrento and from Vinalhaven to Farmington are violating the law. We request review of these situations, intervention and report back as to what has been done town by town."

There is no way that this Department can handle such situations. This basic problem will be elaborated upon in a later section.

Another major area of complaint where intervention did not take place was in regard to the fact that most all municipalities have written policy saying they will not pay back bills for rent, utilities, etc. Some municipalities will pay back bills to a certain degree on what they define as an emergency situation. While the Department's position is that it is perfectly permissible to pay back bills, it is not a requirement of the law. The following criteria was established by the Department for its actual intervention:

INTERVENE:

1. When client's rights are clearly violated on right to apply, be interviewed, hearing notice, other hearing rights.
2. When the municipality ignores its own policy.
3. When the municipality has policy that violates the law.

DO NOT INTERVENE:

1. Because the client or advocate disagrees with the existence of a particular policy.
2. Because of disagreements over the interpretation of policy.
3. Because of disagreements over a local hearing decision made in accord with law and policy.

These go through hearing and court process.

In all instances we can offer to talk with the town in an effort to mediate without directly intervening.

Although the Department did not directly intervene by granting assistance in all of these situations, nor respond to the complainant in detailed writing, it did contact necessary parties in all cases and responded to complainants verbally (generally via phone) as to the outcome. The following two sections of the report relate to complaints and the Department's evaluation of complexities in the law.

III. RESPONSE TO OUTSIDE COMPLAINTS, QUESTIONS

A review of agency records shows that from September 23, 1984 when the toll free line was established, through December 31, 1984 a total of 274 complaints were filed involving 118 municipalities. Other calls were received on the line in the nature of inquiry and resource development from individuals and agencies throughout the state. These latter were handled through referral to other Department bureaus, municipalities, CAP agencies, etc. thus generating a meaningful Information and Referral service to individuals which might not have been available without the toll free line. These calls numbered in the hundreds.

Of the 274 calls expressing concern or complaints about local administration it was found that 97 (35%) were not factually correct.

Example 1:

Advocate called on behalf of client - claimed town refused to give her an application - found that town had told her to come in and file application after she had called town. Client did not come in - she told town she had no transportation - town official took application to client's house - no one home - local official was waiting to hear from client again.

Example 2:

Advocate called on behalf of client - claimed town refused to give assistance because client would not attend remedial reading classes two nights a week client unable to get to classes. Review found assistance had not been previously denied but client told to attend classes the following month as a condition of continuing eligibility and at no cost to individual - individual wanted transportation provided to classes - lived within a mile of school - a single male, mid 30's - no major medical problems which would interfere with walking.

Example 3:

Client called - denied food order. Clients income was substantially over town standard of need - regular and predictable - client and advocate wanted Department to require town to increase its standard of need - department position is that this should be resolved through local Fair Hearing.

Example 4:

Client claimed town refused oil - called town - client had never applied. Arrangements made for her to apply.

Many complaints were similar to those in example 3. That is, a client or advocate was dissatisfied with actual policy and wanted the town to change the rules. Whether one agrees or disagrees with all municipal policies is not the basis for intervention if the policy is developed and implemented within the framework of State law.

Even though 35% of the calls were not substantiated as to violation, 65% or 177 calls out of 274 did have a basis in fact. This, coupled with problems found by the Department in its own reviews, indicates continual problems in the administration of the program. Although these situations were satisfactorily resolved, they were not resolved without involvement of an outside agency responsible for monitoring activities. All but 12 complaints were resolved without the Department's direct intervention of granting assistance and billing the town.

Example 1:

Two clients same town. Called on Friday, out of oil or very low. Income eligible. Client was told to come in and apply the following Wednesday. Department called town - reviewed the fact that the town could not have client wait until from Friday to Wednesday in an emergency situation. Oil delivered. This is an example of type of problem occurring in very small towns with selectman form of government. There is no official available, town office and the selectmen meet only once a week or less. Small towns have limited response to emergency situations. They continually have to be reminded of posting requirements of how to apply in emergency situations and where to apply.

Example 2:

Client moved into small town requested assistance. Denied on basis hadn't lived there 30 days. Department reviewed with the town that it must grant if client eligible regardless of length of residence. The town granted assistance. This continues to be a problem and a hassle with municipalities. The law is clear. Municipalities don't like it.

Example 3:

Client applied for rent assistance. Initial application. Denied, limited explanation. After call from Department - agreed client would go back and help would be granted.

Example 4:

Client applied for oil. No response. Department called town - agreed to assist, client went back. Town should have helped in the first place.

Example 5:

Client verbally applied for wood on a Monday. Written application made on Friday. (No explanation of delay in filing written application). Town agreed to have wood delivered on Saturday. On following Monday still no wood. Called and agreed to have wood delivered immediately.

Example 6:

Client requested help in small town. Missed her appointment with selectmen. Told no meeting that particular week - would have to wait. Town ran ad in paper saying applications could be filed only on Thursday. Department had to review law on availability with officials. Assistance granted.

The above are illustrations of basic problems. Although they get resolved when the Department calls, they raise serious question as to the understanding or the acceptance of the law in many small localities without the potential of monitoring by the Department. The limited Department staff are continually phoning or meeting with local officials and "putting out brush fires" rather than working with them in developing a meaningful program that is fair and equitable to all.

In twelve cases the problem was resolved only by direct intervention and authorization of assistance by the Department with subsequent billing of the municipality.

Example 1:

Client called - could not reach local official to apply for oil. Department spoke with town official, reviewed requirements and reviewed the persons basic eligibility. Town official disagreed and would not authorize. Department authorized. After authorization town official called back and said town would pay for oil.

Example 2:

Similar to above. Small town. Heating oil needed. Several calls by client and this Department. No response. Department authorized oil.

Example 3:

Client requested help with mortgage. Town refused (town policy indicates it would pay mortgages as well as rent). Department paid month's mortgage.

Example 4:

An individual needed help with rent, had just moved into town. Town did not want the person. Refused help. Department paid rent. Town appealed Department's bill. Town lost at Hearing. Planned to go to court, but decided to settle.

Example 5:

In one case the Department intervened because advocates and clients claimed wood was needed and no one was accessible. Wood ordered by Department, town billed and appealed. Town upheld. It was found that someone was available never contacted right person and it was not an immediate emergency.

In summary, it appears evident that changes in the law may make the responsibilities of clients and municipalities clearer. Municipalities do develop policy or guidelines in accord with the law. However, the actual day-to-day implementation of requirements leaves problems. Where there are organized municipal welfare departments there are fewer and more limited problems. Where there are full-time town managers and town officials the law is also more likely to be followed. Where there is no full-time official or day-to-day government services in municipalities that are rural in nature and with limited resources, the basic accessibility of the program is much more questionable. This is said in spite of significant increases in overall caseload and costs on a statewide basis.

IV. FINDINGS - THE LAW, ITS IMPLEMENTATIONS, COMPLEXITIES, CONFLICTS

The following listed sections discussed are all from 22 MRSA Chapter 1161 as enacted by 111th Maine State Legislature which became effective October, 1983. The material outlines only those sections where Department staff feel significant variances or conflicts continue to exist. Where problems are cited it is not meant to single out specific municipalities but the program in general. They are applicable to a significant portion of the 498 municipalities in Maine.

Sections 4304-4305 - These sections require an office or designated place in each municipality where a person may apply for general assistance at regular and reasonable times. It requires an emergency number, availability and posting of ordinances and standards of eligibility.

All municipalities have standards. Some are developed by the municipality. Many are adopted from guidelines established by the Maine Municipal Association (MMA). Although this is a service to municipalities by MMA it does create problems. Small municipalities tend to forward copies of the MMA guidelines to the Department as their own. They have to be reminded that they must determine the actual amounts of need and maximum. They also have to be reminded that they must add details as to how and where to apply for hearings although they adopt the guidelines outlining hearing rights. Continual reminders must be sent out to municipalities to post ordinances and telephone numbers for emergency situations. The latest reminder went out in December, 1984. With every municipal election and change in officials the whole process of reminders, technical assistance and consultation starts over again in a high proportion of municipalities.

The posting of ordinances, and the providing of emergency coverage is increasingly difficult in smaller municipalities where there is no central town office and where local officials are not always available because of their own work schedules. In these situations, the Department often has to track down someone or grant assistance and bill the town. Towns, as indicated in the previous section, eventually cooperate. However, in essence, the Department becomes the emergency source of assistance for scores of municipalities. It cannot handle the volume.

Municipalities generally follow their standards in establishing basic eligibility. However, unless the applicant requests to review the standards in detail, municipalities do not consistently share the standards with the applicant when it comes to determining the actual amount of assistance. If an applicant requests assistance in the form of a weekly food order and has an unmet need of \$100 for a month, he or she may be authorized assistance in the form of a food order for a week but will not be told that he or she may be eligible for further assistance. If the applicant returns the following week assistance is granted if the deficit continues to exist. In cases of large deficits the general response is that the budget is not shared unless requested because if it is the person will ask for help to meet the known deficit. The burden of knowing is placed upon the client without a corresponding burden on

the town for explaining the budget process. Towns have to be continually reminded that written notices are required even when assistance is granted. Towns reluctantly accept requirements of notice on denials. Many officials outright and frankly state they feel the requirement to give written notice when granting is "ridiculous". They feel the copy of a voucher purchase order is sufficient. However, even if this is true, the voucher does not confirm length of eligibility, overall amount or conditions under which assistance is granted or would be continued.

Section 4307 - This section deals with residency and requires immediate assistance to eligible persons who have moved into the municipality with intent to stay. It also requires assistance to "non-residents".

Municipalities continue to resist this law with intervention by Department often necessary. It is particularly upsetting to municipalities when "non-residents" move into a town temporarily for seasonal work and apply for assistance until they receive their first pay check. A review of "transient" eligibles in rural areas during harvest season for blueberries particularly shows extreme increases in costs to small municipalities with low tax base.

Larger municipalities become a focal point of persons and families seeking housing and work. This increases administrative costs significantly. Although reimbursement of 90% is often received by the municipality it increases local costs. All municipalities large or small do not support, although they may reluctantly accept, the requirement to assist persons and families who may be "transient" or "new in town".

Sections 4308-4309 - These sections deal with initial and subsequent applications, basic eligibility determination, emergency benefits and verification requirements. This is the most controversial section of the revised law. The basic problem found in this area relates to emergency situations and scope of assistance. The law enables, and even requires municipal officials to verify income and resources of clients in all situations. It does allow for bypassing of documentation and detailed exploration in specific emergency situations where prudent exploration at the time of application indicates potential eligibility likely to exist.

Municipalities have been under great pressure from advocate groups whose interpretation of this law often differs from that of municipalities and this Department. These groups interpret the law to mean that if a person declares he or she is without income or resources and has a need, that need must be immediately met with no question. If a person with weekly income is out of income on Monday and the rent due on Tuesday they would see a need and eligibility regardless of the fact income will be available during the period of time in question. In addition, they see a person eligible for assistance in payment of back bills such as rent, fuel and utilities if the person is currently without income and resources even though he may have had sufficient income to meet these expenses in the past and has potential resources in the future.

Most municipalities have established policy that they will not pay back bills, although they will pay current and future bills if eligibility exists. Although the Department does not subscribe to the automatic refusal to pay back bills it finds nothing in the past or current law prohibiting towns from establishing such a policy. The Department also feels that if back bills are subject to payment, the income and resources available to the individual during that period of time should be subject to verification and calculation in determination of the amount of assistance. This is a major area of the law that needs to be clarified one way or the other. The law should be definitely clarified to the understanding of all that, although a local official cannot forego a decision or deny assistance indiscriminately, the official can still question and withhold a decision if he or she has reasonable doubt. The policy as written for eligibility for AFDC and Food Stamps uses this latter principal. It is suggested that that material may serve as a reasonable model.

The law has always required municipalities to recognize emergency situations. The Department feels that the law, as currently written, does not require granting of assistance solely on the presentation of a back bill or a claim that a current bill is due plus a verbal claim that the applicant on the date of application has insufficient funds directly at hand. Because a person applies for rent relief on the last day of a month for rent due the following month, does not mean that the income he or she is to receive on the 3rd, 4th, or 5th of the month in the form of a pay check, social security or welfare benefits are to be ignored in determining eligibility. However, the law can be interpreted to mean just that. As indicated previously, it should be clarified so that multiple interpretations cannot be so prevalent. Municipal officials must be responsive to emergency life-threatening situations. They must also be able to evaluate the actual existence of the need and the emergent nature of the need. Lack of immediate funds the first day of the month to pay rent or a utility bill is not always an emergency life-threatening situation. It appears that in correcting a situation where emergencies have been overlooked in the past the pendulum has swung a bit too far towards expectation that everything is to be taken at face value.

Section 4323 - This section outlines the responsibility of the Department of Human Services to assist municipalities in the implementation and carrying out of General Assistance laws. The Department is required to offer technical assistance, monitor, and, if necessary, intervene by giving direct assistance to individuals and subsequently bill the municipality. In extreme cases the Department is authorized to directly intervene and run the local program and at the same time take court action against a municipality failing to carry out the law.

As indicated previously, within the limits of its staff and time the Department has intervened on individual complaints. Most have been resolved without direct intervention. The Department monitors basic program administration, particularly in those municipalities being reimbursed with state funds. Less often, it conducts administrative reviews in all municipalities, requiring and monitoring corrective actions where necessary. Much of its activities are done on an exception basis. This means, if the

Department receives no specific complaint - no action is taken. This is far from adequate. However, it is the most that can be done with 498 divergent municipalities, standards, and organizational systems. If it was found that a group of municipalities, or even a single municipality, was outright consistently violating the law as to implementing a General Assistance program there is no way the Department could effectively step in and administer the local program on a day-to-day basis. This is an example of a law which was passed without consideration as to the cost of implementation. The Department's reviews do indicate serious question as to the accessibility and use of this program in many municipalities. This will be discussed in more detail in a following section of this report.

Section 4311 - This section deals with state reimbursement to municipalities. This section requires towns to fund administrative costs of the program at a 100% level. The Department of Human Services is charged for reimbursing municipalities 90% of their direct costs for General Assistance when these costs exceed .0003 of the municipality's 1981 tax valuation as determined by State Tax Assessor.

Increased costs to municipalities are occurring due to expanded General Assistance. In addition, increased responsibilities are placed upon municipalities. Questions continue to come up every day as to the equity of this formula in small municipalities with a limited tax base. In addition, municipalities are requesting assistance in paying administrative costs of the program. There is an ever increasing viewpoint that if requirements are to be established by State law the program should be funded with state money. Although there is substantial state money put into the program, this money reimburses only approximately 100 municipalities out of 498. It is also true that these municipalities fund over 90% of all general assistance in the State.

The above cited sections of the law are those that the Department feels create the major conflicts within the program. The following are general comments on other aspects of the law as outlined in the introduction of this report.

Fair Hearings: (Section 4322)

Municipalities give written notice of hearing rights at the time of denial and discontinuance. As indicated previously, written notices have not always been given in the past on cases where assistance is granted. This has increased with monitoring. Hearings are not a frequent occurrence. There is no evidence indicating any widespread or consistent refusal of hearings (with exception of 2 or 3 isolated instances which were corrected).

Review of general complaints and administrative reviews shows that the most frequent problem lies in the area of the make up and knowledge of "Hearing Authority". Generally, the Hearing Authority would be a town manager (where there is a welfare clerk actually handling cases), or a board of selectmen or members of the city council. These persons often had a role in establishing the basic policy or approving it. Often, in cases of selectmen, the person

making the case decision would sit in on the appeal; not as a witness, but as a voting member. Hearing Officers do not always familiarize themselves with policy relating to General Assistance nor rules of procedure relating to presenting of facts and conducting a hearing. We continue to find decisions based on whether the boards feel an exception should be made to policy rather than whether or not policy was followed. Records of what took place at hearings are very limited. Actual recordings of hearings is almost non-existent.

Work Requirement: (Section 4316)

Most all towns in theory have work requirements for welfare - especially those municipalities that literally adopt MMA "Guidelines". In fact, approximately 40 municipalities actually implement in varying degrees some form of work program for welfare recipients. Where this is done, the law relating to exemptions of the disabled etc. are followed and "just cause" is followed as applicable in cases not generally exempt. Some municipalities are experiencing problems in developing plans for coverage of Workmen's Compensation for persons on workfare.

In a brief phone survey of the general assistance workfare program we've found a mixture of responses to "Workfare".

In most cases the municipality responses are positive. Many of the municipalities feel that the program is working well. They do see some minor problems. Basically the paperwork is aggravating but, then again, this has been a major complaint about the entire General Assistance program. Towns do not like to keep records in this program.

Some municipalities feel that workfare is a "deterrent" to potential general assistance applicants. They've stated that many people will not apply for assistance if they know they'll have to "work it off".

Some municipalities do not feel that it's working well at all. The applicant will volunteer to work, receive the assistance, be assigned a work site and never appear for work. They then will wait 60 days, the ineligibility period for not completing workfare, and reapply for assistance knowing that they are eligible. No actual clients have been interviewed by the Department.

The Department has received no factual data as to "deterrent" benefits, no indication it has reduced General Assistance expenditures. There has been no indication of significant cost benefit to any of the municipality's programs such as Public Works, Parks, and Recreation etc. To what extent a person on workfare received training or assistance to the extent it enabled them to secure full time employment is unknown. There are many opinions and philosophies shared but little factual study and evaluation taking place.

All in all most municipalities are satisfied using workfare. Overall client response, however, has not been reviewed.

Liens and Reimbursement: (Section 4320)

Although there is a comprehensive law on placing of liens on property for assistance received and for recovery of assistance from legally responsible relatives, to date this law appears to be seldom if ever used by municipalities.

Definition of Need - Twenty Four Hour Decisions:

Although there have been individual deficiencies found in selected towns there has been definite improvement in clarity of what a municipality will include in its standard of need and in actual making of a decision within 24 hours of application. Advocates may not always agree as to what may be included or not included in a policy but the material itself is clear. The main problem of delays does not occur from the point of written application, but from the fact of original accessibility (as previously outlined).

As indicated in the previous section, the main problem in this area relates to the fact that although municipalities use standards correctly to determine basic overall eligibility, they do not always use them correctly in actual determination of benefit levels nor share budgets with clients unless the client specifically asks to review the budget or asks for an explanation.

V CASELOAD AND COSTS

Size and Growth

In the fall of 1968 the Citizen's Task Force on Intergovernmental Welfare Programs created by Governor Kenneth M. Curtis, made a series of recommendations that were later adopted into law by the Maine Legislature. These laws serve as the basis of the General Assistance Program today. Although the basic recommendation to create either a State administered or State supervised program were not adopted, three major changes were made which effected the program significantly.

1. Settlement laws were abolished and a reimbursement formula substituted.
2. Definitive requirements were made mandating that standards of assistance be established by ordinance in each Maine municipality.
3. Rights of people to apply and to appeal were spelled out in detail.

No longer was the administration of the General Assistance Program one of strictly local option. These laws plus eventual economic hardships and inflation have been the major cause of caseload increases.

The following table shows the caseload growth from the time just prior to the Legislative changes and during the last 5 years. Administrative costs are not included.

TABLE I

GENERAL ASSISTANCE EXPENDITURES - SELECTED YEARS (FISCAL)

<u>YEAR</u>	<u>TOTAL</u>	<u>STATE SHARE</u>	<u>% STATE</u>	<u>LOCAL SHARE</u>	<u>% LOCAL</u>
1967	\$2,143,623	\$ 705,675	33%	\$1,437,999	67%
1979	2,805,416	951,844	34%	1,853,572	66%
1980	3,353,651	1,273,928	38%	2,079,723	62%
1981	4,349,990	1,725,266	40%	2,621,724	60%
1982	4,841,138	2,011,352	42%	2,829,786	58%
1983	7,071,219	3,959,837	56%	3,111,382	44%
1984	8,961,275	5,315,646	59%	3,645,629	41%

It is anticipated that the increase in costs will continue. Expenditures from July, 1985 through June, 1986 could reach over \$11 million total with the State's share approximately \$9 million or 80% of the total. This may happen before 6/86.

From 1979 the local share of costs for General Assistance has gone from \$1,853,572 to \$3,645,629, a percentage increase of approximately 100%. The State general fund share has gone from \$951,844 to \$5,315,646, a percentage increase of approximately 550%. This is not said to minimize the increase of local costs. It does show that within the current system and formula a major portion of any increase in costs will have to be funded from the State General fund. Increases and costs are more likely to take place in municipalities of proportionately larger size who are at or near the threshold of the 90% reimbursement formula for their costs. As municipalities reach the threshold for reimbursement state general fund costs increase significantly.

The following table shows the increase in number of persons receiving General Assistance since 1979. The table reflects the average number of cases and persons per month plus average grants.

TABLE II

AVERAGE MONTHLY CASELOAD, CASE AND PERSON COSTS

<u>YEAR</u>	<u>CASES</u>	<u>PERSONS</u>	<u>CHANGE</u>	<u>% CHANGE</u>	<u>COST/CASES</u>	<u>COST/PERSON</u>
1979	2993	8055			\$ 78	\$29
1980	3247	7891	- 164	- 2%	\$ 86	\$35
1981	3535	8359	+ 468	+ 6%	\$103	\$43
1982	3614	8495	+ 136	+ 2%	\$112	\$47
1983	4933	10474	+1979	+23%	\$119	\$56
1984	5456	11634	+1160	+10%	\$137	\$64

Prior to 1980 and 1981 the caseload was comparatively stable. The table shows an increase in the average of 33% from 1980 to 1984. Considering that the State's population is 1,125,000 persons, the 1984 figures show that the General Assistance Program serves less than two percent of the State's population at any one given time. This is a State where the percent of people living under the poverty level is estimated at a minimum of 10%, and in some quarters is estimated at 20%. The significance of these data is that there is no indication that the caseload and resulting costs are likely to decrease but would be more likely to increase. It also raises further question of real accessibility.

Costs continue to increase as more persons who never before used General Assistance turn to that program for basic necessities. During this period in time the average case cost has risen from \$78 to \$137 per case. The average costs per person has risen from \$29 to \$64. These figures also challenge any claim that families and individuals are consistently abusing the program by not working and having their needs met through General Assistance.

Distribution of Caseload

In spite of the caseload growth and resulting cost increases at the State and local levels, there remains serious questions of actual accessibility of the program in many areas. As indicated previously, the basic growth of the

program has been in larger organized municipalities within the State. Many of the smaller municipalities have experienced little, if any, growth in costs or size of caseload in spite of rising costs and poor economic circumstances.

The major part of overall General Assistance expenditures were made by 50 municipalities. These municipalities represent 47% of the State's population. Of these municipalities 28 eventually received some State reimbursement. Twenty-two (22) of these municipalities received no reimbursement.

In looking at the population figures it is found that the 100 municipalities with the highest population constitute 67% of the State's population. They spent (gross) \$6,935,203.23 out of the \$8,916,246.90 General Assistance expenditures. This is approximately 75% of the General Assistance expenditures. However, there is wide fluctuation among these municipalities. They also received, as a group, \$4,011,820.88 reimbursement from State funds. This is 59% of the reimbursement funds.

The following table illustrates the wide fluctuation of expenditures in all municipalities with a population between 15,000 and 25,000 (one municipality just under 15,000 is included). Allowing for variance due to possible economic wealth of municipalities, tax base etc. still does not explain the variance. These municipalities would seem to have reasonably similar economic conditions.

TABLE III

POPULATION AND EXPENDITURE SELECTED MUNICIPALITIES

	<u>POPULATION</u>	<u>EXPENDITURES</u>
1	23,128	\$ 60,198
2	22,712	58,406
3	21,819	653,713
4	19,638	81,386
5	18,020	57,242
6	17,779	114,870
7	17,366	28,011
8	14,976	42,388

The lower population municipalities continue to have limited programs. Of the nearly 500 municipalities in the State a total of 361 have populations of under 1,600 (many of these well under 1,000). The total population of these municipalities is 206,000+ or approximately 20% of the State's population. It might be possible that the legend of Yankee pride and self-sufficiency plays a significant part in the non use of the program. It is also possible that here we may have what many refer to as Maine's "hidden poor".

A sample of approximately 25% was taken from these municipalities. The population, obligation prior to reimbursement and actual annual expenditures were reviewed. The following table lists the result of this. The sample group represents 4% of the State's population. We assumed the group might also represent 4% to 8% of the State's General Assistance expenditures. In actuality, the sample group represents 2% of the expenditure.

TABLE IV
POPULATION OBLIGATION AND EXPENDITURE SELECTED MUNICIPALITIES

	<u>POPULATION</u>	<u>OBLIGATION</u>	<u>EXPENDITURE</u>		<u>POPULATION</u>	<u>OBLIGATION</u>	<u>EXPENDITURE</u>
1	225	825	-0-	41	439	1,680	149.77
2	742	2,655	193.49	42	748	3,810	44.75
3	349	1,365	19.27	43	346	1,485	150.01
4	1084	3,435	-0-	44	958	6,795	183.25
5	403	1,050	-0-	45	782	4,230	390.00
6	513	2,400	96.26	46	1061	4,725	27.00
7	354	1,260	60.00	47	695	2,115	-0-
8	107	10,395	-0-	48	726	2,310	-0-
9	438	1,200	-0-	49	44	825	-0-
10	869	3,300	-0-	50	1306	5,400	356.74
11	969	3,690	-0-	51	244	2,145	-0-
12	607	2,580	83.28	52	1492	23,625	1762.27
13	203	1,170	-0-	53	269	1,080	-0-
14	198	4,050	-0-	54	235	1,260	-0-
15	1492	14,235	955.17	55	146	1,725	-0-
16	1273	8,520	757.39	56	563	2,760	-0-
17	812	4,725	164.71	57	518	1,905	-0-
18	1021	6,720	-0-	58	841	7,365	866.00
19	454	2,145	-0-	59	337	4,125	-0-
20	795	7,470	651.59	60	1333	3,765	875.72
21	730	4,080	-0-	61	114	855	-0-
22	373	7,395	-0-	62	79	750	-0-
23	425	2,865	160.00	63	204	2,115	247.50
24	598	6,555	327.95	64	613	2,685	456.74
25	1227	8,895	966.42	65	65	870	-0-
26	800	11,460	645.11	66	56	1,935	-0-
27	653	4,875	432.29	67	242	1,170	-0-
28	665	2,415	-0-	68	448	2,115	134.04
29	235	2,445	-0-	69	72	1,095	-0-
30	897	8,040	810.73	70	458	1,770	148.35
31	163	1,935	-0-	71	521	1,485	150.01
32	126	630	-0-	72	506	2,055	397.70
33	430	4,035	471.29	73	28	450	30.78
34	576	2,235	153.90	74	105	1,035	-0-
35	621	2,295	120.00	75	86	615	-0-
36	164	1,470	-0-	76	1108	3,480	448.20
37	305	1,620	-0-	77	88	1,245	100.00
38	1527	14,325	1209.44	78	130	705	-0-
39	252	1,035	-0-	79	140	855	151.87
40	651	3,225	-0-	80	644	6,840	550.21

The review shows that in many municipalities expenditures are nil or almost nil. There is no known factual data which explain this phenomenon when compared to the overall dramatic increase in expenditures statewide and in the initially listed municipalities. Question can be raised as to the actual availability of assistance to 20% or more of the State's population if the need arises.

It could also be assumed that the per capita costs in each municipality administering General Assistance would be similar, fluctuating no more than a dollar or two. In reviewing the costs to municipalities after reimbursement during the period of time from 7/1/83 to 6/30/84 in those towns receiving reimbursement it was found that this varied from a low of \$.81 to a high of \$12.63. The latter was in a municipality with a population of 40 people. The most general distribution was from a per capita cost of \$3+ to \$6+.

These factors all become significant when consideration is given to whether or not to increase or decrease state reimbursement to municipalities and to determine the most equitable and reasonable way of doing so. Sound administration has always been based upon the principle that what can be done at the lowest level of government should be done at that level. Whether or not the current system gives equitable treatment to all residents of the State of Maine remains questionable in spite of significant increases in the overall program and overall increase in assistance granted by larger municipalities.

The following table gives a geographic breakdown of General Assistance expenditures by County for the period 7/1/84 through 12/31/84.

TABLE V
GENERAL ASSISTANCE COST DATA BY COUNTY DISTRIBUTION
7/1/84 to 2/28/85
IN THOUSANDS

COUNTY	POPULATION	% OF TOTAL POPULATION	AMOUNT SPENT	% OF TOTAL GA EXPENDITURES
Androscoggin	99,657	9%	546.6	8.6%
Aroostook	91,331	8%	522.9	8.3%
Cumberland	215,789	19%	2727.9	43.2%
Franklin	27,098	2%	27.4	.4%
Hancock	41,781	4%	115.2	2.0%
Kennebec	109,889	10%	608.4	9.6%
Knox	32,941	3%	60.9	.9%
Lincoln	25,691	2%	45.5	.7%
Oxford	48,968	4%	224.0	3.5%
Penobscot	137,015	12%	722.7	11.4%
Piscataquis	17,634	2%	34.9	.5%
Sagadahoc	28,795	3%	27.0	.4%
Somerset	45,028	4%	204.8	3.3%
Waldo	28,414	3%	59.6	.9%
*Washington	34,963	3%	28.4	.5%
York	139,666	12%	364.3	5.8%
State Total	1,124,660	100%	6320.5	100.0%

*The figures for Washington County do not include General Assistance granted on the two Indian Reservations.

These characteristics indicating lower percent of General Assistance in the more rural isolated areas has been a continuing occurrence year after year. Previous yearly reviews reflect similar results although percentages may vary a point or two. These are also the Counties having the highest percent of people living under the poverty level.

TABLE VI
POVERTY LEVEL BY COUNTY

COUNTY	% UNDER POVERTY LEVEL	COUNTY	% UNDER POVERTY LEVEL	COUNTY	% UNDER POVERTY LEVEL
Androscoggin	12.6	Kennebec	11.8	Piscat.	14.1
Aroostook	16.2	Knox	14.4	Sagadahoc	11.2
Cumberland	10.5	Lincoln	16.7	Somerset	16.3
Franklin	12.8	Oxford	12.7	Waldo	20.0
Hancock	14.6	Penobscot	13.0	Washington	21.6
				York	9.8

The assumption was made that even allowing for economic variations of resources each respective county would be similar, within a percentage point or two in proportion to the State total issued as the County's proportion of State population. Would the percentage of General Assistance expenditures in the County be in the same proportion to total State expenditures as the population of the County is to the State population? If there is a difference would it be found that the smaller, rural, less economically affluent counties issued a higher proportion of the overall General Assistance expenditure when compared to its proportion of population? Could it be established that there is more state reimbursement in these areas? The answer is no.

The largest county in population (Cumberland) constitutes 19% of the population. This one county accounts for 43.2% of the General Assistance expenditures. Over half of this is spent in its largest city. If the expenditures in this city were removed the characteristics of the remaining municipalities would more nearly reflect the County's percent of population or be less. The same situation applies in other counties with major municipalities. (Androscoggin, Penobscot and Kennebec). Although the percentage of General Assistance issued is close to the percentage of population - the overwhelming amount of assistance is issued in one municipality in each county. The data shows that General Assistance tends to be a "City Program".

In York County concentration of assistance is in three municipalities. Many municipalities along the coast of the County have limited General Assistance expenditures as the municipalities are inhabited by more affluent persons. Municipalities inland where one would expect more need are comparatively low.

Franklin County, Piscataquis County and Waldo County are counties where the proportion of assistance issued is significantly lower than the County's proportion of population. Other counties similar to the above are Knox and Lincoln. The remaining Counties have a distribution similar to their population. In these counties as in the aforementioned counties - the assistance issued tends to be in from 2 to 5 larger municipalities. The smaller municipalities issue very limited assistance.

This data basically supports previous data indicating that use and/or accessibility of the program in many of Maine's municipalities is extremely limited.

If the possibility exists that not as much need exists in these areas, it could be assumed that other forms of assistance are low. However, in doing a similar review of the AFDC and Food Stamp caseloads it is found that the proportion of cases to overall caseload is almost identical to the proportion of population. For example, Kennebec, Knox, Lincoln and Waldo Counties respectively have 10%, 3%, 2%, and 3% of the State's population. They have the same proportion of the AFDC caseload except for Sagadahoc which has 3% of caseload and 2% of population. Two counties, Androscoggin and Aroostook have a 2% difference. Other counties are even or have a difference of only 1 percent.

Caseload Characteristics - Estimation

1. BASIC AFDC - SINGLE INDIVIDUALS

Previous sections of this report outline caseload size and cost through 1984. There is no indication of any leveling off or reduction in the growth of the caseload or costs. A review of available data indicates that of the current 10,000 to 12,000 estimated persons receiving General Assistance each month,

40% are single individuals

30% are AFDC recipients (exclusive of AFDC/UP)

It is estimated that this group makes up approximately 70% (or over) of the General Assistance caseload. Although 30% of General Assistance caseload are AFDC recipients, the actual percent of AFDC recipients receiving General Assistance in any given month is 9% to 11%. (Last report 10/84 1,900+ cases out of 18,000+)

It is known that there are 10,000 to 12,000 AFDC cases receiving maximum AFDC grants because they have no other income. Individual grants amount to 50% of today's standard of need. Even though a municipality's standard of need would not equal the current poverty level, a supplementation of General Assistance amounting to \$75 a month for these cases would mean an additional \$750,000 per month or \$9,000,000 per year in expenditures for this one representative group. Such a supplement would be about half the current average monthly General Assistance expenditure to families which equals \$137 per month. To the extent the AFDC maximums are increased advantage is taken of State/Federal funding.

Because of lack of information reported by municipalities on a case-by-case basis, specifics of the number of single individuals has been unavailable since late 1983. At that time, 1968 cases out of 4059 were single individual cases. All indications are that this segment is growing. This is the one major cause of caseload growth in many larger municipalities.

Considering that 70% of caseload expenditures are made to the above two groups - assistance to low income couples and intact families is limited indeed.

2. UNEMPLOYED PARENTS

In November, 1984 the first AFDC cases were granted because of the unemployment of a parent. It was theorized that implementing this program would reflect a decrease in General Assistance costs. It was assumed these families were already receiving General Assistance. It was also theorized that granting AFDC based upon unemployment would decrease AFDC applications based on absence from the home.

The facts to date have not shown this to be an accurate prediction. As of February, 1985 there were 800 active cases receiving AFDC because of unemployment. There has been no decrease in the basic caseload receiving because of separation. There is no indication that there will be such a decrease. Between 15% and 17% of the unemployed parent cases received General Assistance at sometime prior to receipt of AFDC. A telephone survey of three major communities found that two communities estimated 5% and one community 15% of there General Assistance granted because of unemployment. One of the reasons for this is that the unemployment benefits exceed the municipality's standard of need.

To date, it can be concluded that the establishing of the AFDC/UP program does not result in a significant decrease in General Assistance expenditures. Neither does it decrease breakup of marriages. This population could have a significant impact on General Assistance costs in the future if persons remain unemployed after Unemployment Compensation is depleted and there was no AFDC/UP program. It is too short a time from the implementation of the AFDC/UP program to tell the length of time a family remains on AFDC/UP. In theory it should be shorter - assuming a reasonable labor market. That is not likely.

A recent sample done by the Income Maintenance Bureau concluded that only 19% of the AFDC/UP caseload have a good chance of becoming employed in the near future. Eleven percent will remain at their less than 100 hours a month jobs. These cases are largely located in areas of Maine where full-time jobs are not as plentiful. Work is limited to seasonal and irregular jobs. The remaining 70% do not have significant work skills. Unless jobs and training can be found, they will remain AFDC/UP eligible.

3. SUPPLEMENTAL SECURITY INCOME

Limited assistance is given to SSI recipients under the General Assistance program. What is given appears seasonal and irregular and in the main directed at SSI Disabled.

The elderly, who could also constitute a significantly high potential source of application based on income tend not to use General Assistance. Although potentially eligible - they seldom use the program.

4. DENIALS

Specific information relating to denial rates on General Assistance applications is not available on a municipality by municipality basis. It appears that it is higher in small municipalities as the program one way or another is little used. In the larger municipalities the actual denial rate is lower than one would anticipate. Again, a telephone survey of three larger municipalities shows an average caseload per month of 579, 102 and 439 respectively. Total denials during the year were 500, 152 and 300 respectively. Averaging those on a monthly basis the rate is 8%, 8% and 6% respectively. In one other large municipality the denial rate equals approximately 10%. It appears that any claim of outright excessive high denial rates in many municipalities would not be completely factual as far as organized municipal welfare agencies are concerned. This may not be the situation in smaller municipalities. In all municipalities there appears to be more people potentially eligible for assistance who do not use the program. Denial is defined as outright rejection of an application. It does not include persons who may receive assistance over a period of time and then are closed for another period of time. The actual adequacy of the assistance is discussed previously in this report.

5. OTHER GROUPS

The extension of Medicaid coverage to potentially eligible AFDC pregnant mothers with no other children has an estimated caseload of 1,200 cases per year at \$600 per case. This is a theoretical savings of \$720,000 a year in General Assistance costs. However, there is no available verifiable data indicating that these mothers would be eligible for medical benefits under the General Assistance program. All indications are that medical benefits under the General Assistance program are less than \$419,000 per year statewide even with the elimination of the Catastrophic Illness program. However, this is an increase of over 120,000 in a two year period.

In the fall of 1983 the Department was authorized to implement an Emergency Assistance program for one time annual assistance to families in crisis whose income does not exceed the poverty level. This program gives assistance for replacement of goods lost in a natural disaster, utility shutoffs, rent deposits, certain appliance repairs and some limited medical needs to the handicapped not covered by Medicaid.

Originally, replacement of certain appliances such as washing machines and refrigerators were included in addition to utility shutoffs. Effective April 9, 1984 replacement of washing machines and refrigerators were eliminated. Although it was felt a need existed for these items it was felt a greater priority needed to be placed upon utility shutoffs.

The following table shows the distribution of assistance under that program from 7/1/84 through 1/31/85.

TABLE VII
EMERGENCY ASSISTANCE PROGRAM 7/1/84 to 2/1/85

	TOTALS					AFDC						NON-AFDC						G.A.		TOTAL
	APPS	GRANT DENIED				GRANT DENIED DENIED						APPS GRANT DENIED						TOTAL		MONEY
		NO	%	NO	%	NO	%	NO	%	NO	%	NO	%	NO	%	NO	%	NO	%	SPENT
DISASTER	114	62	54	52	46	54	47	37	69	17	31	60	53	25	42	35	58	38	33	42181.53
REPAIRS	951	375	39	576	61	599	63	246	41	353	59	352	37	129	37	223	63	163	17	156032.49
EVICTION	884	390	44	494	56	491	56	241	49	250	51	393	44	149	38	244	62	245	28	106801.84
UTILITY	1686	1017	60	669	40	805	48	459	57	346	43	881	52	558	63	323	37	397	24	220793.44
HANDICAP	30	13	43	17	57	15	50	10	66	5	34	15	50	3	20	12	80	9	30	4026.68
TOTAL	3665	1857	51	1808	49	1964	54	993	51	971	49	1701	46	864	51	837	49	852	23	529835.98

PENDING (AS OF 2/1/85) (40)
AVERAGE PER CASE \$285.31

A total of \$1,500,000 is available for the program for the fiscal year.

To date, approximately 50% of applications are granted (1857 out of 3665). Approximately half are AFDC recipients and half non-AFDC recipients. The largest single form of assistance is in utility shutoffs. Rent deposits due to eviction plus repairs of furnaces and stoves are nearly equal and make up the second largest group.

All of the AFDC recipients are potentially eligible for General Assistance as well as a large segment of the non-AFDC recipients. Of this group 23% of applicants were actual recipients of General Assistance prior to application for Emergency Assistance under this program.

This program - while not decreasing General Assistance overall costs does indicate cost savings, assuming that these people would have received equivalent help from the municipality.

Currently the Department, rather than expand the types of assistance for which benefits are available is considering increasing the amounts it will authorize for payment of utility shutoffs and rent deposits because of eviction. Currently, those maximum are \$300 for utility and \$350 for eviction respectively. This program is funded through the State General Assistance appropriation plus a dollar-for-dollar match of Federal funds. It is expected that a large increase in application will take place after April, 1985. This is the date established for utility cutoff by power companies. Shutoffs are illegal from November through April unless permission is granted by P.U.C. This happens seldom but it does happen.

VI. SUMMARY AND CONCLUSIONS

The General Assistance program continues to be a quagmire of philosophical and legal opinions throughout the State. Although there is increasing adherence to the laws governing the program there remains question of accessibility and adequacy of the program in many municipalities.

Municipalities with organized welfare departments have made, in general, significant strides in implementing programs that carry out the law. Municipalities without full time welfare departments but with full time municipal managers also show improvement, particularly as it relates to initial accessibility for prospective applicants. Municipalities with part time selectmen form of government with no full time officials continue to have extremely limited programs.

The problems outlined in this report and this summary are not all encompassing in each and every municipality. However, they are numerous enough in more than a significant number of municipalities to question the overall adequacy of the present system. Any significant corrective actions are going to have to consider staffing and the administrative costs of a more comprehensive program and its respective monitoring or supervision in addition to mere changes in the State law issuing mandates to municipalities and State agencies.

This report has no recommendations that have not been made in previous reports particularly the report "Study of the Administration of General Assistance in Maine" published in October, 1980 and the report "Improving the Administration and Financing of General Assistance in the State of Maine" published in May, 1968.

I. During the past two years there has been increasing costs of the General Assistance caseload on a statewide basis. Major increases have occurred in the larger municipalities with organized welfare departments or towns or managers acting as welfare director. Increases have been minimal in smaller municipalities with no full-time governing body. Availability and use of the program in rural areas is minimal. Significant administrative problems occur yearly with elected part-time selectmen unfamiliar with the program. The program could be described as a "City Program". Approximately 50 municipalities account for approximately 80% of the General Assistance expenditures. From 1979 to 1984 caseloads have increased over 50%. The average cost per case has nearly doubled. The average cost per person has increased over 100% (from \$29 to \$64). Coverage is limited to approximately 2% or 3% of the population per month. It is estimated that over 20% of the population of the State live in areas where the program is minimal or virtually non-existent. There is wide and unexplained latitude in the use of the program throughout the State.

As indicated previously, larger municipalities particularly those with organized welfare offices show improvement in administration and accessibility. The availability of the program in smaller municipalities in emergency situations continues to be a problem. Increasingly the Department has been used to provide coverage and assistance and then has had to bill the local municipality.

II. Although there may be isolated or unique situations occurring since the latest revision of the General Assistance laws no conclusions can be made that these revisions per se caused a significant increase in caseloads or costs. Rather, it appears that economic situations plus more awareness of the overall General Assistance laws and increased adherence to overall requirements by major municipalities have played more a part in the increase.

The program remains a paradox - some municipalities are experiencing unprecedented increases in caseload and costs, others experience little, if any, change. This can not be explained solely by claims of rural poor all moving to the city.

For the first time, the Department is beginning to experience the problem of monitoring what could be potential for excessive claims from municipalities being reimbursed at the 90% rate. As substantial amounts of reimbursements are claimed, the need for more regular and consistent administrative reviews and program audits rises.

III. Administrative costs are a serious concern in larger municipalities. Administrative costs in smaller towns are also a source of complaint. However, since assistance is minimal in these small areas, it is impossible to ascertain actual administrative costs.

All municipalities from the smallest to the largest complain of complexities and problems in following the law. They look upon the program as one imposed upon them by the State and want reimbursement of all costs, administrative and grant. There is continual resentment of the imposition of any regulation not accompanied by additional funding.

IV. The ability of the Department to consistently monitor, consult with, and plan corrective actions in all municipalities is severely limited. Assistance and involvement is given on crisis or exception basis (response to complaints). The Department has to spend an inordinate amount of time putting out "brush fires" and finding local personnel who are supposed to be accessible to applicants rather than providing systematic monitoring, review and consultation. If one or more municipalities were to consistently openly defy the law there is no way the Department could fulfill its responsibility under the law to intervene by directly administering the local program and take court action against the municipality.

Costs in municipalities where reimbursement takes place requires monitoring, administrative reviews, and auditing of millions of dollars. Current staff cannot keep up with that responsibility to the extent we feel necessary.

The expenditure of funds in our four largest municipalities actually requires the monitoring time of a full-time person. The Department has one full-time and two part-time persons available for 500 municipalities plus our own unorganized municipalities. The responsibility of the Department to administer the program in unorganized municipalities and to monitor the actual expenditure of funds for which reimbursement is expected cannot be ignored. This creates a problem when expectations are placed upon the

Department to monitor and encourage the actual expansion of the program in other municipalities.

V. All municipalities have written policy and defined standards of eligibility. The standards and policy are not always followed on a day-to-day basis, particularly in rural communities. Accessibility continues to be a problem in rural areas.

Evaluation of complaints received indicate that 65% of the complaints of non-service had validity. Although all but between 10 and 20 situations were resolved without the Department having to directly intervene by granting assistance - intervention through contact with, discussion and clarification of the law with a respective municipality was necessary. Without such involvement actual receipt of needed services for which a family is eligible is questionable.

VI. The use of standards to determine assistance and giving of written notices is questionable in nearly all municipalities. There is no question that municipalities use standards to determine basic eligibility. However, they do not always use the standard to determine amount of grant (except to set a maximum). A client with an unmet need of \$200 may be given a \$50 food order and not know he or she is eligible for more unless he or she asks. The person must return and reapply for further assistance during the month in question. Notices to cases where grants are made are minimal even though denial notices are used regularly. The client may not be aware that the decision on amount of assistance is as appealable as well as outright denials are appealable.

VII. The section of the law relating to meeting of emergency needs remains unclear. As indicated in a previous section of the report, the definition of "immediate need" and payment of back bills is subject to continual controversy. Because an individual does not have immediate funds on the day application is made should not mean that all back bills should be paid or current need met for an extended period if the individual will have available cash or other resources during the period of time in question. This causes serious fiscal, administrative and legal problems for municipalities and the State.

VIII. Fair Hearing authorities are often unaware of the policies they are supposed to be reviewing on the purpose of a hearing. Hearings often relate to whether an exception to policy should be made rather than whether the policy was carried out correctly.

IX. Many municipalities continue to resist residency law denying assistance to persons who have not lived in the municipality for an extended period of time. Several situations have been resolved only after the intervention of the Department.

X. To date, workfare has not had a significant impact on the General Assistance caseloads in municipalities using it. There is no indication that it provides training, incentive or alternatives to assistance. It is looked upon by many officials as a deterrent. Municipalities using it are beginning to experience problems in providing Workmen's Compensation and are submitting legislation accordingly.

Some municipalities do not have work readily available - although they have a workfare program. They are considering telling clients if assisted they will be called in to provide work later. This could be days, weeks or months later. This Department's interpretation of the law is that workfare is supposed to be in repayment for current assistance and that it would be a violation of the law to build up "workfare I.O.U. hours to be repaid sometime in the future".

XI. The program has been traditionally little used by the elderly and remains so. The largest group using the program are single individuals between the ages of 20 and 40. This is partially explained by the fact that General Assistance is the only assistance program available to this group. They are not covered by other programs with the exception of Food Stamps.

Applications for AFDC/UP indicate that only between 15% and 17% of these families received General Assistance prior to application for AFDC/UP. The AFDC/UP program has not been a significant factor in reducing General Assistance, particularly for those persons receiving Unemployment Benefits.

Medical benefits continue to be limited in the General Assistance program (though growing). A significant medical problem, not covered by Medicaid, could be a fiscal crisis in anyone of the towns not subject to reimbursement.