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# REPORT OF THE SOCIAL SERVICES STUDY COMMISSION



## REPORT TO THE 1989 GENERAL ASSEMBLY OF NORTH CAROLINA

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January, 1989

TO THE MEMBERS OF THE 1989 GENERAL ASSEMBLY:

The Social Services Study Commission by this document reports to the 1989 General Assembly under authority of Chapter 873 of the 1987 Session Laws (House Bill 678).

Respectfully submitted,

Senator Russell Walker

Representative Marie Colton

Cochair

Social Services Study Commission



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## INTRODUCTION

Poverty is often a life-damaging legacy. Who is poor in North Carolina? The poor are predominantly children, the elderly, and the disabled.

- \* 335,000 children in North Carolina are poor, which numbers one in four.
- \* Being black and a child results in poverty at a 41% rate in our State.
- \* 50% of the poor are working.
- \* 60% of poor parents are working.
- \* One-third of North Carolinians have inadequate or no health insurance.

In 1980, the poverty rate in North Carolina was 15%, which was 2% higher than the national average.

The Constitution of North Carolina, in providing for a State board of public welfare, states: "Beneficent provision for the poor, the unfortunate, and the orphan is one of the first duties of a civilized and a Christian state." (Article XI, Section 4.) It also states that, "Such charitable [and] benevolent ... institutions and agencies as the needs of humanity and the public good may require shall be established and operated by the State under such organization and in such manner as the General Assembly may prescribe." (Article XI, Section 3.)

The State's social services system, which rests on that Constitutional foundation, is a complex arrangement of programs. These programs address the needs not only of the poor, but also of elderly and disabled adults, dependent children, persons who are abused, neglected, or exploited, and others with special needs. Most programs are administered by the counties with State supervision. Social services programs are influenced substantially by federal laws, regulations, and funding criteria, but the General Assembly sets benefit levels and makes other key decisions about programs. In addition, the state Social Services Commission and the Department of Human Resources establish policies for statewide programs. In each county a board of social services establishes policy for other, county-based programs and plays an important advisory role. Funding arrangements are complex and differ from program to program, but the result is substantial expenditures at each level of government. In August, 1988, the Department of Human Resources estimated funds available for the major programs for fiscal year 1988-89 at over \$1.8 billion. Of that amount, the federal, State, and county shares were 68.7%, 21.8%, and 9.5%, respectively.

The 1987 General Assembly established the Social Services Study Commission, an independent commission, to "study public social services and public assistance in North Carolina, and to recommend improvements that will assure that North Carolina has cost effective, consistently administered public social services and public assistance for its people." The Commission was chaired by Senator Russell Walker and Representative Marie Watters Colton.

The Commission's charge was a huge one. The Commission heard from a variety of citizens and organizations on a broad range of topics. Several themes stand out. In the area of personnel, the need for adequate numbers of well-trained staff was heard often, as were problems relating to pay disparities among counties. In the area of services, the theme of disparities among counties was repeated, and a disturbing picture was painted in which the availability or adequacy of needed services may depend on where in the State a needy child or adult happens to live. In the area of public assistance, the Commission heard that an AFDC family consisting of a mother and three children, with no other income, receives benefits of \$291 per month, which is 30% of the amount set by the federal poverty guidelines for a family of four. The Commission also heard about federal welfare reform legislation that was enacted in October, 1988, and of the generally positive posture the State is in for implementing those reforms. The Commission heard about the special problems experienced by poorer rural counties with large low-income populations and the funding dilemma that makes it a challenge for those counties to meet the bare mandates for providing social services and public assistance.

The Commission has developed recommendations to address what it sees as the most pressing needs for maintaining and improving programs of social services and public assistance. The complexity and difficulty of some of the needs the Commission identified precluded solution or even complete study in the short time available. The Commission, therefore, recommends that other needs be addressed in a coordinated way through the development of a social services plan over the next year. The Commission recommends that the Department of Human Resources be directed to develop the plan. Finally, the Commission recommends that the Social Services Study Commission be reauthorized to receive and review that plan and to continue to study and make recommendations "to assure that North Carolina has cost effective, consistently administered public social services and public assistance for its people."



## COMMISSION PROCEEDINGS

The Social Services Study Commission met nine times. All meetings were held in Raleigh. Below is a short synopsis of each meeting. The more detailed minutes of each meeting are available in the Legislative Library of the Legislative Building.

### Meeting on November 10, 1987

The first meeting of the Social Services Study Commission was held on November 10, 1987. The meeting was primarily organizational in nature; numerous speakers reviewed the present structure of social services in North Carolina. Also, legislation from the 1987 Session of the General Assembly was summarized.

The Commission members heard comment from various governmental agencies and public and private groups, including the North Carolina Social Services Association, North Carolina Chapter of the National Association of Social Workers, Legal Services of North Carolina, Council for Children, Child Advocacy Institute, Division of Social Services, School of Social Work at East Carolina University, and county departments of social services. Each speaker detailed the many roles and responsibilities in social services programs and suggested topics for consideration by the Commission.

The following is a general list of the areas that were cited during the meeting as needing attention by the Commission:

- 1) Defining a basic, minimal level of social services to be available in each county;
- 2) Funding inequities; defining the funding relationship between the State and counties;
- 3) Simplification; computerization; use of a single or combined application;
- 4) Uniform workload standards;
- 5) Standard space requirements;
- 6) Qualifications of social services' employees; equitable salary and fringe benefits for employees;
- 7) Training and professional development for employees;
- 8) Effective management system;
- 9) Consolidation of emergency programs;
- 10) Error rates; federal waivers; monthly reporting;
- 11) Adequacy of child welfare programs;
- 12) Adequacy of assistance payments;
- 13) Effect of federal welfare reform legislation;
- 14) Implementation of the case management approach; and
- 15) How to link public and private efforts.

### Meeting on December 8, 1987

The second meeting of the Social Services Study Commission was held on December 8, 1987. The Commission continued to gather information and receive comment from interested individuals on issues the Commission should study.

Considerable attention was given at this meeting to statistical and background information on poverty and the circumstances of the poor. Out of five "representative" poor people, three are adults and two are children. Of the three adults, one is a female over 65 years and beyond gainful employment. One of the other adults is a mother who is divorced or widowed. The growth areas related to poverty are children and women who are heads of households.

The Commission was told that, for the short-term poor (which mainly includes the working or unskilled), providing "doors" is the answer. The long-term poor - children, mothers, and the elderly - will require "floors" to sustain them. The difficult question is how to design doors without interfering with floors.

The Commission also devoted attention to the problems with hiring and retaining quality personnel. In order to provide programs that encourage self-sufficiency, the Commission was repeatedly told that it is essential that professionals be employed. Studies show that training and degrees are much more important than experience in building a professional staff. Burnout and turnover are much greater problems when untrained workers are hired. The Commission was told that across the State professionals are not being hired.

Next, the Commission was informed regarding the single application that is used in South Carolina. Although the form is two pages, the workbook is over forty pages. South Carolina is in the process of shortening and reworking it even further. A North Carolina simplification committee comprised of State and local officials is working towards improving and simplifying documents and reducing the paper overload.

Lastly, the Commission received information regarding waivers, sanctions, and options in the food stamp program.

### Meeting on January 12, 1988

The third meeting of the Social Services Study Commission focused on services issues - the planning and financing of services and residential care in institutions.

In North Carolina, social services programs are State-supervised and county-administered. Although there is a complex legal and funding structure involving services, the Commission

was told there is more opportunity to impact the services area than public assistance. Funding is not open ended in services as it is in public assistance. Counties put up a much larger share in providing services than does the State and that share is growing. The unfortunate result is that each county has its own table of services. The client population is extremely diverse and new client needs are surfacing, such as those related to AIDS, drug problems, and serious disorders.

Regarding private residential care, 1300 children are in these types of arrangements in the State. This comprises 20-25 percent of the foster care system in the State. Access to these services is, regrettably, determined by the locale in which the child lives. A suggestion was made to have a systematic study of State funding for child welfare programs. The Commission discussed the fact that the crucial shortages were in resources and delivery, not in programs.

#### Meeting on February 9, 1988

The fourth meeting of the Commission was held on February 9, 1988. The Commission concentrated on the relationship between the State and local government in social services. There has been a long tradition of local autonomy, particularly relating to personnel matters and determinations of pay scales. It was emphasized that adequate lead time is important for budget changes to avoid local disruption. Also, many counties need additional assistance for administrative costs.

The Division of Social Services reported on the training plan and its status.

Finally, the Commission heard from some welfare recipients regarding outreach efforts, problems of rural clients, transportation needs, and "red tape."

#### Meeting on March 8, 1988

The fifth meeting of the Study Commission was held on March 8, 1988. The agenda included a report on new program areas, outreach, and medical assistance.

Division of Social Services personnel spoke on AFDC-Emergency Assistance, AFDC-Unemployed Parent, and the Family Support Act. Particular concern was expressed as to whether the changes in AFDC-Emergency Assistance were real improvements or too restrictive.

The Commission was informed that there is not any available State money for outreach. Essentially, each county submits and devises its own plan for outreach.

Division of Medical Assistance personnel discussed the Medical Assistance Program and trends in the provision of medical services. Congress seemingly is moving toward health care for the poor outside of cash assistance. More emphasis is on care and away from just eligibility.

#### Meeting on April 12, 1988

At the sixth meeting of the Social Services Study Commission held on April 12, 1988, the Commission concentrated attention on items for recommendation to the 1988 "Budget" Session of the General Assembly. This meeting was the last one before the 1988 Session.

The first area for discussion was child support. Officials from the Child Support Enforcement Section and the Administrative Office of the Courts spoke regarding collections, the increasing caseload, automation, and the impact of the federal welfare reform legislation.

The Commission discussed supporting two bills (House Bill 1598 and Senate Bill 58) for enactment during the 1988 Session. Both bills were essentially appropriations bills. House Bill 1598 would provide ten million dollars to counties for services; Senate Bill 58 would provide two million dollars for transportation. A motion was made and carried to support both bills as well as the State training plan and the recommendations of the Indigent Health Care Study Commission.

#### Meeting on September 13, 1988

The seventh meeting of the Social Services Study Commission was held on September 13, 1988.

The Commission first received a report on the 1988 Legislative Session and an update on the welfare reform bill in Congress.

The remainder of the meeting focused on funding issues. Most states operate their social services programs at the state level. When responsibility is at the local level, disparity between local governments is often the result. North Carolina faces this problem. The Commission heard from local social services officials relating to the ability and willingness of counties to fund staff and programs. The dilemma of the small,

poorer counties who frequently have greater needs but a lower tax base was highlighted.

Two approaches exist for addressing funding disparity in counties: equalizing grants and direct provision using formulas. Equalizing grants are extremely difficult, if not impossible, to implement due to differences in counties regarding things such as per capita income, tax base, and tax effort. Also, the statistical information on which to base the grants is not available in a useful fashion.

The meeting concluded with information on the effects in North Carolina of the federal catastrophic health care legislation.

#### Meeting on October 11, 1988

The eighth meeting of the Social Services Study Commission was October 11, 1988. Updates were given on welfare reform, simplification efforts, and food stamp monthly reporting. The welfare reform package enacted by Congress was reviewed and covered in three broad areas - child support, AFDC budget calculations, and jobs and skills training.

The Commission received information regarding the Energy Assurance Program Study. Two hundred thousand households in North Carolina have had their heat terminated because of inability to pay the bill. The study is to be completed in February and will recommend ways to help people keep warm during the winter.

#### Meeting on December 1, 1988

The final meeting of the Social Services Study Commission was held on December 1, 1988. The Commission received information from the Department of Human Resources, including cost estimates for many of the recommendations of the Commission (see Appendix Q).

The Commission approved the recommendations, proposed legislation, and final report to be submitted to the 1989 Session of the General Assembly.



## RECOMMENDATIONS

The Social Services Study Commission makes the following recommendations to the 1989 Session of the General Assembly:

I. The Commission recommends the development of a Social Services Plan to ensure the uniform availability of core social services and public assistance programs to the citizens of North Carolina (see Appendix S). The Commission recommends that the Social Services Study Commission be reauthorized and continued to receive status reports on the Plan, and, once the Plan is completed, receive and review it.

II. The Commission recommends the following appropriations, in priority order:

First priority - The Commission recommends an appropriation of \$11,755,400 to provide adequate staffing statewide for child protective services.

Second priority - The Commission recommends an appropriation of \$2,263,300 to provide adequate staffing statewide for adult protective services.

Third priority - The Commission recommends an appropriation of \$1,150,493 in fiscal year 1989-90 and \$1,124,149 in fiscal year 1990-91 to provide for full implementation of the State Training plan for staff of county departments of social services.

Fourth priority - The Commission recommends an appropriation of \$4,016,998 to provide for a ten percent increase in AFDC benefit levels.

Fifth priority - The Commission recommends an appropriation of \$116,184 in fiscal year 1989-90 and \$106,091 in fiscal year 1990-91 for a public information program within the Department of Human Resources to inform citizens and public and private organizations of the availability of and changes in public assistance and social services programs (see Appendix T).

Sixth priority - The Commission recommends an appropriation of \$2,600,000 to increase the foster care reimbursement rate (see Appendix R).

III. The Commission endorses the recommendations of the following study committees and commissions:

- (a) The Commission supports the recommendation of the Indigent Health Care Study Commission that North Carolina's status as a 209-B Medicaid state be repealed and that Medicaid be expanded to cover all children under the age of eight with incomes equal to or below the federal poverty guidelines.
- (b) The Commission endorses the recommendations of the Governor's Infant Mortality Task Force to:
  - (1) Increase Medicaid to pregnant women and infants under the age of one year with income equal to or less than 185% of the federal poverty guidelines;
  - (2) Increase the Medicaid reimbursement rate for obstetricians from \$625 to \$950 for prenatal care and noncomplicated deliveries; and
  - (3) Expand the rural obstetrical fund to encourage more obstetricians and family practitioners to provide prenatal and delivery care to pregnant women in medically underserved areas.



## PART VIII.-----SOCIAL SERVICES STUDY COMMISSION

**Sec. 8.1. Social Services Study Commission: establishment.** There is established the Social Services Study Commission, an independent commission to study public social services and public assistance in North Carolina, and to recommend improvements that will assure that North Carolina has cost effective, consistently administered public social services and public assistance for its people.

**Sec. 8.2. Social Services Study Commission: duties.** The Commission shall study and recommend any improvements to public social services and public assistance that the Commission considers necessary and appropriate. The study and recommendations shall include assessments of the administration, cost, efficiency, quality, effectiveness, scope, and availability of public social services and public assistance in the State and each of the counties.

**Sec. 8.3. Social Services Study Commission: membership.** The Commission shall consist of 17 voting and four non-voting members. The Speaker of the House of Representatives shall appoint seven voting members, five of whom shall be House members, one of whom shall be a county commissioner, and one of whom shall be a low income recipient of social services or public assistance benefits. The President of the Senate shall appoint seven voting members, five of whom shall be Senators, one of whom shall be a county social services director, and one of whom shall be an advocate for low income people who is familiar with social services and public assistance programs. The Governor shall appoint three voting members, one of whom shall be the Secretary of Human Resources or his designee, one of whom shall be an officer or director of a private social services agency, and one of whom shall be a business representative who is involved in a local Private Industry Council. The Speaker of the House of Representatives and the President of the Senate shall each appoint two non-voting members who shall be involved in the administration of or funding for social services and public assistance programs.

**Sec. 8.4. Initial appointments shall be made within 30 days following adjournment of the 1987 Regular Session of the 1987 General Assembly. Vacancies shall be filled by the official who made the initial appointment. The same criteria apply to appointments made to fill vacancies as apply to initial appointments.**

**Sec. 8.5. The President of the Senate and the Speaker of the House of Representatives shall each appoint a co-chair of the Commission. The co-chair shall preside at alternate meetings.**

**Sec. 8.6. Commission members shall receive no salary for their services but shall receive subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, G.S. 138-5, and G.S. 138-6, as applicable.**

**Sec. 8.7. Social Services Study Commission: meetings; report; staffing.** The Commission's first meeting shall be held by October 1, 1987. The Commission shall meet at least once a month. The co-chair may call additional meetings.

**Sec. 8.8.** The Commission shall report quarterly to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office. The Commission shall make a final written report of its findings and recommendations to the Governor, the Speaker of the House of Representatives, and the President of the Senate by January 1, 1989. The Commission shall terminate upon the filing of this report.

**Sec. 8.9.** The Commission may solicit, employ, or contract for professional, technical, and clerical assistance, and may purchase or contract for the materials and services it needs. Subject to the approval of the Legislative Services Commission, the professional and clerical staff resources of the Legislative Services Office shall be available to the Commission and the Commission may meet in the Legislative Building or the Legislative Office Building. With the consent of the Secretary of Human Resources, staff from the Department of Human Resources and any of its divisions may be assigned permanently or temporarily to assist the Commission or its staff.

**Sec. 8.10.** Upon request of the Commission or its staff, all State departments and agencies and all local governmental agencies shall furnish the Commission or its staff with any information in their possession or available to them.

**Sec. 8.11.** There is appropriated from the General Fund to the Legislative Services Commission the sum of one hundred thousand dollars (\$100,000) for fiscal year 1987-88 to implement this Part.

**SUBJECT:** SOCIAL SERVICES AND PUBLIC ASSISTANCE  
**Authority:** Chapter 873, Part VIII, (HB 678-Etheridge, B.)  
**Report by:** Social Services Study Commission  
**Report to:** Quarterly report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office; Final Report to the Governor, Speaker of the House of Representatives and the President of the Senate  
**Date:** January 1, 1989

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DAVID T. FLAHERTY

SECRETARY

N. C. DEPARTMENT OF HUMAN RESOURCES

SOCIAL SERVICES STUDY COMMISSION

RALEIGH, N. C.

JANUARY 12, 1988

I AM PLEASED TO HAVE THIS OPPORTUNITY TO SPEAK WITH YOU TODAY ON THE FUTURE DIRECTION OF SOCIAL SERVICES IN NORTH CAROLINA.

AS WE MOVE INTO THE 1990'S AND BEYOND, WE DO SO BUILDING ON THE FIRM FOUNDATION OF SUPPORT PROVIDED BY OUR STATE'S SOCIAL WORKERS AND CASE WORKERS. YOU WILL FIND NO MORE DEDICATED GROUP OF INDIVIDUALS THAN THOSE WHO PROVIDE CARING AND HOPE. THE PEOPLE TO WHOM THESE SERVICES ARE DIRECTED ARE OFTEN, NOT THE VERY POOR, BUT CHILDREN, THE ELDERLY AND DISABLED OR ADULTS WHO THEMSELVES WERE VICTIMS OF ABUSIVE FAMILIES. TO THESE DEDICATED NORTH CAROLINIANS THE WORDS "PEOPLE HELPING PEOPLE" IS MORE THAN JUST A PHRASE...ITS A WAY OF LIFE.

THESE PROFESSIONALS REALIZE, AS DO WE IN THE DEPARTMENT OF HUMAN RESOURCES, THAT OUR MAIN OBJECTIVE...BEYOND PROVIDING ASSISTANCE TO THOSE IN NEED...SHOULD BE PREVENTING FUTURE DEPENDENCY ON PUBLIC ASSISTANCE WHENEVER POSSIBLE AND ON MENDING HUMAN LIVES FOR THE SAKE OF FUTURE GENERATIONS.

PREVENTION IS THE BEST WAY I KNOW TO ASSIST OUR CLIENTS IN AVOIDING FURTHER PERSONAL HEARTACHE AND "BREAKING THE CYCLE OF POVERTY." IT ALSO GOES A LONG WAY IN SAVING FUTURE TAX DOLLARS BY HELPING OUR CLIENTS DRAW A PAYCHECK INSTEAD OF AN ASSISTANCE CHECK.

I FEEL THAT PROVIDING THE SERVICES AND SUPPORT NECESSARY TO HELP PEOPLE HELP THEMSELVES AND BECOME PRODUCTIVE MEMBERS OF THEIR COMMUNITY WE ARE NOT ONLY HELPING THAT INDIVIDUAL BUT HELPING TO BUILD A STRONGER AND BETTER STATE. WE CAN, AND MUST MAKE A REAL AND LASTING DIFFERENCE IN THE QUALITY OF LIFE FOR THOSE WE SERVE...MEN, WOMEN, AND ESPECIALLY OUR CHILDREN.

WHEN YOU TALK ABOUT PREVENTION, THERE IS NO BETTER PLACE TO START THAN WITH OUR CHILDREN...AFTER ALL THEY HOLD THE KEY TO THE FUTURE OF OUR GREAT STATE AND NATION. WE MUST "BREAK THE CYCLE "OF POVERTY AND VIOLENCE INTO WHICH TOO MANY OF OUR CHILDREN ARE BORN.

THIS ADMINISTRATION, UNDER GOVERNOR MARTIN'S LEADERSHIP, IS DEDICATED TO PROTECTING OUR CHILDREN. AN EXAMPLE OF THIS DEDICATION IS OUR DEPARTMENT'S SUCCESSFUL PERMANENCY PLANNING EFFORTS WHICH PROVE INTERVENTION CAN AND IS MAKING A DIFFERENCE IN MANY YOUNG LIVES.

I SAID EARLIER THAT PREVENTION IS A KEY NOT ONLY TO HELPING OUR CITIZENS, BUT SAVING TAX DOLLARS AS WELL. WE MUST REALIZE THAT SUCH SAVINGS CANNOT BE IMMEDIATE. FIRST, WE MUST INVEST IN INTENSIVE TRAINING FOR SERVICE PROVIDERS AND REDUCE THEIR CASELOADS TO MANAGEABLE LEVELS. IF WE DON'T, WE ARE DOOMING ANY PREVENTION PROGRAM TO FAILURE. WE MUST ARM SOCIAL WORKERS WITH THE SKILLS AND KNOWLEDGE NECESSARY TO DEAL WITH MULTI-PROBLEM — PERHAPS ABUSIVE — FAMILIES. THOSE FAMILIES MUST HAVE A CHANCE TO HEAL, SO THEIR CHILDREN HAVE A CHANCE FOR A NORMAL LIFE, SO THEY DON'T LEARN TO DEPEND ON PUBLIC ASSISTANCE (OR END UP SO SCARED THEY MUST DEPEND ON PUBLIC ASSISTANCE). IF WE DON'T, WE'LL PAY A GREATER PRICE IN THE END.

THAT PRICE WILL COME IN TERMS OF BOTH TAX DOLLARS AND KNOWING WE DID NOT HELP WHEN WE HAD THE CHANCE.

POVERTY HAS BEEN DESCRIBED AS THE ABSENCE OF HOPE. I BELIEVE THAT. AND I ALSO BELIEVE WE CANNOT PROVIDE HOPE WITH A SIMPLE WELFARE CHECK AS ANY SOCIAL WORKER WILL TELL YOU — IT TAKES MORE THAN MONEY.

WE HEAR INVESTMENT FIRMS ADVERTISE ON T.V. — “MAKE YOUR MONEY WORK FOR YOU.” IF IT MAKES SENSE FOR OUR PERSONAL LIVES — WHY SHOULDN'T THAT SAME PRINCIPLE APPLY TO SOCIAL SERVICE DOLLARS?

ANOTHER PRIMARY PREVENTION PROGRAM I'VE BEEN HEARING A GREAT DEAL ABOUT IS FOR FIRST-TIME ADOLESCENT PARENTS 16 YEARS OR YOUNGER. JOANN HOLLAND WILL TELL YOU MORE ABOUT IT LATER THIS MORNING. BUT, ITS SUCCESS IN KEEPING YOUNGSTERS IN SCHOOL, PREVENTING REPEAT PREGNANCIES, HELPING TO REDUCE THE INCIDENCE OF CHILD ABUSE AND HELPING THESE TEENS BUILD RESPONSIBLE LIVES, MAKE IT A MODEL.

THE BAD NEWS IS THAT THE PROGRAM IS AVAILABLE IN ONLY EIGHT COUNTIES. IN NORTH CAROLINA, TEEN PARENTS LIVING IN OUR OTHER COUNTIES DON'T HAVE THAT SAME LEVEL OF SERVICE, ONE-ON-ONE COUNSELING OR THE SAME HOPE FOR THEIR AND THEIR CHILD'S FUTURE.



IT'S EASY TO SAY, I'D LIKE TO GIVE HOPE TO ALL TEEN PARENTS, ALL ABUSED CHILDREN, ALL OF THE ELDERLY AND DISABLED...BUT ARE WE WILLING TO INVEST? ARE WE WILLING TO WAIT FOR THE DIVIDENDS?

I KNOW THAT THIS COMMISSION CAN ONLY SUGGEST A DIRECTION. NOT ONE SINGLE INDIVIDUAL CAN CHANGE WHAT HAS BEEN A TREND FOR SO LONG.

BUT AS I UNDERSTAND MY ROLE TODAY, I WAS INVITED TO TELL YOU WHERE I SEE THE GREATEST NEEDS...AND I HAVE TO SAY THAT IT IS FOR A STATE POLICY THAT STRESSES PREVENTION OF DEPENDENCY AND PROMOTES SELF SUFFICIENCY.

ALONG WITH THAT, WE NEED TO GIVE THESE PROGRAMS AND IN TURN OUR CITIZENS, THE CHANCE TO SUCCEED BY PROVIDING SOCIAL WORKERS WITH AN ON-GOING TRAINING PROGRAM AND CASELOADS THAT ARE MANAGEABLE.

DHR PERSONNEL RECENTLY COMPLETED A STUDY OF SOCIAL SERVICES PERSONNEL. I AM ENCOURAGED THAT THIS STUDY WILL BENEFIT BOTH THE COUNTIES AND SOCIAL SERVICE WORKERS...AND THAT IT WILL BE THE BEGINNING OF MORE EQUITABLE SKILL LEVELS OF SOCIAL WORKERS ACROSS THE STATE.

SIMPLIFICATION OF PROGRAMS IS ANOTHER NEED IN THE AREA OF SOCIAL SERVICES. I KNOW THAT THE COUNTY DIRECTORS AND THE STATE OFFICE HAVE AGREED ON A SIMPLIFICATION PLAN. I WANT YOU TO KNOW THAT I WILL SUPPORT THEM IN PURSUIT OF GETTING THIS PLAN APPROVED AT THE FEDERAL LEVEL.

WE'VE SEEN THAT INTENSIVE INTERVENTION WORKS. IT'S WHAT WE'VE KNOWN ALL ALONG — IT TAKES PEOPLE HELPING PEOPLE.

I ACQUIRED A NEW RESPECT FOR OUR COUNTY SOCIAL WORKERS AND THE LEVEL OF SKILL THEY POSSESS BY PARTICIPATING IN THE HANDS-ON-LEARNING EXPERIENCE. IT OPENED MY EYES TO WHAT SOCIAL SERVICES IS ABOUT. THERE IS PAIN AND SUFFERING THAT YOU AND I NEVER SEE.

I ENCOURAGE YOU TO TRY IT. I'M SURE THAT MARY DEYAMPERT AND HER STAFF CAN HELP YOU ARRANGE SOME COMMUNITY VISITS. BELIEVE ME, YOU WON'T FORGET THE EXPERIENCE.

I BELIEVE EVERY DOLLAR WE SPEND ON SOCIAL SERVICES, EVERY HOUR WE SPEND LEARNING ABOUT THE REAL NEEDS OF REAL PEOPLE IS AN INVESTMENT IN THEIR FUTURE.

NORTH CAROLINA DIVISION OF SOCIAL SERVICES

Mary Deyampert, Director

Overall Goals

1. Provide financial assistance needed to maintain an adequate standard of living.
2. Provide for the protection of children, older people, and persons who are disabled.
3. Provide opportunities for personal self-support.
4. Operate programs in a timely, accurate, and cost-effective manner.

Major Priorities for SFY 1988

## A. Program Priorities

1. Seek to reduce dependency by:
  - expanding Community Work Experience Program,
  - working on Welfare Reform initiatives,
  - referring disabled persons to vocational rehabilitation programs.
2. Continue to provide public assistance in a timely and accurate manner.
3. Improve services to protect vulnerable children, elderly, and disabled adults and strengthen services to such persons in their own homes or other residential settings.
4. Increase child support collections while also being sensitive to the goal of family stability and quality of life of children.
5. Emphasize quality community-based services for older and disabled adults.
6. Administer disability determination programs in accordance with applicable court order and revised federal law and regulations.

## B. Administrative Priorities

1. Continue close coordination of fiscal, program, and regional staff efforts and of Division efforts with those of the Secretary's Office and other divisions.
2. Continue improving relations with county departments of social services, other community agencies, civic organizations, and the general public.
3. Create new ways to simplify program policies and improve technical assistance and training given to county departments.

Organization

(See attached chart)

Major Public Assistance Programs

1. Aid to Families with Dependent Children (AFDC)
2. Food Stamps
3. State-County Special Assistance
4. Low Income Energy Assistance and Crisis Intervention Program
5. Emergency Assistance

Aid to Families with Dependent Children

<u>Purpose</u>	Provide financial aid to children deprived of support by one or both parents
<u>Eligibility</u>	Maximum monthly net income for family of 4 persons to be eligible is \$283.
<u>Numbers Served</u> (FY 1987)	175,290 persons got assistance in an average month.
<u>Benefits</u> (FY 1987)	Average monthly payment was \$89.43 per person (\$232.56 per case).
<u>Error Rate</u> (FY 1987)	97% of all payments were in the correct amount and to eligible cases.
<u>Fraud Detection</u> (FY 1987)	560 suspected fraud cases reported involving \$1,007,000.
<u>Application Processing</u> (FY 1987)	98.9% of applications were either processed within legal time limits <u>or</u> were not so processed because applicant didn't provide information on time.
<u>Program Improvement Objectives</u>	<ul style="list-style-type: none"> <li>- maintain error rate at 3% or less</li> <li>- further enhance fraud detection</li> <li>- reduce penalties for tardy processing of AFDC/Medicaid applications by 5%</li> <li>- provide benefits to eligible individuals promptly</li> </ul>

Food Stamps

<u>Purpose</u>	Provide food and nutrition assistance to financially needy households (as defined by U.S. Department of Agriculture).
<u>Eligibility</u>	Maximum net monthly income for a household of 4 persons to be eligible is \$934.
<u>Numbers Served</u> (FY 1987)	425,080 persons on the average got assistance each month.
<u>Benefits</u> (FY 1987)	Average monthly allotment was \$42.66 per person (\$112.67 per case).
<u>Error Rate</u> (FY 1987)	95.2% of all allotments were in the correct amounts and to eligible cases.
<u>Fraud Detection</u> (FY 1987)	2,267 fraud claims were established involving over \$7 million.
<u>Program</u> <u>Improvement</u> <u>Objectives</u>	<ul style="list-style-type: none"> <li>- reduce error rate to 5% or less</li> <li>- further enhance fraud detection</li> <li>- provide benefits to eligible households/individuals promptly</li> </ul>

State-County Special Assistance

<u>Purpose</u>	Financially assist aged and disabled persons needing rest home (domiciliary) care who don't have adequate means of support <u>and</u> certain disabled persons living in their own homes.
<u>Eligibility</u>	<p><u>Domiciliary Care:</u> Age 65 or over <u>or</u> over 18 and permanently and totally disabled <u>and</u> don't exceed maximum monthly income:</p> <ul style="list-style-type: none"> <li>- ambulatory = \$623</li> <li>- semi-ambulatory = \$655</li> </ul> <p><u>Certain Disabled:</u> Ages 18-65, disabled by state definition <u>and</u> denied SSI benefits <u>and</u> don't go over maximum monthly income:</p> <ul style="list-style-type: none"> <li>- individual = \$127</li> <li>- couple = \$165</li> </ul>
<u>Numbers Served</u> (FY 1987)	Monthly average of 13,378 rest home recipients and 113 certain disabled recipients
<u>Benefits</u> (FY 1987)	<p>Average monthly benefits were:</p> <ul style="list-style-type: none"> <li>- Domiciliary care      \$295.39</li> <li>- Certain disabled      \$126.51</li> </ul>
<u>Program Improvement Objective</u>	- maintain present quality of program administration

Low Income Energy Assistance & Crisis Intervention Program

<u>Purpose</u>	Assist needy households with rising home heating costs and provide aid in heating emergencies.
<u>Eligibility</u>	<p><u>LIEA</u>: Income below 1981 poverty level (\$731 per month for 4 persons)</p> <p><u>CIP</u>: Income less than 150% of 1980 poverty level (\$931 per month for 4 persons).</p>
<u>Numbers Served</u> (FY 1987)	<p><u>LIEA</u> 169,653 households</p> <p><u>CIP</u> 47,823 households</p>
<u>Benefits</u> (FY 1987)	<p><u>LIEA</u> \$115.45 per household</p> <p><u>CIP</u> \$110.53</p>
<u>Target Groups</u>	In the Low Income Energy Assistance Program, 3 out of every 4 participating households have persons over age 60, or handicapped persons, or a child under age 6 in them.
<u>Program Improvement Objectives</u>	<ul style="list-style-type: none"> <li>- maintain present administrative quality</li> <li>- improve procedures for transmitting and processing applications data</li> </ul>

Emergency Assistance

<u>Purpose</u>	Provide short-term assistance to families with children under age 21 experiencing a financial crisis to prevent future long-term dependency on other types of public assistance.
<u>Eligibility</u>	Family must have a related child under age 21, be in an emergency situation, and have less than \$2,200 in reserve, and countable net income at or below 110% of the poverty level.
<u>Numbers of Cases</u> (June 1987)	2,787 families received assistance.
<u>Average Payment</u>	Average payment to participating families was \$231.

Child Support Enforcement  
(The "IV-D Program")

<u>Purpose</u>	Collect financial support from absent parents on behalf of children.								
<u>Eligibility</u>	All children deprived of financial support by absent parents.								
<u>Number of Cases</u> (FY 1987)	<table border="0"> <tr> <td>AFDC cases</td> <td>118,486</td> </tr> <tr> <td>Other cases</td> <td>59,060</td> </tr> <tr> <td style="padding-left: 20px;">Total</td> <td>177,546</td> </tr> </table>	AFDC cases	118,486	Other cases	59,060	Total	177,546		
AFDC cases	118,486								
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Total	177,546								
<u>Support Payments</u> (FY 1987)	<p>Support collections distributed:</p> <table border="0"> <tr> <td>AFDC</td> <td>\$32,318,759</td> </tr> <tr> <td>non-AFDC</td> <td>\$33,733,420</td> </tr> </table> <p>Average monthly support payment thru DHR: \$152.11</p> <p>Collections for each dollar spent:</p> <table border="0"> <tr> <td>AFDC</td> <td>\$1.80</td> </tr> <tr> <td>non-AFDC</td> <td>\$1.87</td> </tr> </table>	AFDC	\$32,318,759	non-AFDC	\$33,733,420	AFDC	\$1.80	non-AFDC	\$1.87
AFDC	\$32,318,759								
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AFDC	\$1.80								
non-AFDC	\$1.87								
<u>Program</u> <u>Improvement</u> <u>Objectives</u>	<ul style="list-style-type: none"> <li>- increase support collections to \$77.5 million</li> <li>- further improve ratio of collections to administrative costs</li> <li>- reduce program backlog by 20%</li> </ul>								

Disability Determination

<u>Purpose</u>	Obtain medical evidence to determine if applicants are disabled and, therefore, entitled to certain federal or state benefits.
<u>Numbers Served</u>	97,272 applicants evaluated
<u>Program</u> <u>Improvement</u> <u>Objectives</u>	<ul style="list-style-type: none"> <li>- Continue to improve efficiency by exploring potential of data processing and office automation technology.</li> <li>- Simplify the process of classifying and recording applications for medical impairment assistance and reduce processing time to 47 days.</li> </ul>



Children's Services

<u>Purpose</u>	Help children and their families solve problems that may result in abuse, neglect, exploitation, dependency, or delinquency, if possible, or seek other appropriate and permanent living arrangements.	
<u>Eligibility</u>	Need for service and financial criteria <u>where applicable.</u>	
<u>Numbers Served</u> (FY 1987)	- Adoption services	5,596
	Adoption subsidy	1,214
	- Delinquency prevention	367
	- Foster care services	10,934
	- Interstate/intercountry services	5,194
	- Protective services	43,192
	Children involved in reports of:	
	Abuse	8,774
	Neglect	23,648
	Other	2,537
	(35% of reports substantiated)	
<u>Program Improvement Objectives</u>	<ul style="list-style-type: none"> <li>- continue emphasis on prevention of prolonged foster care and protection of children in foster care facilities.</li> <li>- support statewide implementation of family-centered services on behalf of children.</li> <li>- promote prompt investigation of alleged abuse or neglect and appropriate placement decisions.</li> <li>- improve accuracy of Central Registry reporting.</li> </ul>	

Adult and Family Services

Purpose Help people stay in their own homes as long as possible and get appropriate group care when necessary.

Treat and remedy abuse, neglect, or exploitation of elderly and disabled adults.

Eligibility Need for service and financial criteria where applicable.

<u>Numbers Served</u>	Foster care services for adults	3,526
(FY 1987)	In-home services	
	chore services	8,006
	day care for adults	938
	Homemaker services	7,390
	housing and home improvement	426
	services	
	preparation and delivery of	1,340
	meals	
	Protective services for adults	4,625

Program Improvement - expand the number of Adult Day Care slots by 88 per month

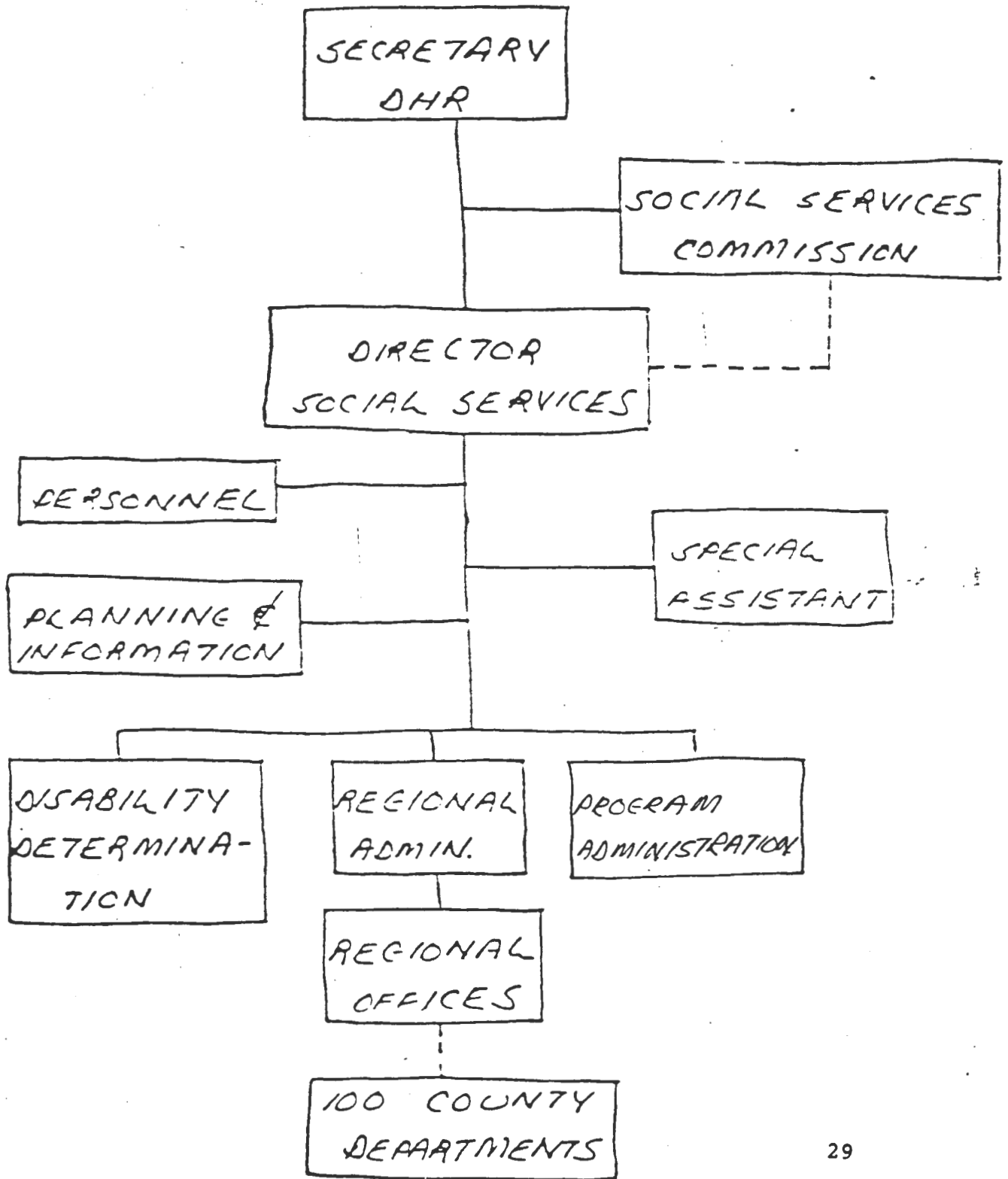
Work Incentive Program (WIN)  
&  
Community Work Experience Program (CWEP)

<u>Purpose</u>	Assist disadvantaged persons to secure work experience or get training leading to employment.
<u>Eligibility</u>	Adult recipients in AFDC or Food Stamp cases in participating counties.
<u>Numbers Served</u> (FY 1987)	WIN            3,429 registrants CWEP          11,685 registrants
<u>Registrants</u> <u>Entering</u> <u>Employment</u> (FY 1987)	WIN            2,970 CWEP          5,450
<u>Program</u> <u>Improvement</u> <u>Objectives</u>	- Expand Grant Diversion into 10 additional counties by 6/30/88 - Improve state employment programs management reporting.

Other Programs

- Job Corps
- Surplus Commodities
- Refugee Resettlement Program
- Individual and Family Grant Program

# ORGANIZATION



The Division is concerned that State policy directions established for working with multi-problem families, especially low-income families, firmly instill prevention of future dependency. Prevention of future dependency should strongly undergird all State policy governing public assistance, child support, employment programs, and social services for low-income families. This direction will require both substantial resources and, in the absence of federal overhaul of public assistance programs, aggressive state action.

Those social services systems working with multi-problem low-income families know that prevention works and that it costs. Let me illustrate the depth of our concern. The Division estimates that for 1987-89, only 3,400 children out of the 13,879 who are the placement responsibility of local county departments of social services or those who are confirmed victims of child abuse or neglect will receive the intensive level of services required to successfully provide permanence and protection. The Division has been extraordinarily successful in its permanency planning efforts since 1977 to reduce the number of children in foster care. As you know, about 95% of the children placed in foster care by the county departments of social services, are placed as a result of the agency's being given legal custody by the District Court because the child has been found by the court to be delinquent, undisciplined, abused, neglected or dependent. The number of children in foster care in July 1987 was 3,204 as compared to 5,766 in December of 1977. Manageable caseloads and intensive training have been the key to this success. Currently, 48% of all the children in the custody of the county departments are maintained in their own homes and supervised by county social workers. These are all high-

risk children. The key to successful intervention with these children is also small caseloads and well-trained county department of social services social workers. The level of problems experienced by these families is often so severe and complex that in order for a public agency to have positive impact, workers must have the time and skills to see that the family gets an intensive level of services. North Carolina is not now meeting its obligations to these children. Caseloads are too high to expect the results we want. A well-established and on-going training program is essential.

The State Division has experimented with a primary prevention program for first-time adolescent parents 16 years of age or younger. This program provides a great deal of one-on-one work with these young parents. This program has been very successful in a number of ways. For example, 93% of these young parents are currently enrolled in school. This is in direct contrast to what is happening to adolescent parents across the nation. Less than 12% of the 241 teen mothers involved in this program have had a repeat pregnancy. This is also in contrast to national directions. Also, national experts recognize that the incidence of child abuse and neglect for teenage mothers is significantly higher than that for the general population. In our program only 5 instances of alleged neglect and abuse have been reported and none has been substantiated. We believe this is largely due to the one-on-one counseling with the social workers available in the program. This program stresses employment opportunities for these teenage parents. During the summer of 1987, 70% of the teenagers in this program had summer jobs.

Teenage parenting is a complex problem, one that does not lend itself to an easy solution. A variety of factors affect teenage pregnancy, sexual activity and parenting. Given the reliance of teen parents on public assistance and the difficult economic and social circumstances under which teen parents so frequently rear their families, it seems obvious that it is certainly more cost effective, in the broadest sense of the term, to assist this population to prevent unwanted pregnancies and to provide remedial assistance when preventive efforts fail.

The Division has been able to fund this program in only 8 counties in the State. Again the key to success is small caseloads for county workers and well-trained workers. This program illustrates a successful prevention model. Yet it exists in only 8 counties.

The Commission is acutely aware of the almost daily publicity on the abuse and neglect of children. North Carolina continues to experience an increase in the number of reports that counties must investigate. The number of reports increased from 16,276 in FY 82 to 19,786 in FY 85. At mid-year 1987, the number of reports was running 21% higher than at the same time last year. It is crucial that county departments are well staffed and are able to carry out their mandate to protect children.

State policy must also emphasize prevention of dependency and quality care for the elderly and disabled adult citizens. A sufficient level of in-home services must be available. Support services for families who care for their elderly/disabled members must be expanded. This area represents a rapidly expanding one for social services agencies. The Commission on

Aging will be focusing its attention on this target population, but I think it is important for the Social Services Study Commission to recognize the role played by county social services agencies in providing services to elderly and disabled North Carolina citizens.

The Commission needs to be aware that the Gramm-Rudman deficit reduction process will take place around November 20, 1987. While I have addressed the need for adequate resources to provide an effective level of services to North Carolina citizens, it is important to understand that Gramm-Rudman may impact on federal funding available for Human Services Programs in significant ways. If this occurs, the State may be unable to maintain the current level of services provided. As in the past this process is likely to have significant impact on the Division's planning and on the services available to low-income North Carolina families.

Prevention should also be the core of State policy governing public assistance programs. The backbone of this policy should be a system that will help the poor go from welfare to work, from dependency to self-sufficiency. There have been many public statements regarding welfare reform initiatives. Most of these, including the County Directors of Social Services Association's Blue Print for the Future and the National Governors Association's policy statement, reflect that primary effort should be made to turn what is now primarily a payments system with a minor work component into a system that is first and foremost a jobs system backed by an income assistance component. The Department of Human Resources has strongly supported strong employment and training programs for Public Assistance recipients. These programs are critical to prevention of future dependency. They must, however, have



strong training and educational components and be able to provide the day care and transportation needed by low-income families. We all know that many barriers discourage low-income families from seeking work and obtaining a good job. One of the most crucial is inadequate health and medical care. It is simply not reasonable to expect that large numbers of people will leave government assistance for a job that often provides no health and medical insurance coverage. The State should support efforts to extend Medicaid coverage to Public Assistance recipients for twelve months during a transition from welfare to work. The State may want to explore ways to use Medicaid funds to purchase and provide health insurance coverage for recipients and their families who enter employment. The State needs to explore options to encourage private employers to offer health insurance to employees and their families. More day care is needed for low-income working families and for AFDC recipients in work, training, and education. These resources are needed to have strong employment programs and to prevent dependency.

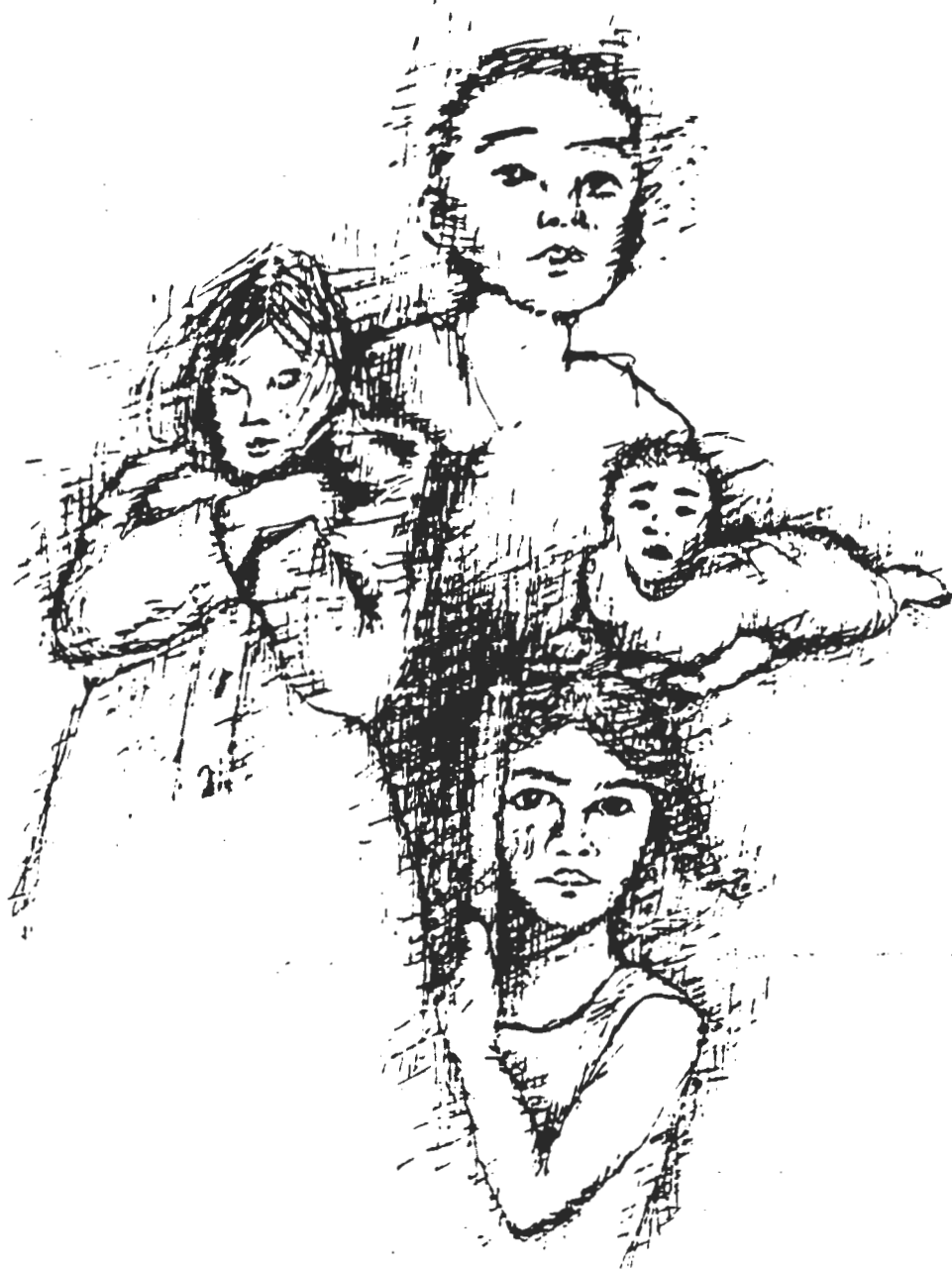
In recent years the State has had an excellent record of achievement of a more aggressive Child Support Program. These efforts need to continue. Provision of effective Child Support services require labor-intensive work with families. It can be accomplished only with adequate funding and staffing. I believe that an effective Child Support Program is critical component of a successful effort to prevent dependency.

The core to successful reform of the Public Assistance Program is simplification of current requirements. While a great deal is dependent on Federal initiative, the State can and must achieve any simplification it can.

The State Division worked with representatives from county departments of social services to develop a proposal for simplification in early 1986. The goals of the proposal are to significantly reduce the paper work required to process AFDC, Medicaid and Food Stamp applications and to simplify the application and eligibility determination process. This proposal will require a significant number of waivers from the Department of Health and Human Services and USDA. The Department has previously submitted the proposal to the federal agencies for approval. We have been notified that the proposal would be considered only when current proposed federal regulations which allow waivers to be granted become final. Final regulations are expected to be issued in early 1988. When this occurs, the Department will again submit the proposal to the HHS and USDA for approval. The Department is also committed to work with county officials on further simplification efforts.

The Division is committed to working with the Study Commission and to providing any information we can. It is our hope that the outcome of the Commission's work will be State policy that stresses prevention of dependency and promotes self-sufficiency. This will require that attention be given to resources needed to deliver services----manageable caseloads and well-trained staff.

# A BLUEPRINT FOR THE FUTURE





**A BLUEPRINT FOR THE FUTURE:  
POVERTY OR PROSPERITY AMONG  
NORTH CAROLINA'S FAMILIES**

**Five Major Policy Statements**

**from**

**The Conference on Welfare Reform**

**of**

**The North Carolina Association of County Directors of Social Services**

**April 14-15, 1987**

**Durham, North Carolina**

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For information or additional copies contact:  
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## FOREWORD

The North Carolina Association of County Directors of Social Services has produced a series of recommendations on welfare reform which merit serious attention and thoughtful study. These proposals are the product of a very conscientious effort culminating in a recent conference on welfare reform in North Carolina. Since there is such widespread concern today in our state for the need to address the problems of poverty and its companion, illiteracy, it is important that thoughtful North Carolinians participate in serious examination of the recommendations submitted by these experienced and professionally competent individuals.

Our common dedication is to render maximum assistance to families and children in our state who should have and must have our help. It is also essential that as individuals we do our utmost to provide for each of our fellow North Carolinians the opportunity to be gainfully employed and self-sufficient.

For these reasons, I urge your careful and thoughtful study of these recommendations. Hopefully, your own views and opinions will be put into this statewide town meeting where the total effort is directed toward improving the lot of our less fortunate fellow citizens who find themselves suffering from circumstances they did not create and cannot control.

We welcome you to this enormously important undertaking.

William Friday  
President Emeritus  
University of North Carolina

# INTRODUCTION

We in the North Carolina Association of County Directors of Social Services (NCACDSS) are excited about the results of our recent conference on welfare reform and the recommendations which we now have as a result. We feel sure that a concerted effort by people in social services, working in concert with communities across the state, can turn the tide for poor families in North Carolina, and make us all proud of this great state.

Let me tell you a little about our association. NCACDSS is a voluntary association made up of the directors of social services at the county level in North Carolina. At present, ninety-seven of the 100 county directors are members of the association. The association has a long history of involvement in the development of social policy and is affiliated with the North Carolina Association of County Commissioners.

So what can our association say about welfare reform? County Departments of Social Services administer two billion dollars a year in services to families in North Carolina. The Directors' hands-on experiences with the programs and policies which make up our social service system uniquely qualify us to assist in the planning and reform of this system. Directors have seen what works and what doesn't, and we are ready to tell the people of North Carolina what we have learned.

Our association is dedicated to providing the best human services to the families and children who are in need of such assistance. We are equally dedicated to assuring that these programs help North Carolinians become self-sufficient and independent citizens.

These major themes, which are also being played out at the national level, were felt strongly at our recent conference on welfare reform. Directors gathered together to translate our collective experiences into a series of specific policy recommendations. These policy statements cover a broad range of issues, but they are all related to the well-being of families across North Carolina.

We are sharing these recommendations with a variety of state and local officials, businesspeople, the media, and professionals. As you read these statements, we hope that you will be encouraged to think about the conditions of North Carolina's families, and that you will be inspired by the challenges we face in the future. North Carolina's families are the potential winners.

Sue Applewhite, ACSW  
President  
North Carolina Association of  
County Directors of Social Services



# EXECUTIVE SUMMARY

Poverty in our society has reached epidemic proportions, especially among our children. The United States is the only country where the largest population in poverty is children. One child in four is born into poverty today, and one child in five will grow up in poverty. The means exist to deal with this problem, and the following are recommendations for a change which will make the future brighter for North Carolina's children.

## KEY RECOMMENDATIONS

### A Blueprint for Independence

The Directors recommend a work-training goal for all welfare recipients, with an adequate living allowance for families in transition and with case management to help families negotiate the system.

### Economic Development

The Directors call for a coordinated state-wide effort to deal with the issues of economic development and the shift to a service economy, looking especially at the needs of the state's rural areas.

### Blending Public and Private Funding

The Directors recognize that the public efforts to alleviate the problems of poverty must be linked with private efforts to provide good jobs with adequate wages and benefits and that such efforts will strengthen both the public and private sectors.

### Preventive and Support Services for Families

The Directors foresee the provision of services as a key part in the effort to prevent dependency and support the transition to self-sufficiency. Through case management and education, day care and transportation, and by preventing teen pregnancy, long-term gains can be made.

### Child Support Enforcement

The Directors call for a continued strong emphasis on insisting that parents support their children and recommend specific policy changes to facilitate the enforcement of child support orders.

# A BLUEPRINT FOR INDEPENDENCE

As Social Services Directors, we believe very strongly that public assistance recipients would rather be independent of the welfare system than dependent upon it. At the same time, we recognize our responsibility as professionals and the greater responsibility of society to provide recipients with the education, training, and job opportunities necessary to enable them to reach the goals of increased self-sufficiency, reduction in the duration of welfare dependency, and improved social functioning.

We recommend that the state implement a program of public assistance which blends work programs with adequate benefit levels, which ensures a strong incentive to work while not blaming victims of economic change for problems they did not create. Especially we want to assure that children, who have no control over their circumstances, are not hurt by the program changes and improvements. To this end, we suggest the following program initiatives:

## I. THE WORK-EDUCATION GOAL

### A. The Program Elements

1. Establish a comprehensive program that includes a wide range of educational, training, and work experiences for clients. The program should include:
  - a. A contract to require a customized plan of work, training or education for the client. The plan would take full advantage of available education resources. Minor mothers would be expected to stay in school.
  - b. An individualized assessment to identify needs and goals of clients.
  - c. Educational opportunities ranging from basic literacy to college level.
  - d. Job training based on community job market.
  - e. Supportive services including counseling, day care, transportation, job preparation, and orientation.
  - f. Work experience component.
  - g. Job search services.
2. Target the program to new applicants for public assistance and those that have received public assistance for less than two years.
3. Provide linkage between private sectors/industry, economic development and educational resources that can provide specific and appropriate job training.
4. Overall responsibility for the design of the work programs must rest with human service agencies at the federal and state levels.

### B. Incentives for the Client

1. Clients who comply with their contract would receive a cash incentive as a reward. This is in lieu of the penalty for not complying. The cash incentive should be sufficient to compensate the client for all costs associated with participation.
2. Clients who successfully become employed will be allowed a total disregard of earned income for three months and graduated reduction of disregard over the following three months. No disregard is allowed to the client who voluntarily quits a job. Medicaid coverage would be extended for one year.

### C. Case Management

1. Case management services should be continued at the discretion of the case manager to follow-up and help the client with any problems that arise and could otherwise cause a return to welfare.
2. Case management is defined as the following:  
"Case management is essentially a coordinating process which may include therapeutic intervention. A case manager's sole interest is in securing the best possible service for the client. Often he or she is the only person familiar with the client's total situation. The case manager acts as broker, liason, counselor, watch dog, advocate and enabler." (from Dorothy Harris, NASW President)
3. Recognize that some public assistance clients are not ready for education, training, or employment and provide socialization skills and other specific services to address the problems that inhibit self-sufficiency.

## II. A CONTINUED COMMITMENT TO ADEQUATE PUBLIC ASSISTANCE

### A. The Welfare Benefit Level

1. Establish a Family Living Standard (FLS) based on nationally-set methodology which allows each state's market basket to determine basic living costs.
2. Payment levels should be determined on the basis of the family's actual needs.

### B. Simplifying the System

1. With the full implementation of the FLS, there should be one payment to include all federal assistance, Aid to Families with Dependent Children, Low Income Energy Assistance Program, Food Stamps, nutrition assistance and housing, e.g.
2. There should be one single application simplifying the system for clients and eliminating wasteful administrative procedures.

## III. OVERALL DESIGN ISSUES

### A. Flexibility

Emphasize local flexibility in program design to recognize local job markets, rural vs. urban nature of counties, and level of available support services and resources.

### B. Administration

Broader issues of the social services system need to be examined such as the effect of state and county administration and the problems resulting from complex guidelines and criteria.

### C. Equity Within the State

Adequate resources must be made available to each county in an equitable manner. The availability of services and the uniformity of employee workloads throughout the state are issues which must be addressed.

# ECONOMIC DEVELOPMENT

It is consistent with the belief in self-sufficiency that County Directors of Social Services should be involved in economic development. We believe in the goal of full employment and that it is consistent with the goal of self-sufficiency. An investment in economic development includes an investment in education, transportation, and supportive services.

We recommend the following:

1. There must be a coordinated effort at both the local and state level to:
  - a. Share information between and among agencies concerning the services and resources available for purposes of economic development
  - b. Share resources at the multi-county level and to oppose feelings of turfism, in an effort to help those counties whose resources are limited.
2. A Department of Social Services representative should be appointed to serve on each of the Private Industry Councils in the state, as well as on the State Employment Training Council.
3. Economic development should consider the social ramifications for a community along with the economic benefits; a comprehensive community impact statement looking at these issues should be required as a part of any economic development plan.
4. While economic development results in both gainers and losers, the overall benefits accrue to the state. Therefore, a system needs to be developed to share these economic benefits with counties which are the losers in this competitive effort to attract new investment.
5. Economic development is not the primary responsibility of the Social Services system; the systems which are responsible for economic development should be required to coordinate their efforts with the Department of Social Services.
6. Business and industry must have financial incentives to create good jobs for low-income families to allow them to participate in the benefits of economic development.
7. Communities must continue to promote access to technical assistance resources for low-income people. They must create a sense of ownership and responsibility with Chambers of Commerce, Private Industry Councils, the Employment Security Commission, and community colleges and strive to coordinate their efforts.
8. Strong support should be given for the efforts of the newly-formed North Carolina Rural Economic Development Council.
9. The state should encourage the development of small employee-owned businesses through the provision of expanded technical assistance and venture grants.

# BLENDING PUBLIC AND PRIVATE FUNDING

The Directors believe that citizens have the right and responsibility to provide their families with the basic needs of food, shelter, health care, and clothing. Such an opportunity should be available through gainful employment that has adequate pay and benefits.

The private sector has an enlightened self-interest in a healthy public sector, as the public sector has an enlightened self-interest in the private sector. The private sector has an interest in insuring adequately trained employees, appropriate day care for the working parent, and other employee benefits that supplement wages. The public sector is interested in job creation for an enhanced tax base, reduced public expenditures and improved economic conditions.

Public and private sectors should coordinate efforts to cause creative and innovative activities to take place in order to enhance services, improve productivity and increase efficiency. Collectively, efforts can be made to move people out of poverty, as it is not a question of national means, rather national commitment.

In order to accomplish this, we recommend the following:

1. **A Fair Minimum Wage:**

The minimum wage should be established at a level adequate enough to provide the average size family with children an income at the poverty level.

2. **Incentives for Private Sector Employment of Welfare Recipients:**

Enhance tax credits, grant diversions, and other incentives for private sector employers who hire welfare recipients.

3. **Incentives for Businesses to Provide Benefits:**

Establish incentives in the private sector for the provision of health and child care benefits to workers. This would encourage welfare recipients to enter the job market, making it possible for them to become self-sufficient.

4. **Tax Laws Which Protect Charitable Giving:**

Federal and state tax laws should provide incentives to individuals, corporations, and other organizations to participate in charitable giving. This would enhance the possibility of blending public and private funds to care for the needy by encouraging greater participation from the private section.

5. **A Recycling of Funds:**

Establish federal and state policy to allow welfare dollars saved when recipients become employed to be recycled back into the local agency to be used for supportive services. This would provide incentive for local agencies to move public assistance recipients into gainful employment.

6. **Foundation Funding for Special Efforts:**

Use foundations/corporations as source of funding for unique local needs. Funds could be appropriately utilized for pilot projects, planning and evaluation.

7. **Fair Tax Laws for the Working Poor:**

Actions to increase the net income of the working poor, such as the 1986 tax reform legislation, should be continued. Additionally, the earned income tax credit should be increased.

# PREVENTIVE AND SUPPORTIVE SERVICES FOR FAMILIES

The Directors recognize the family as the best structure for the growth, development and protection of its individual members. At the same time, prevention and support are seen as the key ways to help our families reach self-sufficiency. Rather than undermining families' own coping skills, prevention and supportive services aid families to work, provide for their families, and nip small problems before they get beyond their control. Communities with strong services, both public and private, create a positive environment for all their citizens and are better able to attract business and industry to provide jobs for their people.

We believe that most families seeking help from the Department of Social Services can and want to improve their situation. Because their presenting problem is frequently a cry for help that reaches beyond the spoken request, timely screening, accurate problem identification, and planful intervention is needed. The intervention should be accomplished with maximum participation of and full respect for the family's needs and goals. In this way, families become partners in the helping process and have responsibility for their own behaviors and well-being.

The utilization of social work skills through one-on-one contact or in groups has been shown to be effective in helping families. Examples of positive results are found in innovative teen pregnancy projects, preventive services programs, permanency planning, and in work and training programs. We have the moral and professional responsibility to provide adequate and cost-effective preventive services to families seeking our help and to the community at large.

We recommend the following:

1. A concentration on teen pregnancy and parenting:  
Emphasize prevention of teenage pregnancy and encourage services to adolescent parents by doing the following:
  - a. Expand adolescent parenting programs to all counties and add seventeen- and eighteen-year-olds and other children at risk (such as siblings) to the program.
  - b. Support national, state and local consortia to plan, design and evaluate teen pregnancy initiatives aimed at prevention and support of services. Create a Center for State Action on Adolescent Pregnancy.
  - c. Expand the role of the Departments of Social Services to include community organizing and advocacy in the area of teen pregnancy.
  - d. Work to keep teen-age mothers in school and to delay second pregnancies.
2. An emphasis on public education:  
Strengthen public education for low-income children and support the work of the schools with parents including preparing children for school and assuring they make maximum academic progress, and at a minimum, complete high school.
3. Support for day care:  
Increase access to and availability of affordable, quality day care to meet the developmental needs of children and to assist families working toward self-sufficiency.
4. Support for transportation:  
Provide access to affordable public transportation, when possible, and work with government authorities to solve the problems of transportation in our rural communities, thus allowing our citizens the ability to maintain gainful employment.
5. Funding for case management:
  - a. Shift public assistance program emphasis from routine processing of cases to family problem identification and problem solving. There is a need to teach family problem-solving skills to clients.
  - b. Utilize screening and assessment at intake for the purpose of diversion and prevention to avoid the need for long-term public assistance. Refer to appropriate services and establish negotiated contracts with clients to aim for achievable goals.
6. Adequate support services which are:
  - a. Delivered privately, where appropriate, for all social and income levels;
  - b. Administered under community oversight to assure all groups are adequately served;
  - c. Built in as a necessary part of any primary program or activity.

# CHILD SUPPORT PROGRAM

It is the obligation of every parent to support his or her children. It is also the basic right of all children to be supported by their parents. When parents fail to meet their financial obligation to children, child support should be pursued and obtained through a unified program for all children that is legally enforceable.

Because of the complexity of the Child Support Program in North Carolina and nationwide, we recommend and promote the following as a means to provide enhancement and consistency in all matters involving the financial support of children:

1. There should be one uniform child support system in North Carolina and nationwide that provides all child support services.
2. In North Carolina there should be mandatory staffing patterns and levels of service that are enforceable by the state and federal governments.
3. Child support services must be available to all children regardless of economic standing and child support agencies should recognize that public cost avoidance is as positive as public cost recovery.
4. Paternity for children should be established at birth or as soon as feasible through the quickest legal remedy available.
5. All legal separations should address the financial support and care of children.
6. In North Carolina there should be a legal requirement for wage withholding at the time a support order is established.
7. The State of North Carolina should immediately pursue creating, financing and implementing a comprehensive automated child support computer system at all levels that are involved in child support activities.
8. There should be mandatory presumptive child support guidelines.
9. The federal government should require states to provide the same priority to interstate child support proceedings as states give to their own proceedings.

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## AID TO FAMILIES WITH DEPENDENT CHILDREN

Myth 1: Once on Welfare, Always on Welfare.

In North Carolina, the statistics show that the majority of families receive AFDC for less than seven months. Most families use AFDC only as a temporary measure until they can get back on their feet.

Myth 2: AFDC benefits are too High.

North Carolina's AFDC payments only equal about 34% of the federal poverty guidelines. Combined with food stamps, the payments equal only 60% of the federal poverty guidelines.

AFDC payments have not kept up with inflation. The Consumer Price Index has increased 123% since 1974, when the state started using a uniform AFDC payment standard. During this same time period, however, the AFDC payments have only increased 53%.

The General Assembly recently changed the way that AFDC is budgeted which will help working families. Under the new AFDC budgeting methodology, families can continue to receive AFDC and Medicaid benefits until their countable income reaches the state standard of need (approximately 69% of the federal poverty guidelines). While this change helps working families, this change does not affect the families when the parent is unable to find a job or when the parent is required to stay at home to take care of young children. These families will still be forced to live on approximately 34% of the federal poverty guidelines even after the AFDC budgeting changes.

Myth 3: AFDC families receive benefits under a multitude of programs which fill any gaps left by inadequate AFDC benefits.

Many people have the mistaken belief that all AFDC families automatically qualify for other government assistance programs. The only program that AFDC recipients automatically receive is Medicaid benefits. There are other government programs available to low income families, such as food stamps and energy assistance payments, but not all AFDC families receive these benefits. For example, only 71% of the AFDC households receive food stamps, and only about 54% of the AFDC households receive low income energy assistance.

Assuming that a family received food stamps, low income energy assistance, and crisis intervention payments, the total assistance to a three person family with no other income would be about 62% of the federal poverty guidelines. Adding in the cost of a comparable health plan, the assistance would increase to about 77% of the federal poverty guidelines.

Myth 4: Women receiving AFDC have lots of children and keep having more just to get more money.

The average AFDC household contains an adult and two children. There is no economic incentive for women receiving AFDC to have more children. AFDC benefits only increase approximately \$25/month for each additional child.

Myth 5: The AFDC rolls are full of able bodied adults who are too lazy to work.

More than two-thirds of the people who receive AFDC are children. Of the adults, 54% are exempt from the work requirements because they are ill or incapacitated, care for young children, in the sixth month of pregnancy, required to stay at home to care for another member of the household who is ill or incapacitated, live more than two hours round trip from the ESC office, is employed more than 30 hours per week in unsubsidized employment, or is older than 65. All other adults are required to register for work, actively seek employment and participate in training or other work programs.

The number of food stamp adults who are exempt from the work requirements is even higher--93%. This is probably due to the fact that more adults in food stamp households are elderly or already working as compared to AFDC households.

Myth 6: Many AFDC recipients receive benefits that they are not entitled to, or else cheat the system.

In North Carolina, less than 2% of the benefits paid in the AFDC program are erroneous payments. Similarly, less than 5% of the food stamps paid are erroneous.

The fraud statistics are even lower. Fraud was established in only 1.4% of the food stamp cases, and was suspected in less than 1% of the AFDC cases.

Income & Poverty, 1929-1986

## 1. PERCENT OF AGGREGATE INCOME RECEIVED BY EACH FIFTH OF FAMILIES:

<u>Families</u>	<u>1929</u>	<u>1941</u>	<u>1950</u>	<u>1960</u>	<u>1970</u>	<u>1975</u>	<u>1981</u>	<u>1983</u>	<u>1985</u>
Lowest fifth	c. 5%	4%	4.5%	4.9%	5.5%	5.4%	5.0%	4.7%	4.6%
Second "	c. 8	9	12	12	12	12	11	11	11
Highest "	54	49	43	41	42	41	42	43	44

## 2. POOR PERSONS:

<u>Number of</u>	<u>As % of all persons</u>	<u>As % of nonwhites</u>
1959: 39 million	22%	56%
1962: 37	20	54
1969: 24	12	31
1975: 26	12	31
1980: 29	13	33
1983: 35	15	36
1986: 32	14	31

[Poverty level = \$11,203 for a family of four (1986);  
6,800 " " " " " two (1985)  
5,300 " one person ]

Sources: U.S. Bureau of the Census, Statistical Abstract, 1967, p. 338; *ibid.*, 1972, p. 324; *ibid.*, 1976, pp. 406, 415; *ibid.*, 1982, pp. 435, 440; *ibid.*, 1986, pp. 430, 452; *Historical Statistics of the U.S.*, p. 166; *New York Times*, July 31, 1987, p. 8. *Stat. Abstr.*, 1987, p. 437



## THE SERVICES PROGRAM IN THE DIVISION OF SOCIAL SERVICES

JOAN HOLLAND, CHIEF, FAMILY SERVICES SECTION

I very much appreciate the opportunity to talk with you about the services side of North Carolina's social services program.

I am not going to tell you a lot today about the technical aspects of the program--the details of service definitions, eligibility levels, our statistics, etc.--although I have some material for you that does cover these topics and I will be glad to try to answer any questions you have in these areas. Mainly, I would like to spend the time trying to help you know what the services program is really like as it operates day to day--who it affects, what it is supposed to do, some of what it actually does do, its strengths, its deficiencies-- and since I understand that you are wanting to determine how you can and should have an impact on the program, I want to give you some of our thinking about what the critical issues and needs are and how they might be addressed.

## I. PERSPECTIVE

First, I want to say some things about the perspective from which I am talking. With more than 33 years in the social services field, including the past 24 in the State Division, I think I can safely say that I speak from 'the long view'. The other important factor to keep in mind is that our perspective is that of the State level program. When we talk, we are always describing the State's services program--and this is not necessarily the same program that you may be familiar with in your county or in any one of the 99 others. The counties implement the State program very differently. This is one of the most

critical aspects of North Carolina's services program--if not the most critical.

More will be said about this later as you consider the broad issue of our having a State supervised/county administered social services system. I do want to say that I think the fact that N.C.'s social services programs are county administered and state supervised carries much broader implication for the services program than it does for AFDC, Food Stamps, Medicaid, etc. I think this is so for many reasons but the main ones are that, 1) the services program is not driven primarily by federal laws, regulations and requirements and, 2) the services program, unlike AFDC, Food Stamps, Medicaid, etc. does not have open-ended federal funding available to it. These differences are very important for you to keep in mind as you think about the Division's programs.

### II. CHARACTERISTICS OF THE PROGRAM

So, what is the services program really like? Here are some of the most telling characteristics:

1) The program has a multi-faceted and complex legal structure and funding base. It is actually a conglomerate of many discrete programs and services which exist on the basis of various federal and state laws and which have their own mandates, funding sources, and target populations. Examples of federal laws and funding sources that help form the foundation of our program and that are familiar to you are certain titles of the Social Security Act such as Title XX (the Social Services Block Grant), Title IV-B (Child Welfare Services), Title IV-E (Foster Care and Adoption Assistance), and Public Law 93-247 and subsequent amendments (The Child Abuse and Prevention and Treatment Act of 1974). Examples of State laws and funding sources undergirding the services

program are those in Chapter 143B of the Federal Statutes that set forth the powers and duties of the Social Services Commission, those in Chapter 108-A that specify the powers and duties of the county boards and the county directors of social services, the Juvenile Code in Chapter 7A, the adoption laws in Chapter 48, our laws on the interstate placement of children, the Interstate Compact on Juveniles, the adult protective services law, the in-home services fund, and the adult day care fund. There are many others.

We have taken all the relevant laws and these funding sources and all the other resources we can get and have made a N.C. Services Program. Our services program is not primarily a federal program--and I want to emphasize that--although much of the funding, and some of the requirements, and even some of the leadership for it has come over the years from the federal level.

I want to emphasize this point because, A) one of the biggest tasks of the Division is the ongoing effort to bring together the federal and state mandates and funds, the needs of our client populations, the demands of the advocates, the expectations of the community at large and the input and requirements of the county departments and private service providers into a rational and viable program that operates at some reasonably professional level of practice and to try to get it to operate with some degree of consistency in 100 counties, and B) because, since this is so much a State services program, you as a Commission and the General Assembly can actually have a great deal of influence on what our services program will be and what it can do for people.

2) Another characteristic is that the program tries to meet multiple needs of a highly diverse client population--elderly, disabled and otherwise vulnerable adults; abused, neglected, dependent, undisciplined or delinquent children and those at risk; and the families of these adults and children as well as families receiving public assistance and others who are socially and

economically disadvantaged. Most, though by no means all, of our adult clients have been poor or near poor. This may be changing as there are more and more elderly people in need of social services regardless of their economic status. The children and their families come from all economic levels.

In such terms as "dependent", "disabled", "vulnerable" there is an almost infinite variety of client condition. Beyond the familiar and long-standing conditions with which we have worked, our services program is being required to respond to new demands--placement and services for adults and children who are victims of AIDS, placement and services for at-risk infants born to substance abusing mothers; treatment, placement and services for increasing numbers of teenagers with serious emotional and behavioral disorders who the courts are placing in the custody of county DSS's, in-home services for increasing numbers of frail elderly with high personal care dependency needs, and placement, care and services for increasing numbers of mentally disabled adults who have been deinstitutionalized and for whom the county directors are required to serve as guardian.

3) I have already mentioned the county administered/state supervised nature of our program. This accounts in large part for another telling characteristic: the lack of uniformity--or even sometimes consistency--in the services program from county to county. The lack of uniformity can be a plus--because a county can, through its own commitment and resources, offer more comprehensive and higher quality services than the State program requires or supports. Some counties do this. Most counties try to implement at least a reasonable level of the required components of the state services program. However, in some counties, even for the so-called "mandated" services--mandated in State law as well as in Commission rule and Division policy guidance--there is no assurance that services are available in sufficient quantity or quality



to carry out legislative purposes. There are many reasons for this--probably the primary one being the lack of funds.

4) This brings us to a fourth major characteristic of the services program. It is seriously under-funded. The majority of funding for the State's services program comes from federal sources--the largest single source being the Social Services Block Grant--and the State provides some support through various appropriations for specific services such as the in-home services fund and the adult day care fund, or through appropriations such as the Jordan-Adams funds which would give some support to the Services program generally. However, counties fund a much larger share of the services program than does the State. Counties must provide a match for most federal and state funds (usually a 25% match) and, in addition, many counties support large segments of their services program with 100% local funds. For example, county departments reported expenditures of a little over \$11.4 million for protective services for children in FY1987. Of this, the State provided \$1 million; the county's matching share was \$2.6 million and they probably spent more.

The real point is that regardless of where the money came from, \$11.4 million was spent on protective services to 43,192 children. That is not enough money to assure protection and provide treatment and services to 43,192 abused, neglected children and their troubled families--even allowing that all of them do not need the same level and intensity of service. And this is only one part of the services program.

5) Finally, I think you should know that North Carolina's services program has generally been considered by people outside the State to be a good one--in relation to other states in the region and even nationally. By good, I mean things like stable, professionally sound, and progressive. One of the

reasons is that we have and have had over the years some staff that are recognized nationally as leaders and experts in their field. These are people in both the Division and in the county departments. We have also had for the most part professional administration within the Division that seemed to want a sound program, we have had Departmental support, and we have had progressive legislation by the General Assembly. The real plus, and this is pointed out to us a lot by colleagues in other states, is the productive nature of the interaction between the state and local levels in our system--an interaction that is very lively and that, while not always totally free of conflict, is usually constructive--and is always a major force in moving our program forward.

### III. MAJOR ISSUES

We think the critical services issues for this Study Commission to consider are:

1) The extent to which the State services program can and should be a viable force in the prevention of certain serious social welfare problems that destroy or cripple the social and emotional well-being of individuals, and/or lead to the deterioration and sometimes final disruption of families and their capacity to support and nurture their members.

Prevention, in social services terms, is not normally primary prevention--but rather it is the kind of services response to an identified need that is designed to prevent more serious or pervasive problems.

We have some major prevention efforts of this type in our program--some that have been underway for a while and some more recent initiatives. Several are described in the materials you are receiving: Permanency Planning to prevent both inappropriate removal of children from their homes and prolonged

placement in foster care; an emphasis on in-home services to elderly and disabled adults to prevent early, unnecessary group placement; a more recent emphasis on family-based preventive services to families at high risk of disruption due to abuse, neglect or similar factors; and the Adolescent Parenting Program that you heard about from Mary Deyampert in November.

These programs work. For example, the population of children in foster care has been reduced by 44% in the ten year period since 1977. You can see in the report we are giving you that the Adolescent Parenting Program has been a great success--frankly, beyond our expectations. But, we have reached the end of our rope with the resources we have. I have already pointed out to you some of the newer and increasing service demands across the State. We have never been able to provide the intensive level of services required for a real permanency planning effort to all the children in foster care. We can't begin to provide family-based preventive services to all the families where there has been substantiated abuse or neglect, let alone those troubled families where abuse/neglect is not substantiated but who need and even want help to prevent future maltreatment or other dysfunction. We have the adolescent parenting program in only eight counties. Even in those eight, we see some decline in its effectiveness due to staff turnover, lack of supervisory attention, inadequacy of support services, etc., as the counties' resources are drained away to cover service demands for which they have legal mandates. This is doubly frustrating when we hear so many people talking about preventing welfare dependency and this program so obviously reaches a prime population of potential welfare recipients.

To strengthen the prevention function of the services program the State needs to: A) to assure that there is an array of relevant services available in sufficient quality and quantity in every county to support the provision of

protective services to adults and children, B) assure that there are core services, including appropriate treatment services, to enable every county to make reasonable efforts to prevent unnecessary placement of children or adults away from their homes and to facilitate the early return of children to their families or into adoptive homes, C) to strengthen the adolescent parenting program and otherwise enhance the capacity of the services program to provide support to the State's efforts to reduce welfare dependency.

2) A second major issue is to identify the appropriate role of the social services system in assuring a continuum of care for the elderly--especially in relation to the role and responsibilities of the formal "aging network". This is an issue that needs to be resolved in conjunction with the current work of the Legislative Study Commission on Aging. Services to the elderly under our services program and related issues are addressed in the copy you are receiving today of material that has been furnished to that Commission.

3) Another major issue is staffing of the services program--both in quality and in quantity; both at the county level and at the State level. For the county level, you have already heard that critical issues are qualified staff and training for staff. We certainly agree and would add,--supervisory support for staff. At the State level, if you want sound management, professional direction, consistent oversight, training, consultation, technical assistance and other support activities for the state services program, then the resources have to be provided. Try to think of it, not as "aid to county administration" or as "adding to the state bureaucracy", but as furnishing the resources to have the kind of services program you want.

4) Another major issue, of course, is funding--which has already been spoken to and which can hardly be separated from staffing since the services program is so labor intensive. The issue that must be faced, is that the

services program is not adequately funded. We simply cannot meet all the requirements much less all the identified needs. We are not doing so and it is time to face that. This is not to say that some counties are not meeting requirements. They are--because they are funding them for a good portion of every fiscal year after their allocations of state and federal funds are exhausted. But many local programs struggle to minimally carry out their mandates--and some simply don't.

5) This leads us to the final issue that we want to point out today--that is, the unevenness of services from one county to another. We mentioned it earlier as a natural outcome, not always negative, of having a county administered/state supervised social services program. It is also clearly a function of our current funding system. However, the fact that some local services programs are inadequate and out of compliance with state policy and even state law is not due solely to the lack of funds or the lack of local capacity to fund an adequate program. It is important that this Commission consider this issue and how the problem might be remedied. What is the State willing to do to assure reasonable consistency and equity in its services program?

#### IV CONCLUSION

You can see that North Carolina's services program is indeed multi-faceted and complex. Se are the problems it attempts to address. The critical issues--and probably their solutions--are tightly interrelated. And yet, there is a great deal that this Commission can to to impact the program in a positive way. It is primarily a State program and both the state and local operating levels are open to change. We are anxious for help to improve and I'm sure we will work with you in any way we can.

**FAMILY SERVICES**

**\*\*\*\*\* SUMMARY \*\*\*\*\***

I.	Caseloads and Clients	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
	Total unduplicated clients, all services and all funding sources	121,784	117,524	132,504
II.	Expenditures			
	A. County Departments of Social Services Expenditures <sup>1/</sup>			
	1. Direct service costs <sup>2/</sup>	\$40,754,402	\$43,332,405	\$48,483,349
	2. Purchase and cash payment service costs <sup>3/</sup>	\$7,077,519	\$ 6,413,501	\$ 6,172,244
	3. Non-direct service costs <sup>4/</sup>	\$26,067,640	\$27,646,191	\$31,678,998
	4. Total	\$73,899,561	\$77,392,097	\$86,334,591
	B. Division of Social Services	\$ 5,601,193	\$ 5,668,664	\$ 5,271,655
III.	Personnel			
	Number of full-time equivalent employees			
	Division of Social Services	116.8	112.1	113.3
	County departments	2,626	2,742	2,775

<sup>1/</sup> Expenditures are the totals on which reimbursement to county departments of social services was based (including payments made on behalf of county departments of social services for Health Support Services - Family Planning procedures). Revenue sources include SSBG, CAN, CAS, State In-Home and Adult Day Care, Refugee Assistance, Title XIX, CNS, and State CPS.

<sup>2/</sup> Direct costs are the salaries, fringe benefits, and general administration costs of service workers for the direct provision of services (including intake and case management) to clients.

<sup>3/</sup> Purchase and cash payment service costs are the costs of all services provided under the purchase contract and cash payment methods of provision and in agency operated facilities, minus client fees imposed for services provided under any method of provision.

<sup>4/</sup> Non-direct costs are all other reimbursed costs.

**PREVENTIVE AND SUPPORT SERVICES**

I.	Caseloads and Clients	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
	A. Community Living Services (Services provided through state-level contract only)	13	14	15
	B. Employment & Training Support	215	158	95
	C. Health Support Services	18,064	16,580	17,846
	Family Planning	8,248	6,000	5,994
	Resources to Meet Special Needs of Aging, Disabled, and Handicapped	124	67	68
	Subsidized Abortions	6,821	2,758	4,181
	D. Individual and Family Adjustment	28,852	27,324	28,514
	E. Personal and Family Counseling	300	312	386
	F. Problem Pregnancy Services	1,621	1,428	1,631
	Subsidized Maternity Care <sup>1/</sup>	218	164	152
	G. Refugee Services <sup>2/</sup>	--	1,683	1,384
	H. Transportation Services	17,469	17,648	18,506

II. Expenditures (County Departments only, all sources)

Community Living Services (Services including transportation provided through state-level contract only)	\$ 123,934	\$ 110,362	\$ 115,333
Employment & Training Support	\$ 29,632	\$ 18,836	\$ 6,373
Health Support Services	\$1,914,172	\$1,789,139	\$2,010,506
Family Planning	\$878,664	\$1,019,861	\$1,092,848
Resources to Meet Special Needs of Aging, Disabled, and Handicapped	\$ 17,967	\$ 16,986	\$ 19,987
Subsidized Abortions	\$ 1,338,121	\$ 564,975	\$ 907,750

<sup>1/</sup> Approved Applicants

<sup>2/</sup> Clients receiving services from county departments of social services and state-level contract providers.

	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
Individual and Family Adjustment	\$ 6,030,753	\$ 5,999,559	\$ 6,602,676
Camping Component	\$ 5,735	\$ 378	\$ 10,507
Personal and Family Counseling	\$ 100,751	\$ 103,120	\$ 120,157
Problem Pregnancy Services	\$ 131,177	\$ 116,876	\$ 152,815
Subsidized Maternity Care	\$ 364,946	\$ 336,688	\$ 327,096
Refugee Services <sup>1/</sup>	--	\$ 757,396	\$ 682,158
Transportation Services	\$ 2,918,272	\$ 2,924,955	\$ 3,310,231
Total	\$13,812,165	\$13,759,131	\$15,358,437
Services Intake <sup>2/</sup>	\$ 6,988,966	\$ 7,070,434	\$ 8,579,017
Services Case Management <sup>2/</sup>	\$12,349,612	\$13,489,836	\$15,733,782

<sup>1/</sup> Expenditures are totals on which reimbursement to county departments of social services and state-level contract providers was based.

<sup>2/</sup> Expenditures applicable to Preventive and Support Services, Children's Services and Adult and Family Services.



CHILDREN'S SERVICES AND MAINTENANCE PAYMENTS <sup>1/</sup>

	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
<b>A. Adoption Services and Subsidy</b>			
Number of children receiving services	4,907	4,648	5,596
Petitions filed with the Division	3,180	3,210	3,114
Children receiving monthly Adoption Subsidy as of June 30	717	1,057	1,214
Active interstate/intercountry adoption cases	411	493	445
<b>B. Delinquency Prevention Services</b>			
Number of children served	370	410	367
Number of counties providing	41	26	26
<b>C. Foster Care Services and Payments</b>			
Number of children receiving foster care services during the year	10,238	9,404	10,934
Total number of children who were in county department custody or placement responsibility during the year	9,584	9,082	8,905
Children in foster care living arrangements as of June 30	3,600	3,393	3,204
Percent increase/decrease	-8%	-6%	-6%
<b>Room and board payments</b>			
Average monthly number of children			
Title IV-E Foster Care	1,477	1,413	1,377
State Foster Home Fund	2,066	1,894	1,847
Maximum monthly payment			
Title IV-E Foster Care	\$165	\$215	\$215
State Foster Home Fund	\$165	\$215	\$215

<sup>1/</sup> Data on child day care services are not included.

	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
Average monthly payment <sup>1/</sup>			
Title IV-E Foster Care	\$159	\$185	\$199
State Foster Home Fund	\$157	\$184	\$188
<b>Licensure Services</b>			
Number of foster family homes, group homes, and institutions evaluated during the year	3,778	3,347	3,263
Total number licensed as of June 30	2,387	2,377	2,374
<b>D. Interstate/Intercountry Services</b>			
Number of cases	3,756	4,818	5,194
Number of runaways returned	386	376	336
<b>E. Protective Services for Children</b>			
Number of children receiving protective services	34,537	35,808	43,192
Number of reports filed with Central Registry	18,456	19,786	23,542
Number of children involved in reports			
Abuse	7,393	7,672	8,774
Neglect	17,930	19,087	23,648
Other	2,302	2,233	2,537
Percent of reports substantiated	38.2%	35.9%	35.3%
Type of maltreatment among substantiated reports			
Neglect	75.3%	75.2%	72.0%
Abuse	19.7%	19.7%	22.9%
Both	5.0%	5.1%	5.1%
Deaths among those reported	5	5	11

<sup>1/</sup> Based on total children served and total amount on which Division disbursements were computed.

	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
F. Residential Treatment, Emotionally Disturbed	64	52	44
G. Unduplicated number of clients all services (excluding foster family homes, group homes, and institutions)	46,355	46,583	55,187
<b>II. Expenditures (county departments only)</b>			
<b>A. Assistance Payments</b>			
Adoption Assistance	\$ 627,437	\$ 1,720,544	\$ 2,116,930
Foster Care Assistance			
Title IV-E	\$2,819,272	\$ 3,144,839	\$ 3,280,289
State Foster Home Fund	\$3,903,109	\$ 4,179,891	\$ 4,172,612
Total	\$7,349,818	\$ 9,045,274	\$ 9,569,831
<b>B. Services</b>			
Adoption Services	\$ 1,878,253	\$ 1,918,408	\$ 2,200,020
Delinquency Prevention Services	\$ 66,560	\$ 57,159	\$ 26,017
Foster Care Services	\$ 9,293,835	\$10,049,356	\$11,407,830
Protective Services	\$ 8,203,372	\$10,319,015	\$11,475,660
Residential Treatment, Emotionally Disturbed	\$ 308,647	\$ 252,858	\$ 39,294
Other Child Welfare Services	\$ 888	\$ 2,422	\$ 3,486
Total	\$19,751,555	\$22,599,218	\$25,152,307
<b>III. Effectiveness</b>			
<b>A. Number of children receiving preplacement preventive services</b>			
	2,882	3,083	5,163
<b>B. For children in custody/placement responsibility, permanent plans achieved</b>			
Number	1,959	1,960	1,918
Percent	19.1%	21.6%	22%

	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
C. Average Number of Years in Substitute Care	3.7	3.5	3.3
D. Number of Children With Over 2 Years in Foster Care	3,416	3,161	2,903
E. Children in Adoptive Homes <sup>1/</sup> awaiting final orders	589	560	588
F. Children Available for Adoption <sup>1/</sup>	421	461	399

<sup>1/</sup> Number on July 1

I.	Caseloads and Clients	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
	A. Foster Care Services for Adults	3,426	3,312	3,526
	B. In-Home Services			
	Chore Services	7,932	7,223	8,006
	Day Care Services for Adults	732	716	938
	Homemaker Services	6,903	6,693	7,390
	Housing and Home Improvement	868	631	426
	Preparation and Delivery of Meals	1,109	1,112	1,340
	C. Protective Services for Adults	3,503	3,622	4,625
	D. TOTAL (unduplicated)	24,473	23,309	26,251
II.	Expenditures (county departments only, all sources)			
	A. Foster Care Services for Adults	\$ 1,882,126	\$ 1,937,452	\$ 2,210,591
	B. In-Home Services			
	Chore Services	\$11,101,501	\$10,118,621	\$ 9,822,422
	Day Care Services for Adults	\$ 835,905	\$ 926,309	\$ 1,138,778
	Homemaker Services	\$ 5,538,125	\$ 5,555,286	\$ 6,223,396
	Housing and Home Improvement	\$ 114,745	\$ 89,375	\$ 44,887
	Preparation and Delivery of Meals	\$ 403,082	\$ 386,282	\$ 354,746
	In-Home Case Management	\$43,825	\$ 1,058,504	\$ 1,210,605
	C. Protective Services for Adults	\$ 987,511	\$ 1,121,975	\$ 1,407,850
	D. Long Term Care Screening, Case Management, Health Support	\$ 28,063	\$ 36,418	\$ 38,484
	E. Total	\$21,834,883	\$21,230,222	\$22,451,759

## Services to Children in the N. C. Social Services Program

### I. Nature & Purpose of Children's Services

Children's Services in North Carolina, in line with the federal Child Welfare Services Act, means public social services which are directed toward the accomplishment of the following purposes: (A) protecting and promoting the welfare of all children, including handicapped, homeless, dependent, or neglected children; (B) preventing or remedying, or assisting in the solution of problems which may result in the neglect, abuse, exploitation, or delinquency of children; (C) preventing the unnecessary separation of children from their families by identifying family problems, assisting families in resolving their problems, and preventing breakup of the family where the prevention of child removal is desirable and possible; (D) restoring to their families children who have been removed by the provision of services to the child and the families; (E) placing children in suitable adoptive homes, in cases where restoration to the biological family is not possible or appropriate; and (F) assuring adequate care of children away from their homes, in cases where the child cannot be returned home or cannot be placed for adoption.

Our children's services delivery system has developed and maintained two major program initiatives over the past 10 years. Essentially, these initiatives can be described as protection and permanency for children. Approximately four years ago, children's services launched family-based, preventive services initiatives. The goal is to achieve a coordinated and

integrated continuum of children's services which can respond to the needs of families and their children.

Protection of children is a prime mission of the public children's services delivery system. In response to complaints made by North Carolina citizens, county departments of social services investigate allegations of child abuse, neglect and dependency. If these conditions are found, the county department provides protective services to help families reduce the risk for children in their own homes. If safety at home cannot be assured, the county department petitions the Juvenile Court for placement authority. For those children who live in out-of-home care, the social services system regulates foster care facilities and programs with the aim of preventing victimization of children who must live away from their own homes.

Preventive services are provided to children in their own home, prior to placement, to prevent or eliminate the need for removal of the child. Such efforts are directed to abused, neglected, and dependent children and children who may become delinquent and be committed to a correctional facility.

For ten years children's services has focused attention, emphasis, and funding to permanency planning for children. The aim is to prevent both inappropriate removal of children from their own homes and prolonged foster care. Permanency planning includes the development of adoption opportunities for those children who cannot be reunified with parents or relatives.

## II. Program Structure & Funding

In order for North Carolina to receive Federal Financial Participation in the cost of Foster Care Assistance, Adoption Assistance and Child Welfare Services, a single organizational unit within a designated State agency must be established to be responsible for administering the program. The Division of Social Services is the single organizational unit with this responsibility within the Department of Human Resources.

The Family Services Section, Children's Services Branch has responsibility for day-to-day administration and management of a program of Children's Services and Payments. The Section's central office staff, under Division management and working within the framework of State and Federal legislation and administrative rule, plans and develops children's services program content; proposes, promulgates and interprets program standards, administrative policies and payment procedures; provides technical assistance, consultation and training; monitors, evaluates and where appropriate supervises the delivery of child welfare services in terms of scope and quality; and, works to assure that established policies and standards are implemented and that funds are appropriately and effectively used.

Using State, Federal and County funds, one hundred county departments of social services organize, staff, and administer public children's services. Throughout the process of administering Children's Services, county agencies act in concert with the State Division and assist and cooperate with local private and public agencies and other state agencies.



Both the State Division and the county departments are responsible for coordinating and/or integrating the various funding sources which support children's services and payments, including the Social Services Block Grant, Title IV-A (Aid to Families with Dependent Children), Title IV-E (Foster Care and Adoption Assistance), Title XIX (Medicaid), Title IV-B (Child Welfare Services), Public Law 93-247 and subsequent amendments (The Child Abuse Prevention and Treatment Act of 1974) and funds appropriated by the N. C. General Assembly for Children's Services and Payments.

### III. Eligibility

Core child welfare services (Child Protective Services, Foster Care Services, and Adoption Services) are available to all children based on their need for the service and without regard to income. Various essential support services such as Child Day Care, Homemaker Service and Transportation carry income eligibility requirements except when provided in conjunction with Protective Services. Foster Care Assistance takes into account the child's income such as child support payments. Adoption Assistance is available for children whose special needs create a financial barrier to adoption. It is important to recognize that counties, to the level they are able, provide services and benefits to children who are the legal responsibility of the county department of social services without regard to income, and also without regard to any eligibility factors associated with State or Federal funding. County Social Services agencies do as much as they can using 100% county funds.

#### IV. Issues for Future Planning

- ° Fiscal constraints have made it more difficult to increase staff sufficiently to decrease caseload size. In other words, personnel increases at about the same rate as clients with the result that caseloads remain high.
- ° The increasing emphasis given to permanent planning for children is straining the capacity of staff to seek, select, and prepare adoptive parents for the type of children needing placement. Although skilled assistance is needed in helping adoptive parents, inadequate training of most staff limits a county's ability to recruit appropriate applicants and provide the needed services.
- ° There are too few specialists giving consultation to local agencies in certain program areas such as adoption, foster care and protective service, especially in view of the minimum level of skill and training of the front-line workers and supervisors. Field consultation has not been expanded, primarily for fiscal reasons.
- ° On a statewide basis, staff is insufficient both in terms of number and skill.
- ° High staff turnover creates problems with continuity of services.

- ° The number of legal complications faced in terminating parental rights are increasing, and local agencies do not have sufficient legal consultation and services.
- ° There are problems in recruiting, training and retaining foster parents especially for children with special needs which cause such children to continue to experience too many placements and disruptions during the time they remain in foster care.
- ° The foster care maintenance payments and the adoption subsidy need to keep pace with inflation and increases in cost of living.
- ° Additional funds are needed to purchase specialized services for children and to better support broad efforts to locate, recruit and secure permanent families.
- ° Families need a competent diagnostic process, more professional counseling and access to family therapy resources to support service planning, rehabilitation and prompt return of a child to his own family.



Interim Report of the Social Services Study Commission  
to the Joint Legislative Commission on Governmental Operations  
and the Fiscal Research Division of the Legislative Services Office  
January 21, 1988

The Social Services Study Commission has met three times—November 10 and December 8, 1987, and January 12, 1988—and will continue to meet on the second Tuesday of each month. After the first meeting, arrangements for staffing the Commission were made with the Institute of Government.

Consistent with its duty to study and recommend improvements to public social services and public assistance in the State, the Commission has received verbal and written testimony from a variety of people. Speakers before the Commission thus far have included representatives from the N.C. Social Services Assoc.; county social services departments; the National Assoc. of Social Workers (N.C. Chapter); Council for Children; N.C. Child Advocacy Institute; N.C. Assoc. of County Social Services Board Members; ECU School of Social Work; Legal Services of N.C.; Department of Human Resources; Division of Social Services in DHR; N.C. Assoc. of Social Services Attorneys; the business community (Greater Chamber of Commerce, Durham); and the N.C. Child Care Association.

Several major areas of concern have emerged from the Commission's meetings thus far. Related to each of these is a larger theme of the need to examine the adequacy, uniformity, and equity of public assistance and social service programs, and the administration of those programs, in the State. Some of the major areas of concern can be categorized as follows:

- I. Personnel
  - A. Variation among counties' pay scales for social services personnel.
  - B. Training standards, opportunities, and resources.
  - C. Turnover among county social services personnel.
- II. Public Assistance Programs
  - A. Simplification.
  - B. Implications of federal reform.
  - C. State poverty figures; adequacy of assistance payment levels.
- III. Service Programs
  - A. Adequacy of resources to carry out service mandates.
  - B. Need to identify service gaps, especially in key areas such as child day care and child protective services.
  - C. Need to define minimum level of services required in every county.
- IV. Funding
  - A. Allocation of administrative costs between the State and counties.
  - B. Need for increased funding for services.
  - C. Problem of poorer counties' ability to fund programs adequately.

The Commission has heard a number of encouraging and complimentary things about the social services system in North Carolina. As it continues to study needs related to improving that system, it will attempt to gather data relevant to getting a better picture of how the system is functioning now and where and how improvements can be made. Among those from whom the Commission plans to hear at future meetings are representatives from the Division of Medical Assistance in DHR; the N.C. Assoc. of County Commissioners; the UNC School of Social Work; Mecklenburg County Human Services; and others.



**Interim Report of the Social Services Study Commission  
to the Joint Legislative Commission on Governmental Operations  
and the Fiscal Research Division of the Legislative Services Office**

April 21, 1988

The Social Services Study Commission has met three times—February 9, March 8, and April 12—since its January report. It will meet next after the conclusion of the 1988 session of the General Assembly.

During this quarter the Commission continued to hear presentations by and receive information from a variety of people. It focused on short-term issues and needs in the social services system and took positions, which are stated below, on several of those. It also identified longer-term issues for future consideration.

Recommendations

The Social Services Study Commission makes the following recommendations regarding issues that may be addressed in the 1988 session of the General Assembly:

1. As a first priority, the Commission recommends that the General Assembly appropriate additional state funds to assist counties in providing needed social services. Specifically, the Commission endorses the funding approach and appropriation (\$10 million) contained in House Bill 1598, "An Act to Appropriate Funds to Deliver Needed Social Services to People" and supports the enactment of that bill.
2. The Commission acknowledges and supports the efforts of the Division of Social Services, in cooperation with county social services directors and staff, to increase and improve training opportunities for county social services employees. The Commission supports the appropriation of funds that may be needed to enable the Division to continue implementing its training plan.
3. The Commission recommends that the State pay the same portion of the nonfederal share of Medicaid Transportation costs as it pays for other Medicaid services and that sufficient funds be appropriated for that purpose. Now, the nonfederal share is borne solely by the counties.
4. The Commission recommends that the AFDC-Emergency Assistance Program be amended to increase from \$300 to \$500 the maximum payment allowed for needs that are related to housing assistance or natural disasters. This change does not require any additional appropriation.
5. The Commission recommends the following statutory changes:
  - a. That the North Carolina Juvenile Code (G.S. Chapter 7A, Subchapter XI) be amended to require district court judges to make the "reasonable efforts" findings that are required as a condition of the State's receipt of funds under the federal Adoption Assistance and Child Welfare Act of 1980, P.L. 96-272. The findings are required in cases

in which children are removed from their own homes for placement in foster care and relate to whether reasonable efforts have been made to prevent the need for placement or reunify the child with his family.

- b. That G.S. 108A-14(13), relating to duties of a county social services director, be corrected to refer to the director's duty under G.S. 48-3 to investigate certain planned private adoptive placements. The subdivision now refers to the director's duty regarding the placement of certain children under G.S. 14-320, which has been repealed.

#### Endorsements

The Commission endorses the following recommendations of other study commissions:

1. The Commission endorses the recommendations of the Indigent Health Care Study Commission in regard to the following Medicaid expansion options, on the condition that state funds are appropriated to assist counties in hiring eligibility workers to implement expanded eligibility:
  - a. increasing the income guidelines for pregnant women and children under age one;
  - b. expanding coverage for children under age 5 by increasing income guidelines and providing case management services for children;
  - c. increasing AFDC payments and Medically Needy income limits; and
  - d. increasing income guidelines for elderly and disabled persons.
2. The Commission endorses the recommendation of the Study Commission on Aging in regard to the enactment of Senate Bill 58, "An Act to Provide for an Elderly and Handicapped Transportation Assistance program to be Administered by the Department of Transportation".

#### Issues for Future Consideration

Items that the Commission identified for possible consideration after the 1988 session of the General Assembly include the following:

1. funding issues, including county equalization;
2. a basic social services plan to address the need for minimum service levels;
3. needs in specific service areas such as services for teenage parents, adult protective services, preventive services, and day care;
4. child support enforcement;
5. public assistance issues such as simplification, monthly reporting and error rates in the Food Stamp Program, welfare reform, adequacy of income-support and work/training programs, and minimum wage;
6. social services in relation to the other human services;
7. personnel issues such as salary scales, qualifications, and training; and
8. public-private partnership in social services.

Recognizing that it cannot reasonably expect to study all of these issues, the Commission will determine which of these, and possibly other, items it should address and how others might be addressed.



A RESOLUTION URGING MAXIMUM LOCAL AUTONOMY  
IN SETTING SALARIES AND FRINGE BENEFITS OF COUNTY EMPLOYEES

WHEREAS, North Carolina has a national reputation for its strong and effective county government; and

WHEREAS, that national recognition includes an acknowledgement of the large amount of home rule afforded counties by the North Carolina General Assembly; and

WHEREAS, the National Advisory Committee on Intergovernmental Relations in a recent survey ranked North Carolina among the top states in the nation for the amount of home rule afforded counties and cities; and

WHEREAS, recent actions of the General Assembly have restricted this local autonomy in that the General Assembly has enacted special mandated retirement systems for law enforcement officers and most recently registers of deeds; and

WHEREAS, at a recent meeting of the Social Services Study Commission, the Social Services Association in testimony before the committee recommended mandatory salaries for social workers; and

WHEREAS, it is not in the best interest of an effective and strong county government system for continued deterioration of home rule relating to county employees salaries and fringe benefits be continued.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the North Carolina Association of County Commissioners that:

1. The General Assembly of North Carolina is commended for the high degree of local authority which has been granted to county government in North Carolina.
2. It is desirable for this high degree of local authority to be continued.
3. Deterioration in this local authority such as was evidenced in the recent law enforcement and register of deeds retirement action is of great concern to county government.
4. The General Assembly is urged to refrain from additional restraints and restrictions so that the strong tradition of county government authority may continue to serve the citizens of North Carolina.



## SOCIAL SERVICES STUDY COMMISSION

MARCH 8, 1988

## I. AFDC-Emergency Assistance

Effective July 1, 1987, a cap of \$5,536,470 was placed on total AFDC-Emergency Assistance (AFDC-EA) expenditures for SFY 87-88. As of March 3, 1988, \$2,897,151 in AFDC-EA has been expended. From October through December 1987, an average of 935 applications monthly have been approved statewide. Of this 935, a monthly average of 603 families received no other type of public assistance. The average AFDC-EA payment to these families was \$197.

## II. Family Support Act - Implemented January 1, 1988

## A. AFDC-Unemployed Parent

The AFDC-Unemployed Parent Program provides AFDC to families in which the parents are legally married to each other and the child is deprived due to the unemployment of a parent. As of February 29, 1988, 75 cases have been approved in 48 counties. This represents \$20,850 monthly in AFDC payments. Counties report a number of applications and inquiries. However, many families do not meet the federally required definition of unemployment.

## B. New Budgeting Method

To determine the amount of the AFDC payment, the family's total countable net income is subtracted from the AFDC Need Standard. The payment equals 50% of the deficit. Payments to those cases with income increased an average of \$22.84. The average monthly AFDC caseload has increased by 2,988, primarily due to families which previously received Medicaid only but are now eligible for AFDC. Payments to these newly eligible cases average \$86.05 per month.

The purpose of this provision is to provide an incentive to AFDC families to seek employment and remain employed. To ensure this purpose is achieved, the Department will evaluate the effectiveness of the provision at a later time.

## C. Special Needs Allowance

A special needs allowance covers the cost of child care and transportation to/from the child care provider for the children of teenage AFDC recipients who are enrolled in elementary or secondary school or in a G.E.D. Program. Counties are in the process of examining their AFDC caseloads to identify recipients meeting these criteria for whom child care is currently being paid through other funding sources or who need but receive no child care assistance. No data regarding usage of the allowance will be available for one to two months. Division staff are making presentations statewide promoting use and purpose of the allowance.



The Division of Medical Assistance was established effective July 1, 1978 to give the Medicaid Program more prominence as a health care resource and to better administer the rapidly growing program and budget. In fiscal year 1971, total Medicaid expenditures were \$94,463,693. By fiscal year 1976, the expenditures had grown to \$215,741,299 and in fiscal year 1986, were \$758,115,890.

The federal, state and county governments share in financing the cost of Medical services as follows:

	<u>1987-88 Budget</u>	
Federal	68.80%	\$641
State	26.51%	248.4
County	<u>04.68%</u>	<u>44.4</u>
	100%	933.8

County administrative costs for the Medicaid Program are estimated at \$25 million this fiscal year. These costs are matched by 50% federal funds. A \$1.5 million state appropriation was made by the 1987 General Assembly for counties to hire new eligibility staff to administer the new expansion coverage groups. In addition, a \$6 million annual appropriation for state aid to county administration is made with no designation for specific administrative costs.

The N.C. Medicaid Program provides a vast array of services to our low-income population. The social security act mandates that certain services such as physician's care, hospital inpatient and outpatient care, skilled nursing care, and home health care, be provided by the state's Medicaid Program. At the state's option, other services may be provided. The N.C. General Assembly has

been generous and wise in authorizing many of the optional services that are necessary to maintain health and prevent costs from escalating due to lack of diagnosis and treatment of illness before it becomes severe. Some of the optional services we provide are dental, including dentures, optometrist, eyeglasses, medical care given in clinics, inpatient hospital care to persons over 65 in state mental hospitals, ICF and ICF-MR and prescription drugs.

The county departments of social services conduct eligibility determinations for the Medicaid Programs. They must explain all the programs which applicants might be eligible for and all services offered by the agency including EPSDT, "Healthy Children and Teens Program". The current Medicaid error rate as determined by Quality Control is .41%, the lowest we have ever had. The federal tolerance is 3% and states are penalized by fiscal sanction if the 3% tolerance is exceeded for a 12-month period.

The Divisions of Medical Assistance and Social Services have a Memorandum of Understanding which sets out each agency's responsibility for working together to achieve our respective responsibilities. Under this agreement, we have pledged to share staff resources in the DSS Regional Offices for training and technical assistance to county departments of social services, coordinate eligibility policies that may impact the other Division's programs or responsibilities and work cooperatively on resolution of court actions that may impact both Divisions. In addition, DSS provides administrative support for county budgeting and reimbursement for county administrative expenditures for the Medicaid program, handles (via the child support enforcement agencies) referrals of Medicaid cases for establishment of paternity, child and medical support, conducts state level hearings on Medicaid eligibility appeals and makes determinations of disability for Medicaid disability cases.

DMA is responsible for issuance of Medicaid policy to the county departments of social services and our staff meets monthly with county policy committees to review policy in draft. This process helps us refine the policy and address county concerns before the policy is issued to them. We also will be working closely with the county committee that is preparing recommendations on simplification including forms reduction.

As the role of the Medicaid Program moves from paying bills to assuring that appropriate and necessary services are available, county DSS staff will be expected in the future to play a more active role in outreach, coordination of services among agencies and providers, and helping clients secure appropriate services and placements such as institutional care and non-institutional alternatives.

#### Federal Program Options

##### A. Blind, Disabled and Elderly Population

In 1972, the state elected to use more restrictive income and resource eligibility criteria to determine eligibility for Medicaid for the aged, blind and disabled because the number of eligibles was expected to increase dramatically with conversion of cash assistance payments for these groups to the federal Supplemental Security Income (SSI) Program on January 1, 1974. The maximum payment under the State run program was \$115 and the national SSI standard effective January 1974 was \$144. Had the state not elected this option, commonly referred to as 209(b), all recipients of SSI would be automatically entitled to Medicaid coverage. The state's current income eligibility standard for one person is \$242 per month compared to \$354 under SSI. If a person has income, other than SSI, that exceeds \$242, he has to incur the excess income on medical bills - i.e. spenddown - to the lower income level.

There are 4 options available to the state that would affect this population.

1. Elect to grant Medicaid coverage to all recipients of SSI (approx. 58,584 new eligibles) and persons who would be eligible for SSI if they applied. With this option, the counties would be relieved of making eligibility determinations for the 88,023 SSI recipients who now qualify for Medicaid for some part of the year.
2. Elect to raise the categorically needy income level for the aged and disabled up to 100% of the federal poverty level (the current Medicaid income is approximately 50% of poverty). This is a provision made available in OBRA 1986. With this option, the state would have to apply the SSI financial criteria to determine eligibility. Since the counties are not as familiar with these policies, the time to make eligibility determinations would be expected to increase.
3. Increase the resource eligibility limit to the amounts allowed for SSI eligibility. For 1988, SSI resource limits are \$1900 for one person and \$2850 for two. In 1989 they will increase to \$2000 for one and \$3000 for two. (Medicaid resource limits are \$1500 for one and \$2250 for two.)
4. Elect to pay the Medicare deductibles and coinsurance and the Part B premium for Medicare beneficiaries whose incomes are below 100% of poverty. This is an option included in OBRA 1986 and is being considered currently by a conference committee as a possible mandate to states.

#### B. Families and Children

1. Increase income eligibility level for pregnant woman and children under age 1 up to 185% of poverty
2. Impose a premium on pregnant woman and children whose family income



after deduction of childcare costs exceeds 150% of poverty. The premium may not exceed 10% of the income above 150%.

3. Accelerate coverage of children between ages 3 and 5 whose family income is below 100% of poverty. These children may become eligible as early as July 1988. In 1989, age 5 children may be covered, age 6 in 1990 and in 1991, ages 7-8.
4. Extend Medicaid coverage for AFDC families who lose their payments due to expiration of AFDC income disregards ( $\$30 + 1/3$  of the remainder) up to an additional 6 months beyond the 9 months required, for a total of 15 months.
5. Provide Medicaid coverage to children covered by a State adoption assistance agreement who have special medical needs and who would be eligible by Title IV-E methodology.

Report on Program Expansions Authorized by 1987 Legislation

A. Pregnant Women with Income Below Poverty - Effective 10/1/87

As of 3/1/88, pregnant woman eligible under this expansion totaled 4,137. County staff have informed us that some pregnant women have been found eligible for Medicaid coverage in categories other than this expansion because their income was so low. Some women even have qualified for AFDC payments. We cannot identify the numbers of women added to other programs.

B. Children Under Age 2 With Income Below Poverty - Effective 10/1/87

As of 3/1/88, our files show 2,843 children eligible under the higher income level. As with pregnant women, some children have been made eligible in other categories, including AFDC payments.

C. Presumptive Eligibility of Pregnant Women - Effective 3/1/88

Eight qualified providers participated in a pilot of presumptive eligibility from October - December 1987. These providers allowed us to test and evaluate the application form and instructions and referral procedures before statewide implementation effective March 1. An additional 69 qualified providers have received training for making presumptive determinations. Qualified providers include health departments, rural health clinics, migrant health clinics, community health centers and hospitals that receive Maternal and Child Health or state perinatal funds.

D. Coverage of 19-21 Year Old Individuals - Effective 1/1/88

We do not have any data on the impact this expansion has had since implementation 2 months ago.

E. Medicaid Coverage of Unemployed Parent - Effective 1/1/88

We do not have any data on the impact of this expansion.

## Groups Covered By Medicaid

This attachment lists all groups currently covered by the N.C. Medicaid Program. The chart also indicates whether the coverage is mandatory or optional, and whether categorically needy or medically needy.

Mandatory coverage groups are specified in the Social Security Act, as amended by the Public Laws which authorized coverage. These groups generally qualify for and receive cash assistance for living expenses. States elect the optional categorically needy groups they want to cover. Optional categorically needy groups do not receive cash assistance payments, but meet the financial requirements for cash programs. Coverage of the Medically needy is optional, however, if a state elects to cover any medically needy groups, it must at a minimum cover pregnant women, newborn children whose mothers were eligible on the infant's birth and whose mothers remain eligible for 1 year, and children under age 18 who would be eligible for AFDC except for income and resources. Medically needy groups may have higher income and/or resources than the categorically needy groups.

In addition to meeting financial eligibility criteria, individuals must qualify under one of the following categories:

1. AFDC-Related Category includes families with children, pregnant women and individuals under age 21.
2. Aged 65 and above
3. Disabled by Social Security Disability standards
4. Blind by Social Security Blindness standards

The AFDC-related category has basis in the AFDC cash assistance program and the aged, blind and disabled categories have basis in the state's 1972 cash and Medicaid programs for these categories and the SSI program which took over cash payments to the aged blind and disabled in January 1974. State Medicaid programs may not use eligibility criteria for the aged, blind and disabled that are more restrictive than its 1972 criteria.

Groups Covered By Medicaid

	<u>Mandatory</u> <u>Categorically</u> <u>Needy</u>	<u>Optional</u> <u>Categorically</u> <u>Needy</u>	<u>Medically</u> <u>Needy</u>
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## A. Families and Children

- |   |   |   |  |
|---|---|---|--|
| 1. Recipients of AFDC cash payments   | X |   |  |
| 2. Deemed recipients of AFDC  |   |   |  |
| o Payment less than \$10  | X |   |  |
| o Participants in work supplementation  | X |   |  |
| o Payment \$0 due to recovery of overpayment  | X |   |  |
| o Loss of AFDC due to child/spousal support (4 months eligibility)  | X |   |  |
| o Loss of AFDC due to expiration of income disregards (9 months elig.)  | X |   |  |
| o Children for whom IV-E adoption assistance or foster/care payments are made   | X |   |  |
| 3. Families terminated from AFDC due to increased earnings (4 mos. elig.)   | X |   |  |
| 4. Pregnant women who would be eligible for AFDC if the child was born and living with her, or meet AFDC income and resource requirements   | X |   |  |
| 5. Children born on or after 9/30/83 who meet AFDC income and resource requirements   | X |   |  |
| 6. A child born to a woman who is receiving Medicaid on the date of the child's birth. Woman must continue to be eligible for 1 year after the birth and child must live with mother. | X | X |  |
| 7. Families/children who would be eligible for but have not applied for AFDC  |   | X |  |

Groups Covered By Medicaid

	Mandatory Categorically Needy	Optional Categorically Needy	Medically Needy
8. AFDC families enrolled in an HMO and become ineligible for AFDC benefits (6 months eligibility)		X	
9. Children who are receiving services under a Home and Community Based Services Waiver		X	
10. Individuals under age 21 who meet AFDC income and resource requirements. Includes children in:		X	
o Foster homes (public or private placements)			
o ICF's/ICF-MR's			
o Adoption Subsidies			
o Inpatient psychiatric facilities			
11. Pregnant women with income below 100% of poverty		X	
12. Children under age 5 (phased-in with income below 100% of poverty)		X	
13. Pregnant women whose income and resources exceed AFDC limits. (See §4)			X
14. Individuals under age 21 whose income and resources exceed AFDC limits. (See §10)			X
15. Caretaker relatives of individuals under age 21 when living together and when child is deprived due to parent's absence, illness, death or unemployment			X
<b>B. Aged, Blind and Disabled Individuals</b>			
1. Individuals who meet the state's restrictive income and resource requirements	X		
2. Severely impaired blind and disabled individuals who qualify under section (1619(a) or (b) of the SS Act	X		

Groups Covered By Medicaid

	<u>Mandatory</u> <u>Categorically</u> <u>Needy</u>	<u>Optional</u> <u>Categorically</u> <u>Needy</u>	<u>Medically</u> <u>Needy</u>
3. In 12/73 was and continues to be the essential spouse of a recipient whose eligibility is determined under 1973 requirements (grandfathered coverage)	X		
4. Blind and disabled recipients eligible in 12/73 who meet all current Medicaid requirements except the blindness or disability criteria (grandfathered coverage)	X		
5. Individuals who would still be eligible for SSI or state supplemental payments if cost-of-living increases were deducted from income.	X		
6. Individuals in rest homes or family care homes since 12/73 receiving State/County Special Assistance payments	X		
7. Individuals who would be eligible for SSI if they applied		X	
8. Individuals receiving services under a Home and Community Based Services waiver		X	
9. Individuals in rest homes or family care homes and receiving State/County Special Assistance Payments		X	
10. Blind or disabled individuals who were eligible as medically needy in 12/73 and meet all current requirements except the blindness or disability criteria (grandfathered coverage)			X
11. Aged, blind and disabled individuals who qualify when incurred medical costs reduce income to the state's income standard			X

REQUIREMENTS FOR MEDICAID ELIGIBILITY

## Aged Blind and Disabled Individuals

	Categorically Needy (CN)	Medically Needy (MN)	75% of Poverty (1988)	SSI	100% of Poverty
<b>Income Level</b>					
1 person	\$242 (spenddown	\$242 (spenddown of	\$361	354	461
2 people	\$308 of excess income permitted)	\$308 excess income permitted)	\$483 (No spenddown permitted)	532	628
<b>Assets Level</b> (Includes value of real and personal property)					
1 person	\$1500	\$1500	\$1900	\$1900	
2 people	\$2250	\$2250	\$2850	\$2850	
<b>Transfer of Assets</b> Look behind	1 year prior to application or redetermination	Same as CN	2 yrs. prior to application or redetermination		
<b>Period of in- eligibility</b> \$1000-6000 1 yr. 6000-12000 2 yrs over 12000 3 yrs	1,2, or 3 years based on value of property trans- ferred	Same as CN	1 year for up to \$6000 2 years for over \$6000		
<b>Homesite definition (excluded)</b>	House + lot or 1 acre and up to \$12,000 contiguous property	Same as CN	House + all contiguous property		
<b>Income deeming</b> (Spouse to spouse Parent to child under 21)	Income level based on # of persons in case. Case includes applicant and spouse/parents	Same as CN	\$178 deemed to each ineligible child plus SSI income level protected for individual/couple. Remaining income deemed to eligible spouse/child.		
<b>Value of non-home property</b>	Limited to \$6000 equity. Must pro- duce income to 6% of equity	Tax value counted if not used to generate income. Excluded if rented for income.	Same as CN		

REQUIREMENTS FOR MEDICAID ELIGIBILITY

Aged Blind and Disabled Individuals

	Categorically Needy (CN)	Medically Needy (MN)	75% of Poverty (1988)	100% of Poverty
Liquid Assets	Value counted as of 1st moment of 1st day of month (12:01 a.m.) If exceeds limit, ineligible for entire month	Value verified as of 12:01 a.m. Eligible on day of month assets reduced below limit	Same as CN	SSI
Categorical Requirements	<ul style="list-style-type: none"> <li>. Age 65 or above or</li> <li>. Mental or physical disability preventing work for at least 12 months, or</li> <li>. Blind (20/200 in best eye)</li> <li>. Citizen of U.S.</li> <li>. Resident of State</li> <li>. Apply for all benefits to which person is entitled</li> <li>. Give SSN or apply for SSN if one not assigned on unknown</li> <li>. Not be a patient in a psychiatric hospital if between age 21-65 nor incarcerated</li> </ul>	Same as CN	Same as CN	Blind not included in OBRA 1986



Remarks of Larry Barnes, Director of Social Services,  
Sampson County

- I. Disturbing trends are developing in the Welfare Arena
  - A. Feminization of Poverty
    1. Growing percentage of clients
    2. Group least able to help themselves
  - B. A second and similar trend developing in the Welfare Delivery System
    1. Emerging as a very serious problem
    2. As with the feminization of poverty and the paradox of the least able being hardest hit
  - C. So is emerging the POOR COUNTY
    1. Its inability to carry its burden, and
    2. Its accompanying unwillingness to do its share
  - D. What is developing ever more clearly is the poor county and its fiscal struggle to keep its head above water
- II. I live in Sampson County
  - A. I love Sampson County
    1. A great county with good people
    2. We have luscious farmland and clean air
  - B. However, absence of smokestacks and rising carbon monoxide levels are accentuating our dilemma
    1. Resulting small tax base cruelly affecting a significant segment of our population
    2. The delivery of needed social services is being adversely affected by a lack of resources
  - C. Relatively speaking - we have no industry
    1. I can count industries on two hands
    2. No Interstate has split open Sampson County and opened development
    3. No railroad transverses the county
  - D. We are EASTERN, we are RURAL, we are agriculturally based, and we are poor - and getting poorer

- III. Recently I served on a panel of Social Services Directors at a Regional meeting
- A. Our assignment was to share our perspective of Social Services in the next decade
    - 1. That was August 4
    - 2. July had passed
  - B. July is special for County-Government Department Heads
    - 1. A new fiscal year is underway
    - 2. Budget process - begun in February and fine-tuned through the spring is over
  - C. The taxing negotiations of July are reconciled and everybody is eager to begin the new year
  - C. But not in Sampson County
    - 1. School system felt it could not accept a \$600,000 cut
    - 2. Appealed to Clerk of Court
    - 3. Awarded \$250,000
    - 4. Board of Commissioners and School Board appealed
    - 5. Court scheduled for October
- (Both sides have since accepted a compromise settlement.)
- IV. This controversy came in the midst of the introduction and beginning implementation of the **BASIC EDUCATION PLAN**
- A. The **BASIC EDUCATION PLAN** has interjected new hope into many poor and struggling school systems
    - 1. The general assembly has transferred the principle of equal educational opportunity into the law of the land
    - 2. This concept is a **Hallmark** to a brave and bold foresight
  - B. Accompanying the **BASIC EDUCATION PLAN** was a pool of revenue to assist the poorest of counties with critical construction needs
    - 1. The Department of Public Instruction had developed a ranking of counties from the most affluent to the poorest
    - 2. Components of the ranking included each county's adjusted gross property tax base and its per capita income

- C. As with any ranking list we notice the top and bottom listing and eagerly find our place
  - 1. The most affluent county was Wake County
  - 2. Sampson County was number 13 from the poorest
  
- V. This ranking and the comparison of Sampson and Wake Counties haunted me
  - A. I wondered about the respective tax bases, the populations, and the poverty rates
  
  - B. I wondered about the impact on the Wake County DSS and the Sampson County DSS
  
  - C. My examination confirmed my fears and revealed a profile in disparity
  
  - D. Let me be fair: **Figures** can lie; and **Liars** can figure. Also, any comparison between the 1st and 87th in a list of 100 can be characterized as extreme
  
  - E. However, one point is clear
    - 1. **Have** and **Have Not** counties have disproportionate abilities to meet the needs of poor people
    - 2. Moreover, a cruel paradox emerges as poor counties have even a greater percentage of their people in need

Let me share my findings:

**A PROFILE IN DISPARITY**

	<b>SAMPSON COUNTY</b>	<b>WAKE COUNTY</b>
Population ('88)	50,000	376,000 (8X)
Tax Base ('88)	864 million	16.8 billion (17X)
Per Capita Income ('86)	9,171	16,666
%Population Below Poverty ('83)	24.3%	10.3%

**DSS PROGRAM IMPACT**

Food Stamp Program ('86)

Households	2,000	5,000
% Population	10%	4%

AFDC Program ('85)

% State AFDC Population	1%	3.7%
% State Population	.008%	.06%

Medicaid Program ('87)

Eligibles Per 1,000 Population	101	41
Rank In State	20th	98th
Per Capita Expenditure	\$184.00	\$79.00

- VII. The disparity is strengthened with every analysis
- A. Counties with a greater percentage of people in need have fewer resources with which to meet that need
  - B. The disparity intensifies when the Congress or the General Assembly applies the principles of Equal Access and Entitlement availability to programs
  - C. Equal treatment to the local county from a demand standpoint is clear
    - 1. Programs are adopted and are applicable in 100 counties
    - 2. Program matching funding formulas are applied uniformly throughout the 100 counties
  - D. But, some of those 100 counties are not able
    - 1. And/or are not willing to fully participate
  - E. In our budget process this year, some of our commissioners seriously considered challenging the state by not providing requisite matches
    - 1. Not because they were callous
    - 2. Not because they were indifferent to the needs of our poor citizens
  - F. But because their local tax base is being strained to the point of breaking with no relief in sight
  - G. I readily acknowledge that there are two issues involved at the local level
    - 1. There is the **WILLINGNESS** issue as well as the **ABILITY** issue
    - 2. The **WILLINGNESS** issue is a real and serious one
  - H. However, as long as the **ABILITY TO PAY** issue is left unresolved and unacknowledged - the **WILLINGNESS** issue cannot be appropriately addressed
    - 1. Left unattended - the **WILLINGNESS** issue will intensify and has the potential to develop into open rebellion and/or default

VIII. The implications of this paradox are numerous

- A. Let me share with you what typically happens at the local level
- B. Two years ago, during our budget process and in determining our staffing needs
  - 1. I commissioned a staffing study
  - 2. Outside study - utilizing an industry based-time management model
  - 3. Tasks are identified, acceptable time frames are established, and staffing needs determined
  - 4. Study is objective and honest
  - 5. Study revealed that we needed 9 new eligibility specialists to execute the documented caseload
  - 6. I asked for four eligibility positions
- C. During that same budget process two (2) new and mandated Income Maintenance programs were implemented
  - 1. The AFDC-EA program entered its first full year with a \$100,000 Sampson County budget and a local share of \$25,000
  - 2. The Food Stamp Employment and Training Program began with a budget of \$36,000 and an \$18,000 local share
- D. So - What will it be?
  - 1. Needed staff with a local share of approximately \$25,000 to \$30,000, or
  - 2. The implementation of two new mandated programs with a local share of \$43,000?
- E. No Contest. We got the programs - we did not get the staff
  - 1. Moreover, we, as did any other county, needed the programs
  - 2. We also needed the staff
  - 3. And the disparity intensifies

IX. The **POOR/COUNTY DIRECTOR** or - should I say the **POOR COUNTY/DIRECTOR** is in a complicated dilemma

- A. Social Services Directors should be alert and responsive to the needs of **poor people**
  - 1. Social Services Directors should be advocates for programs
  - 2. Should be for new methodologies to attack poverty

- B. But Social Services Directors are also managers
  - 1. Managers charged with executing programs with low error rates and within strict time frames
  - 2. Supervision of employees who are literally drowning in a sea of stress and ever increasing demands
- C. So one Director advocates for new and expanded programs and lobbies his legislators
  - 1. Another opposes the expansion and lobbies his legislators
  - 2. The one is ready and willing - the other is not able
- D. The **Disparity** between the **HAVE** and **HAVE NOT** counties creates never-ending exacerbations
  - 1. Let me return to the comparison between the Sampson County/Wake County Food Stamp Caseload
  - 2. In Sampson County - 9 workers carry 220 cases - Wake County Food Stamp workers carry 142 cases
  - 3. The paradox carries over into salary schedules with as much as 30 to 40% variation between counties in the same region
  - 4. The **disparity** also manifests itself in **Low Morale, Burn Out, Job Turnover, and tragically Career Abandonment**
- X. The answer - I don't have the answer. But I am homing in on the problem
  - A. The **BEP** establishes a minimum and **Basic** educational standard for our very important educational system
    - 1. It is a challenge
    - 2. It is expensive
    - 3. It represents a problem that has been acknowledged and addressed
    - 4. And we are all very grateful for the **BEP**
  - B. The present Social Services system parallels the county - specific inabilities to fund basic services
  - C. The **Reality** is that the state's beginning investment in the **BEP** is at risk if we are unable to meet children's and families' needs before they ever get to school.
  - D. The North Carolina Social Services Association, in its recommendations to this study commission, addressed **Equity**
    - 1. The report, **From Goals to Outcomes** spoke to widely varying program mixes across the state

2. The report recognized that some counties are **simply too poor to support even the barest programing.**
3. The report reaffirmed the problem recognized in the response of the **BEP**

**The county in which one lives determines greatly the services one can receive**

4. That report called for the establishment of some form of a **BASIC SOCIAL SERVICES PLAN**.
  5. The State of North Carolina would recognize minimum program standards and then guarantee a **Basic Services Delivery System** in each county
  6. The State would assume an equilizing role in the necessary funding
- E. If and when such an **EQUAL ACCESS SOCIAL SERVICES DELIVERY SYSTEM** could be implemented
1. Then you can clearly distinguish between the age-old **Ability vs Willingness** issue
  2. When the **Ability** issue is acknowledged and efforts started to resolve it
  3. Then a **Fair and Strong policy direction** from the state can be required from local delivery systems
- F. If this could come to pass, then
1. **New Hope** may be breathed into a significant number of counties and their needy citizens presently suffering from this **paradox of disparity**



Department of Human Resources  
Division of Social Services

October 10, 1988

Welfare Reform Legislation

This legislation impacts three major program areas: Child Support Enforcement, the AFDC Program and payments, and the Employment and Training Program for AFDC recipients.

**I. Child Support Enforcement Provisions**

**A. Guidelines for Child Support Awards**

1. This provision requires judges and local IV-D agencies to use State guidelines when establishing child support obligations unless they are rebutted by written finding that applying the guidelines would be unjust or inappropriate in a particular case. Criteria for determining when the guidelines would be unjust or inappropriate must be established by the State.

The 1984 Child Support Amendments required each state to establish guidelines which were to be made available to all judges and officials who have the power to determine child support awards. A committee of Chief District Court Judges established advisory guidelines which are being utilized but are not binding on the courts or child support enforcement agencies.

Under the provisions of H.R. 1720 (Welfare Reform), the guidelines would be binding on the courts and IV-D agency. Enabling State legislation is needed to ensure compliance with this provision.

We believe the use of support guidelines will provide for more uniformity and consistency in establishing child support awards across the State. This provision may, however, be viewed negatively by the courts and legal community since the mandatory guidelines will limit judicial discretion.

2. States must review the guidelines used to establish support awards every four years to ensure that their application results in the determination of appropriate child support award amounts. This provision would not require enabling legislation, but procedures would have to be established to ensure that timeframes for reviewing the guidelines are met. In addition, the State would have to decide which agency would have responsibility for reviewing and updating the support guidelines.

**B. Review of Individual Child Support Awards**

Beginning five years after enactment, the State must develop and implement a process for reviewing and adjusting child support orders. With respect to AFDC cases, the review must occur at least every three years unless it is determined that it would not be in the best interest of the child. In non-AFDC cases, the review must occur at least every three years at the request of either parent. The State must notify parents of their right to review.

Enabling State legislation is not required to implement this provision. The greatest impact on North Carolina will be to provide the resources necessary to comply with the review requirement.

At the present time approximately 87,000 IV-D cases are under order and emphasis is being placed on increasing this number. Therefore, the automatic review in AFDC cases and the request for reviews in non-AFDC cases will place an additional demand on agency time and resources.

C. Immediate Income Withholding

The 1984 Child Support Enforcement Amendments required states to have procedures to implement income withholding when an absent parent failed to pay support in an amount equal to one month's support, or at an earlier date at the request of the absent parent. Under the provisions of the welfare reform legislation, with respect to IV-D cases, the State must provide for immediate income withholding in the case of orders that are issued or modified on or after the first day of the 25th month beginning after enactment of the law. In order to avoid immediate income withholding the following situations would apply: (1) one of the parties demonstrates, and the court finds, that there is good cause not to require such withholding, or (2) there is a written agreement between both parties providing for an alternative arrangement. In addition, States would be required to provide for immediate wage withholding for all support orders initially issued on or after January 1, 1994, regardless of whether a parent has applied for IV-D services.

Enabling State legislation is necessary in order to comply with the immediate income withholding provision. The IV-D agency will not be adversely impacted by this requirement since all cases are subject to income withholding if the absent parent fails to meet his/her support obligation. Administrative time will be saved as a result of the elimination of the current one month's delinquency requirement prior to implementing income withholding. The number of non-IV-D clients requesting IV-D services may increase as a result of this provision being available through the IV-D Program if not extended to include non-IV-D cases.

D. Paternity Performance Standards

Under this provision the State would be required to meet federal standards for the establishment of paternity. The standard would relate to establishment of paternity for children who are receiving AFDC and IV-D child support services. To meet federal requirements, a State must establish paternity in 50% of cases, or be at least equal to the average for all States, or have increased by 3 percentage points from FY 1988 to 1991 and by 3 percentage points each year thereafter. A state's paternity establishment percentage is the number of children born out-of-wedlock and are receiving cash benefits or IV-D services.

This provision will not require State legislation, however, adequate resources are necessary to ensure compliance. North Carolina's performance in this service area is well above the national average. In order to continue our efforts to establish paternity, to meet the standards in this area and to avoid fiscal sanctions by the federal government, additional resources will be required.

E. Requirement for Prompt State Response

The Secretary of Health and Human Services must issue regulations 10 months after enactment of the law which will set time limits for States to accept and respond to requests for assistance in establishing and enforcing support orders as well as time limits within which child support payments must be distributed to families.

No legislation is needed to support this provision. Since these standards will be used to determine the efficiency and effectiveness of the IV-D Program, adequate resources will be needed to meet the impending timeframes. The program is subject to audit penalties of 1-5 percent of the federal share of AFDC reimbursement if found out of compliance with federal regulations.

F. Requirement for Automated Tracking and Monitoring System

Every State that does not have a statewide automated tracking and monitoring system in effect must submit an advance planning document that meets federal requirements by October 1, 1991. By October 1, 1995, every State must have an approved system in effect.

The North Carolina IV-D Program currently has an automated distribution system. Requirements are being developed for a mainframe casetracking and monitoring system, after which an advance planning document will be submitted to the federal Office of Child Support Enforcement for approval.

G. Use of Social Security Numbers

Each State would be mandated in the administration of any law involving the issuance of a birth certificate to require each parent to furnish his or her social security number (SSN), unless the State finds good cause for not requiring the parent to furnish it. The use of the SSN obtained through the birth record would be restricted to child support enforcement purposes except under certain circumstances.

This provision may require an amendment to Article 4, Chapter 130A of the North Carolina General Statutes. The availability of social security numbers through this source will assist in locating absent parents, establishing and enforcing child support obligations.

H. Notification of Support Collected

Four years after the date of enactment, the State would be required to inform families receiving welfare of the amount of support collected on their behalf on a monthly basis, rather than annually as provided under the present law. Quarterly notification would be allowed if the Secretary of HHS determines that monthly reporting imposes an unreasonable burden.

The requirement would increase program mailing costs whether provided monthly or quarterly. Currently 51,882 AFDC cases are under order which would equate to a monthly cost for notices of approximately \$12,970.50 at the rate of \$.25 per notice.

II. AFDC - Budget Calculation Changes Resulting From Welfare Reform Legislation

- A. Revisions in the calculation of countable earned income for purposes of AFDC effective October 1, 1989:
1. Increase the monthly standard deduction for work related expenses, such as taxes, transportation, etc., from \$75 to \$90.
  2. Increase the monthly allowance for child care from a maximum of \$160 per child to \$175 or \$200 for a child under age 2.
  3. Change the order in which the work incentive allowance is applied in the budget computation. Currently, \$30 and 1/3 of the remainder is subtracted from income after subtracting the monthly standard deduction for work related expenses and the monthly allowance for child care.

The new legislation requires that the \$30 and 1/3 deduction be subtracted after subtracting the monthly standard deduction for work related expenses. The net effect is that an AFDC family with an employed member will receive a higher AFDC payment.

- B. The example below illustrates the impact of the new legislation on AFDC payments.

A mother and two children, ages 1 1/2 and 5, are receiving AFDC. The mother is employed.

Current Method	Revised Method
\$750 Gross Income	\$750 Gross income
- 75 deduction for Work	- 90 Deduction for Work
<u>\$675</u> Related Expenses	<u>\$660</u> Related Expenses
-320 Total Child Care	- 30 Work Incentive Allowance
<u>\$355</u>	<u>\$630</u>
- 30 Work Incentive Allowance	-210 1/3 Work Incentive Allowance
<u>\$325</u>	<u>\$420</u>
-108 1/3 Work Incentive Allow.	-375 Total Child Care
<u>\$217</u> Net Countable Income	<u>\$ 45</u> Net Countable Income
\$532 AFDC Need Standard	\$532 AFDC Need Standard
-217 Net Countable Income	- 45 Net Countable Income
<u>\$315</u>	<u>\$487</u>
x 50% (State pays 50% of the deficit)	x 50% (State pays 50% of the deficit)
<b>\$157 AFDC Payment</b>	<b>\$243 AFDC Payment</b>

Net Result: Increases AFDC payment by \$86 for four months until work incentive allowance period expires.

### III. Job Opportunities and Basic Skills Training Program - JOBS

-This legislation provides for the replacement of the WIN Program October 1, 1990. The JOBS program may begin before that time. The administration of JOBS program rests with the Division of Social Services. DSS is required to consult with and coordinate with other education and training programs.

#### Program Comparison

##### JOBS Program Provisions

-Comprehensive assessment, development of employability plan for each participant, and an orientation for applicants and recipients informing them of the JOBS activities and services for which they are eligible and the rights, responsibilities, and obligations of participants in the JOBS program.

-The JOBS program must provide for a broad range of services and activities including, among others, education, job training and readiness activities. Programs must include at least two out of the following four activities: job search, CWEP or other work experience, grant diversion, or on-the-job training (OJT).

-Target Population includes young parents who have not completed high school, adults whose children are aging out of the AFDC eligibility and families who have received assistance for a prolonged period of time.

##### Current AFDC Employment and Training Program

N.C. DSS currently operates a comprehensive Employment and Training Program in 41 counties, which encompass over 60% of the State's AFDC caseload. The N. C. program requires a comprehensive assessment, employability plan and an orientation as described in the JOBS program.

N. C.'s program currently contains all the program activities described in the JOBS program - education, job training, Work Experience, on-the-job training, grant diversion, and job search.

The N. C. Employment and Training Program is called the Community Work Experience Program (CWEP) but the program encompasses more services and activities than the name implies.

The new legislation may require significant changes in some of the components and will mean that program services, certainly, will be available to more of the AFDC population.

Participation is required of all recipients who are not specifically exempt. However, there are no groups uniquely targeted.

Program Comparison continued

**JOBS Program Provisions**

-There will be performance standards established which will measure outcomes, not just levels of activity or participation.

-There is transitional subsidized day care and medicaid coverage for up to one year for those who terminate AFDC because of employment.

**Program Funding Comparison**

**JOBS Program Funding**

-Funding capped. \$600 million FFY 89 up to \$1.3 billion in FFY 95 nationally.

-Federal match rates:

-The major portion of the funding for program costs, including personnel costs for full-time staff, is at the medicaid match rate (currently 68.1%).

50% -other administrative costs

-Federal Matching would be reduced to 50% unless 55% of funds are spent on the target population.

**Current AFDC Employment and Training Program**

There are no federally mandated performance measures.

The only provisions in the current program are for extension of medicaid for four or eight months, depending on the point at which the case is terminated from AFDC.

**Current Employment Program**

N. C.'s program is funded through Title IV-A funds for which there is no cap. However, the items of allowable expenditure are very limited, e. g. program staff. Federal financial participation is not available for education, training and day care.

The current program and administrative support costs for SFY 87-88 were approximately \$3.9 million. This does not include day care.

The current program is funded under WIN funding (90-10) and under the Title IV-A funding (50-25-25). The cost of education and training is funded 50-50 between State and county. Day care is funded from State appropriations and SSBG.

There are currently no requirements tying the expenditure of funds to participation of certain target populations.

## Implications of the JOBS Program for North Carolina

1. North Carolina is in an excellent program position to fully transition into the JOBS program. However, there are major administrative issues that will have to be dealt with.
2. North Carolina will need to develop an automated information system to meet the program and financial reporting requirements which include the tracking of participants and their program outcomes and expenditures for the target populations. ...This is one of the major administrative issues referenced above.
3. The full program costs and budget ramifications have yet to be determined.





October 11, 1988

DHR SIMPLIFICATION EFFORTS

Department of Human Resources public assistance simplification efforts fall into two areas: 1) pursuing the "Back-to-Basics" recommendations, and 2) developing a demonstration Food Stamp Simplification project.

The "Back to Basics" recommendations were originated by a committee called by Larry Johnson, past President of the North Carolina Social Services Association (NCSSA). All members of the "Back to Basics" Committee were county employees.

Subsequent to presentation of the "Back-to-Basics" recommendations to the Department, a joint state/county oversight committee was formed to monitor progress in implementing the "Back-to-Basics" recommendations and Food Stamp Simplification project development.

Oversight Committee Membership

Current Committee members are:

Rebecca Whisnant, Catawba County DSS  
(representing the North Carolina Chapter of  
the National Eligibility Workers Association)

Bobby Boyd, Director, Catawba County DSS  
(representing the County Directors' Association)

Frances Baldwin, Bladen County DSS  
(President of the NCSSA)

Millie Brown, Director, Duplin County DSS  
(representing the County Directors'  
Association and NCSSA)

James Wight, Director, Wake County DSS  
(representing the County Directors'  
Association)

Kathryn Worrell, Columbus County DSS  
(representing NCSSA)

Larry Johnson, Director, Transylvania County DSS  
(representing the County Directors' Assoc.)

Donn Gunderson, Director, Lee County DSS  
(representing the County Directors'  
Association)

Gen Shivar, Onslow County DSS  
(representing NCSSA)

E. C. Modlin, Director, Cumberland County DSS  
(representing the County Directors' Association)

Melvin Martin, Director, Caldwell County DSS  
(representing the County Directors' Association)

State staff who regularly meet with those listed above are:

Daisy Blue  
Barbara Brooks  
Roy Bruninghaus  
Kay Fields  
Alene Matthews  
Jane Smith  
Eddie Wooten  
Quentin Uppercue

#### Actions Taken on "Back to Basics" Proposals

Attachment A to this Memorandum shows the current status of each of the "Back to Basics" proposals. A number of proposals were referred to the Income Maintenance Committee or other technical committees to be better defined. Some of the proposals are for things that need to be done after certain features of the Eligibility System redesign are completed. Other proposals are for things that are already envisioned in the redesign project. (Timing in these cases is long-term -- 18 months.) Further, several items will require Federal waivers or will be achievable when expected Federal regulations are issued and may or may not require Legislative action. Finally, several proposals were rejected by the Oversight Committee.

Attachment B summarizes the Food Stamp Simplification proposal.

#### Procedure

The Oversight Committee meets monthly to monitor progress and recommend corrective action for any problems that may crop up in implementing proposals that it adopts.

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October 11, 1988

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SIMPLIFICATION PROJECT UPDATE

<u>Proposal</u>	<u>Action</u>
1. Eliminate FS using landlord as primary verification	Completed
2. Provide alpha listing of caseloads	Completed
3. Proactive Correction Action Committees	Completed
4. Automate SSN validation in FS	Completed
5. Resolve AFDC/FS MR problems	Completed
6. Develop glossary for all programs	Completed
7. Identifying information on forms by embosser, etc.	Completed (use labels instead)
8. Reduce collateral contacts	Completed (AFDC due 1/89)
9. Standard Child Care expense in FS	Completed
10. Optional contribution letter	Completed (form revised)
11. Delete DOT for under 16 and reduce frequency of checks	Planned for 1/89
12. Incorporate 8571, 8593 into review and application forms	Not possible
13. Eliminate the second FS monthly report	Not possible
14. Automate matches at application and review	Not possible
15. Raise the MA income level to SSI	Prohibitive cost
16. Revised 1660/1661 and 5007/5008	Pilot in three counties
17. Automate claim system for MA/AFDC and standardize claims	Referred to Investigations Committee
18. Single application form	Being studied
19. Automate management reports	Working on this

- |   |   |
|---|---|
| 20. Automate client notices   | In EIS redesign                             |
| 21. Print full name on case management  | Working on this                             |
| 22. Immediate on-line update of EIS   | Planned for applications                    |
| 23. Automate AFDC monthly reporting   | Not planned                                 |
| 24. Automate notices to other programs  | Possible after EIS design                   |
| 25. Standard rounding procedures  | Still being discussed                       |
| 26. Standard medical deduction in FS  | More discussion needed                      |
| 27. Standard reserve policies   | Requires Federal legislation                |
| 28. Exclude interest as income  | Seeking a waiver                            |
| 29. Matches (refer to original proposal for listing)                            | Pending receipt of targeting regs from Feds |
| 30. Use one 8124 for families with MAF, MIC, MPW                                | Further discussion needed                   |
| 31. Consistent client responsibility in providing verifications                 | Under consideration                         |
| 32. Consider annual reviews for MR cases and abbreviated reviews in AFDC and MA | Under consideration                         |
| 33. Statewide mail FS issuance  | Tabled until later                          |

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Summary of Food Stamps Simplification Project Proposal

1. Types of Households to be included in the project
  - a) Food stamp households in which all members are recipients of a single Aid to Families with Dependent Children (AFDC) payment.
  - b) Food stamp households in which all members fall into selected Medicaid eligibility categories.
  - c) Multiple benefit households in which all members receive either AFDC or fall into selected Medicaid eligibility categories.

In general, the Medicaid eligibility categories included in the Project are those that cover the aged and disabled. The excluded categories are those involving families and children and "qualified Medicare" cases, e.g., catastrophic coverage.

2. Proposed Changes in Procedures
  - a) Current procedures require an independent application and eligibility determination to process food stamp benefits. The proposed project will use a Food Stamp Supplement to receive requests for food stamps from households included in the project. Eligibility determination will be based on verification secured by the AFDC or Medicaid caseworker.
  - b) Current procedures require verification and calculation of exact amounts of shelter and medical expenses prior to allowing these deductions. We propose to develop standard allowances for shelter and medical expenses based on the average deduction currently used for the households to be included in the project.
  - c) North Carolina's automated Food Stamp Information System (FSIS) will calculate the allotment and benefit levels for participant households.
  - d) Current procedures require a separate application for Energy Assistance benefits. We propose to allow project eligible households to be considered categorically eligible for the Energy Assistance Program, without having a separate application.

### 3. Expected Effects of Changes

- a) Increased accessibility through use of generic applications; telephone contact, mail in reports, publicity, and reduction in the number of required eligibility contacts and through reduction of the number and complexity of program rules and verification requirements.

The rate of participation in the programs by especially vulnerable groups (the elderly, children under age 6, and the disabled) will increase or will not decrease as rapidly as would have been the case otherwise.

The degree of understanding of and satisfaction with public assistance programs will increase among the affected groups.

- b) Improvement in administrative effectiveness through program simplification, a reduction in paperwork and processing steps, and fewer workers handling the same case.

Administrative costs will at a minimum hold constant for a given caseload size, if not decline.

- c) Improvement in timeliness of case actions through fewer procedural steps, and fewer regulatory differences among programs, reductions of eligibility personnel and office locations involved in the same case, and consolidation of program benefit issuances under fewer case processing sequences.

The project will demonstrate that simplified procedures will allow a significant improvement in the average time necessary to act on applications.

- d) Accuracy improvement and error reduction through reduction of procedural steps and calculations, reduction of the number of workers handling each case, and improved client understanding.
- e) The demonstration project will show that common definitions and financial limits, proper use of presumptive eligibility, and similar simplifications can increase client access while keeping improper payments and administrative costs constant or lower levels than they would have been otherwise.
- f) Payment errors, both client-caused and agency-caused, will decrease beyond the level otherwise expected.

- g) On the local level, use of proposed procedures will result in smoother, simpler administration of the food stamp program for both recipients and staff involved in the project. The State and Federal components will benefit by reduced costs associated with program operations as well as cost savings realized through increased accuracy in benefit delivery to project households.

4. Project Sites

Six counties will be selected at random: one from each of the five-county size classes used in classifying counties for personnel purposes and one to represent counties with major military installations.

5. Project Startup and Duration

The planning and development of the project will begin as soon as needed non-federal funding becomes available. The Project will have no predetermined termination date but may be ended at the discretion of the Food and Nutrition Service.

6. Project Costs

Proposed costs are approximately \$130,000 for the first year and \$150,000 for the second year.

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October 11, 1988





## North Carolina Department of Human Resources

325 North Salisbury Street • Raleigh, North Carolina 27611

James G. Martin, Governor

David T. Flaherty, Secretary

November 28, 1988

The Honorable Russell Walker, Co-Chair  
Social Services Study Commission  
State Legislative Building  
Room #625  
Raleigh, N.C. 27611

The Honorable Marie Colton, Co-Chair  
Social Services Study Commission  
State Legislative Building  
Room #636  
Raleigh, N.C. 27611

Dear Senator Walker and Representative Colton:

In response to your request conveyed by letter of October 4, from Janet Mason, I am providing several items of information as outlined below:

## A. Cost estimates for the following:

1. full implementation of the Social Services Training Plan -  
\$1,150,493 in FY 89-90 and \$1,124,149 in FY 90-91.  
See Attachment 1.
2. adequate staffing levels to assure the delivery of timely  
professional child protective services in every county -  
\$11,755,400. See Attachment 2.
3. adequate staffing levels to assure the delivery of timely  
professional adult protective services in every county -  
\$2,263,300. See Attachment 3.
4. a public information program to inform citizens and organizations of  
the availability of and changes in public assistance programs and  
social services - \$116,184 in FY 89-90 and \$106,091 in FY 90-91.  
See Attachment 4.
5. a ten percent increase in AFDC benefit levels -  
\$4,016,998 in State funds (\$18,339,662 total requirements).  
See Attachment 5.

The Honorable Russell Walker  
The Honorable Marie Colton  
Page Two  
November 28, 1988

B. Caseload information showing how counties' caseloads compare in average number of cases carried by eligibility specialists and social workers, with breakdowns for major program areas.

1. Caseloads per full time equivalent (FTE) income maintenance worker are shown in Attachment 6.
2. Caseloads per full time equivalent (FTE) services worker are shown in Attachment 7.

This data is based on the total unduplicated number of service cases reported by the county during FY 1988, and the number of FTE services workers on the county staff in the month of June.

A breakdown of caseloads by major service program areas is not available from our reporting system.

I hope this information meets your needs. If you have questions about any of this material, please let me hear from you. Also, please feel free to contact either Bonnie Allred or Joan Holland in the Division of Social Services concerning any questions you may have.

We all appreciate the work of the Study Commission and believe that the issues you are addressing are among some of the more critical ones facing us as we strive to meet the needs of our economically and socially disadvantaged citizens.

Yours

  
David T. Flaherty

DTF/br

cc: Ms. Janet Mason  
Ms. Jennie Dorsett  
Ms. Mary K. Deyampert  
Mrs. Bonnie R. Allred  
Mrs. Joan Holland  
Mr. Albert E. Thompson, Jr.  
Mrs. Barbara Matula

DIVISION OF SOCIAL SERVICES  
IN-SERVICE TRAINING PLAN

PHILOSOPHY

The State Training Plan is based upon the belief that all citizens utilizing the services of the County Departments of Social Services are entitled to receive competent, accurate, courteous and prompt services provided by knowledgeable persons who respect the individual's dignity and right of informed choice.

PURPOSE

The purpose of the State Training Plan is to establish a design for implementing training for the 100 county departments of social services. The Training Plan is designed to contribute to every staff member's socialization into the social work profession's and the social services system's philosophy, values, methods, standards of performance and norms. This plan establishes an organized, uniform, consistent, and sequential method of accomplishing this goal.

HISTORY

Over the past several years, the State and Counties have recognized and supported the need for training by funding special training programs. Much of the training has focused on program specific tasks without a coordinated plan involving all programs. Over time, these individual efforts have joined the State and Counties together in a process to develop and implement a uniform, coordinated, and sequential training plan. All State and County efforts should be recognized as valuable contributions in this evolutionary process. Past accomplishments have laid a firm foundation for the development and implementation of a State Training Plan for all positions based upon the concept of a continuum of learning.

The current State Training Plan originated from Region IV Counties and State efforts to develop a training pilot in Region IV. The Training Plan is based upon proven results of this pilot project. Training content is based upon needs identified in the Regional and State Needs Assessment Surveys and Performance Standards. The training design and resources have been tested and found to be effective. The training content is based upon the general method of social work practice. By using the general method, all other appropriate methods of helping may be included in the continuum of learning concept for all disciplines or specializations within the social services system.

THE PLAN

The State Training Plan is designed to provide a continuum of learning opportunities for all classifications of staff. The Plan is divided into four (4) phases.

## PHASE I

### ORIENTATION:

A three-day workshop for new agency staff (defined as on the job from one to six months). The orientation is designed to provide new staff with an overview of the human services system, of human services foundations, values, teamwork, and introduction to the General Method of Social Work.

## PHASE II

### POSITION SPECIFIC:

Beginning Skills Development. (Designed for staff having completed the orientation up to one year.) This training is designed to build on the overview of human services delivery for each classification following the General Method of Social Work Practice. The skills development will be contingent on required job performance standards.

Delivery of Phase II will include an overview of training content for supervisors and a follow-up with participants to assess their implementation of skills and techniques.

It is anticipated that position-specific training sessions would be available two to three months after the orientation session. Specific generic curriculum is being developed for the following classes:

(1) Clerical (2) Eligibility Specialist (3) Social Worker  
(4) Supervisors (5) Administrative Officers (6) Director (7) Fraud  
Investigators (8) Child Support Agents (9) Community Social Services  
Assistants

## PHASE III

### PROGRAM SPECIFIC:

Training will join the learned skills from Phases I and II to program and policy requirements. The overall responsibility for program specific training will rest with State Program Managers. This program training will require more variance and fluidity as program needs are ever changing.

## PHASE IV

### PROFESSIONAL EDUCATION:

Professional education is considered to be the development of courses, etc. for Social Services staff through the university and college system that would allow persons to obtain credit toward a degree or a level of skill development not included in Phases I, II, and III.

## CURRENT STATUS

In FY 87/88, the Division made a firm commitment to initiating implementation of the State Training Plan. Division management succeeded in reassigning five positions, four regional and one state administration, to the State Training Plan effort. As a result, each region, as well as the State Office, now has a full-time training coordinator. The primary responsibility of the regional training coordinators is to oversee the regional implementation of training for county employees in accordance with the State Training Plan. The State Training Coordinator serves as overall coordinator of the State Training Plan. These positions have enabled the Division to get Basic Orientation (Phase I) fully operational across the State.

Beginning Skills Development (Phase II) is still far from being fully operational. Each region has been able to conduct a pilot of the first part of the Skills Development Course For Supervisors. Complete implementation of the Skills Development phase of the State Training Plan will require expansion of the regional and central office training staff.

Program specific training (Phase III) for the most part continues to depend on the availability of specialized federal and other non-state training funds. A notable exception is the Child Protective Services Program. In 1987, the North Carolina General Assembly appropriated State funds for two child protective services training positions, along with clerical support and related costs, including contractual training, in order to develop and provide a systematic and on-going program of training for county child protective services staff.

## Expansion Needs

In order to implement all phases of the State Training Plan, the following objectives would be accomplished:

1. Continue Phase I Basic Orientation in all regions for all employee classifications (Six 3 day sessions per region per year).
2. To provide Phase II position-specific training statewide for each classification as follows:
  - a. Supervisors (Basic) - 3 times a year in each region
  - b. Supervisors (Interaction Management) - 3 times a year in each region
  - c. Social Workers (Basic) - 2 times a year in each region
  - d. Eligibility Workers (Basic) - 4 times a year in each region
  - e. Clerical staff (Basic) - 4 times a year in Regions 1, 3, 4  
2 times a year in Region 2
  - f. Fraud Investigators - 1 time a year in each region
  - g. Child Support Agents - 1 time a year in each region
  - h. Community Services Assistants - 1 time a year in each region

3. To expand Phase III Program-Specific in the following areas:

- a. Establish a Family Services Training Branch to increase training opportunities to service workers in county social services departments. Training would focus on program-specific, skills-based training for the provision of social services to vulnerable and at risk elderly and disabled adults, families, and children, including foster care services for adults, adult protective services, guardianship, in-home services, adult day care and day health care, foster care placement services for children, adoption services, family reunification services, personal and family counseling services, and an array of other services designed to preserve families and to assure protection and care of children who cannot be returned to their families.

Funding is needed for five training positions and one Clerk-Typist to create the Family Services Training Branch and to purchase training in highly specialized areas from outside providers.

b. Purchase of Training Services:

This request will enable the Family Services Section to continue and expand the purchase of services from professional trainers who have recognized expertise in specialized areas of training need for which the Division does not have in-house expertise, and for which no state funds have been budgeted for the 1989-91 biennium. The Division anticipates the availability of Title IV-B Child Welfare funds for partial funding of the Model Approach to Partnership in Parenting (MAPP) Training. State funds appropriated for child protective services training are also used to provide purchased training for Structural Family Therapy to enable social workers to help highly dysfunctional abusive and neglecting families.

The purchase of additional training services through this request would include:

- (1) Model Approach to Partnership in Parenting (MAPP) - a comprehensive foster care training program.
- (2) Center for Aging Research and Educational Services (CARES)- advanced professional training for adult social workers and supervisors.
- (3) In-home Aide Training Program- basic skills and advanced technical care training for Homemakers, Home Health Aides, and Chore Workers.
- (4) Chore Services Training Grants - grants available to local departments of social services to assist in meeting the on-going training standards for chore workers.

c. Public Assistance Training Staff

Training in the AFDC and Food Stamp Program will ensure that county staff are adequately trained to provide assistance to eligible families in accordance with federal tolerance levels for accuracy and timeliness. Currently, there is no formalized public assistance training program. Funding estimates would provide for two trainers to develop and implement program-specific in-service training.

4. To plan and implement Phase IV Professional Education opportunities through the use of stipends awarded to participants in courses or curriculum designed to provide advance professional education leading to degrees required for advanced level positions in county social services departments.

Program-Specific Skills and Practices  
Family Services Section

A. FAMILY SERVICES TRAINING BRANCH

I. PURPOSE STATEMENT

This request is to support a position to coordinate, manage and monitor training activities including purchase of training contracts. Additionally, the request would support 5 training positions which would focus on skills-based training for county DSS staff responsible for the provision of on-going social services to vulnerable and at-risk elderly and disabled adults, families, and children including foster care services for adults, adult protective services, guardianship, in-home services, adult day care and day health care, foster care placement services for children, adoption services, family reunification services, personal and family counseling services, and an array of other social services designed to preserve families and to assure protection and care of children who cannot be safely returned to their families. Within the context of currently identified Family Services training needs and available resources, this request will meet the staffing needs which are required to fully implement the Family Services Section Training Plan.

II. JUSTIFICATION

III. OBJECTIVES

To increase training opportunities to improve the effectiveness and efficiency in the delivery of Family Services, the Division proposes to add a Training Coordinator, Five Consultant II positions and a Clerk-Typist IV position. These positions would together create a Training Branch in Family Services. Additional funding to purchase training in highly specialized areas from outside providers is also proposed.

IV. STATISTICAL INDICATORS

1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Projection</u>	
NA	NA	425	985	2150	2330

Note: The statistical indicators represent the number to county workers receiving training from in-house Family Services staff or through purchased services. This is not an unduplicated count in that a given worker may attend several training programs in one fiscal year.

V. PRIOR YEARS EXPENDITURES (TOTAL REQUIREMENTS, RECEIPTS, APPROPRIATION) AND POSITIONS FOR PROGRAM OR PROJECT:

<u>Description</u>	Actual 1987-88	Authorized 1988-89	Requested 1989-90	Requested 1990-91
Total Requirements	0	0	381,729	358,746
Receipts	0	0	0	0
Appropriation	0	0	381,729	358,746
Number of Employees	0	0	7	7



DETAIL DAS OBJECT	DAS OBJECT TITLE	WHOLE DOLLARS	
		1989-90	1990-91
1210	Salaries-1 Coordinator Gr. 72@ 27,000 5 Consultant II Gr. 70@ 24,792 1 Clerk-Typist IV. Gr. 59@ 15,624	166,584	166,584
1810	Social Security	12,627	12,744
1820	Retirement	18,658	18,658
1830	Hospital	7,882	7,882
1900	Contracted Personal Services	120,728	116,528
2600	Supplies	1,750	1,750
3111	In State Travel	10,000	10,000
3112	Subsistence	3,000	3,000
3121	Out of State Travel	4,000	4,000
3122	Subsistence	2,000	2,000
3210	Telephone	4,000	4,000
3250	Postage	4,000	4,000
3420	Printing	7,000	7,000
3500	Repairs	600	600
5100	Equipment	18,900	-
	TOTAL REQUIREMENTS	381,729	358,746
	RECEIPTS	0	0
	APPROPRIATION	381,729	358,746
	NUMBER OF POSITIONS	( 7 )	( 7 )

Program-specific Skills and Practices  
Family Services Section

B. PURCHASE OF TRAINING SERVICES

I. PURPOSE STATEMENT

This request is to enable the Family Services Section to continue and expand the purchase of the services of professional trainers who have nationally recognized expertise in providing training in identified areas of services, and for which no state funds have been budgeted for the 1989-91 biennium.

II. JUSTIFICATION

The staff hired under part A of this proposal will have training skills and expertise in the program areas of the various services supervised by the Family Services Section. However, it is neither possible, nor would it be cost effective, for the state to employ trainers who are experts in defined areas of services. To be of most benefit to the recipients of the training, training for social workers should be provided by someone who not only has good training delivery skills, but who also has an in-depth knowledge of the subject, including knowledge of the service the social workers provide, the need for the service, models of service delivery that have, or have not, been effective in other states, and a frame of reference which has credibility and will command the professional respect of the workers being trained. Such persons often publish works which are specialized in certain service practice areas and train from their own copy-righted material. Such persons are not available for employment by the state at the salary level projected for the Family Services Training Branch, and they are not needed on a full time basis. However, it is important that the Division have the capacity to employ these persons from time-to-time in order to provide social workers in county departments of social services with an opportunity to develop the necessary skills and have a knowledge and understanding of specific services programs that will enable them to meet the services needs of our clients. The past experience of the Division has been that providing such professional training in a planned way has resulted in training participants' being very receptive to the training, learning from it, and through implementing their learning have made significant improvements in the quality of services they provide.

III. OBJECTIVE

To provide program specific skills based training in certain services programs that will enable county department of social services social workers to provide quality services to the clients of the agency.

IV. IDENTIFIED TRAINING NEEDS

The following program descriptions provide information on training currently being provided or planned by the Division but for which there are no funds budgeted for the 1989-1991 biennium.

1. Model Approach to Partnerships in Parenting (MAPP)

a. Program Description:

Since 1984 the Division of Social Services, Childrens' Services Branch, has had a series of contracts with the Child Welfare Institute, Atlanta Georgia, to develop and provide a comprehensive foster care training program for North Carolina. The training program known as MAPP, Model Approach to Partnerships in Parenting, consists of a series of curricula designed to provide foster parents, foster care licensure workers and child placement workers with the skills necessary to carry out their responsibilities in the most responsive, efficient, and productive ways. These curricula have been designed and developed specifically for North Carolina and have been based on research and input from foster parents, biological parents, public and private agency child welfare staff, and nationally recognized foster care training experts. Various sources of funding have been used to conduct the training, such as Titles IV-A, IV-B and IV-E; the federal Child Abuse and Neglect Grant; and a one-time grant from the Duke Endowment. Funding resources have been intermittent, particularly matching funds for Federal Child Welfare Services funds. Each year, timely and consistent planning with the contract Provider has been constrained by unreliability of certain funding.

b. Statistical indicators:

1. MAPP Pre-service - Nine "train the trainers" sessions consisting of 8 days for each session have been provided for 223 county departments of social services and 23 private agency staff to enable them to train their agency's foster parents. Two sessions for 50 workers are planned for the Spring of 1989
2. MAPP In-service - No training has been provided but 4 sessions for 100 workers are planned for the Spring of 1989.
3. MAPP Individual - No training has been provided but one session for 25 workers is planned for the Spring of 1989.
4. MAPP Basic Foster Care Worker - Two sessions consisting of 4 days for each session has been provided for 50 workers. Four sessions for 100 workers are planned for the Spring of 1989.

C. Projected need and costs

These funding issues can be resolved by the availability of state funds to match available federal funds.

	1989-1990			1990-1991		
	#Workers	#Sessions	Cost	#Workers	#Sessions	Cost
MAPP Pre Service	50	2	\$45,712	50	2	\$ 45,712
MAPP In-Service	50	2	27,200	50	2	27,200
MAPP Individual	0	0	0	25	1	4,650
MAPP Basic Foster Care Worker	<u>100</u>	<u>4</u>	<u>112,880</u>	<u>50</u>	<u>2</u>	<u>56,440</u>
Total			\$185,792			\$134,002
D. Anticipated receipts - Title IV-B			\$139,344			\$100,502
E. Requested state funds to provide 25% match			\$ 46,448			\$ 33,500

2. Center for Aging Research and Educational Services (CARES)

a. Program Description:

The Division of Social Services has contracted with the UNC-CH Center for Aging, Research and Educational Services (CARES) to provide administrative support for a broad range of activities, including training, critical to the support of adult services functions carried out in local DSS's and within the Adult and Family Services Branch. CARES is intended to provide a structure to continue professional training for adult services social workers, supervisors, and county DSS directors; to provide evaluation and consultation to local model projects to improve the delivery and management of adult services programs; and to provide consultation, research, and assistance in long range planning to the Adult and Family Services Branch. The funding for CARES however, has been on a year to year basis and needs to be made consistent so that mutual plans can be developed between CARES and the Division of Social Services to carry out these activities. Without this support, the Division's initiatives in improving services to the elderly will be negatively affected. As a public institution, CARES has developed a sensitivity to the issues involved in providing services to adult clients in local DSS's. With this resource the Division of Social Services can continue to provide basic training to new workers and more advanced training for other adult services workers and supervisors, expand model project initiatives, and improve state level planning and program development in adult services.

b. Statistical Indicators:

	1987-88 <u>Actual</u>	1988-89 <u>Estimate</u>	1989-90 <u>Projection</u>	1990-91
1. Core Curriculum	180	125	100	100
2. Specialized Training		100	150	150
3. Model Projects	5	5	5	5
4. Administrative Studies		2	2	2

c. Projected Cost:

<u>1989-90</u>	<u>1990-91</u>
\$260,000	\$280,000

3. In-home Aide Training Program

a. Program Description:

The In-home Aide Training Program is a comprehensive training program for In-home Aides (Homemakers, Homemaker-Home Health Aides and Chore Workers) established through a contract with the North Carolina Association for Home Care. This contract will help to assure a supply of trained paraprofessionals at beginning practice levels as well as staff that can provide more advanced technical care. This training will support a variety of in-home aide functions in social services, aging, and home health agencies. As in-home aide services expand in response to the increased needs of the elderly and disabled, there is also an expanding need to have available more and better trained paraprofessionals. These staff provide high quality, cost effective direct patient care that can promote independent living as long as possible. The nature of in-home care is becoming much more complex as in-home aides care for more dependent clients. Since 1983 the Divisions of Social Services, Aging and Health have worked with the NC Association for Home care to provide regionally based training to in-home aides across the state. Funding mechanisms, however, have been intermittent and this request is intended to stabilize resources and provide for the kind of training needed in anticipation of the expanded numbers and requirements for In-Home Aides over the next several years.

b. Statistical Indicators:

1987-88 <u>Actual</u>	1988-89 <u>Estimate</u>	1989-90	1990-91 <u>Projection</u>
525	0	1,483	1,483

c. Projected Costs:

<u>1989-90</u>	<u>1990-91</u>
\$70,000	\$70,000

4. Chore Services Training Grants

a. Program Description:

Chore Services Training Grants support a comprehensive training program for chore workers who provide in-home services to the elderly and disabled by making grants available to local departments of social services. The grants will help to assure an adequate supply of paraprofessionals at entry levels as well as staff that can provide more advanced technical care when needed. As in-home services expand in response to increased needs, there is a parallel need for more and better trained paraprofessionals. The nature of in-home care is becoming much more complex. Chore workers as well as homemakers are caring for much more dependent clients. By FY-88 75% of chore providers were trained at the home management and basic personal care level; however, the higher priority target groups require advanced personal care. In addition to not being able to adequately meet client care needs, agency liability in these situations is a growing concern. Between FY-84-86 chore services training grants were made available to county DSS agencies to support implementation of the Basic Chore Curriculum and to assist counties in meeting the training standards for chore workers being developed in service policy. Chore training grants were eliminated in 1986 when, because of increasing client needs, all available funds were channeled into direct client services.

b. Statistical Indicators:

1987-88	1988-89	1989-90	1990-91
<u>Actual</u>	<u>Estimate</u>	<u>Projection</u>	
0	0	834	834

c. Projected Costs:

<u>1989-90</u>	<u>1990-91</u>
\$150,000	\$150,000

## PUBLIC ASSISTANCE TRAINING

### I. PURPOSE STATEMENT

The Aid to Families with Dependent Children (AFDC) and Food Stamp Programs are designed to assist the families in North Carolina who meet the prescribed eligibility standards. The programs are administered at the county level with the State Division of Social Services designated as the supervising agency. Currently, there are recipients in approximately 73,776 AFDC cases and approximately 150,000 Food Stamp cases relying on the assistance provided by county departments of social services.

These programs are highly complex, governed by State and federal legislation and regulation. The frequent changes add tremendously to the programs' complexity. In both programs, timeframes in which to react to these changes are historically short. These factors complicate the already difficult job of the county caseworker which is to provide timely and accurate benefits to the families who are in need and are eligible. To add to problems, county staff turnover, as a rule, is extremely high. The annual rate of turnover in a very large county may be as high as 75 to 100%.

Effective and consistent training of county staff is essential to ensure the families who need our assistance are served in a timely and adequate manner. Currently, for new caseworkers, the State provides skills enhancement training in areas such as organization, time management, and interviewing. However, there is no formalized programmatic training for the AFDC and Food Stamp Programs. Effective and consistent policy training cannot be accomplished without a state-level position in each program dedicated to program specific training. These positions would help ensure the Division's overall training plan objectives are met.

The positions would be responsible for researching for and developing the training materials needed for effective training. Timely development of these materials would ensure that the material is issued prior to implementation of policy changes so that county caseworkers could be thoroughly trained before putting the policy into effect. Use of these training materials would ensure that the policy is implemented uniformly and consistently from caseworker to caseworker and county to county.

County supervisors can use the training material developed not only to train caseworkers on impending changes but to use various pieces of the material to train comprehensively new workers and also provide remedial training as needed for more experienced workers. Again, use of the State issued materials provides for consistency in the training regardless of the county situation.

Often county supervisors, particularly in smaller counties, are unable to provide the training needed for county caseworkers. These state-level programmatic trainers could frequently conduct training for the supervisors, possibly by grouping several smaller counties together for one session. This would help fill a void in many smaller counties' overall operations.



For counties that are fortunate enough to have training positions of their own, these positions would serve as training consultants. They would help ensure the county trainers are provided with any materials available from the state-level and provide any technical assistance necessary.

Another major part of the trainer's job would be the assessment and evaluation of the counties' training needs on an on-going basis. The trainers will study the error trends and error prone elements identified by various sources, including Quality Control. The areas will then be addressed by the trainers as appropriate in development of the training materials.

An additional positive impact of effective statewide training would be to help ensure the State meets the federally mandated error tolerance levels. Failure of the State to do so may result in loss of federal funds.

In the AFDC Program, the State must maintain an error rate at or below 3%. For each percent North Carolina exceeds the federal tolerance of 3%, it can lose approximately \$1,200,000 in federal funds.

In the Food Stamp Program, the State must maintain an error rate at or below a national average which is determined annually. For each percent in excess of the federal tolerance, North Carolina will be subject to fiscal sanctions based on a federally computed formula.

## II. JUSTIFICATION FOR FUNDING

Trainers in the AFDC and Food Stamp Programs will help ensure county staff are adequately trained to provide assistance to eligible families. Also, adequate program specific training will help ensure the State meets the federal error tolerance levels.

## III. OBJECTIVES

The objective is to provide adequate training to staff to maintain and improve the quality of the services provided through the AFDC and Food Stamp Programs.

TRAINING PLAN COST ESTIMATES

	<u>89-90</u>	<u>90-91</u>
I. Phase I and II In-Service Training		
Total Requirements	\$ 314,884	\$ 293,398
Receipts	215,386	200,696
Appropriation	99,498	92,702
II. Phase III Program-Specific Training		
A. Family Services Training Branch		
Total Requirements	\$ 381,729	\$ 358,746
Appropriation	381,729	358,746
B. Model Approach to Partnership in Parenting (MAPP) --contracts with Child Welfare Institute		
Total Requirements	\$ 185,792	\$ 134,002
Receipts	\$ 139,344	100,502
Appropriation	46,448	33,500
C. Center for Aging Research and Educational Services (CARES)		
Total Requirements	\$ 260,000	\$ 280,000
Appropriations	260,000	280,000
D. In-Home Aide Training Program		
Total Requirements	\$ 70,000	\$ 70,000
Appropriations	70,000	70,000
E. Chore Services Training Grants		
Total Requirements	\$ 150,000	\$ 150,000
Appropriations	150,000	150,000
III. Public Assistance Training		
Total Requirements	\$ 85,636	\$ 78,402
Receipts	42,818	39,201
Appropriations	\$ 42,818	39,210
IV. Professional Education		
Total Requirements	\$ 100,000	\$ 100,000
Appropriations	100,000	100,000
GRAND TOTAL	\$ 1,548,041	1,464,548
RECEIPTS	397,548	340,399
APPROPRIATIONS	1,150,493	1124,149

Estimates for Adequate Staffing Levels to Assure the Delivery of Timely,  
Professional Child Protective Services in Every County

The Director of the Department of Social Services in each county of the State shall establish protective services for juveniles alleged to be abused, neglected or dependent. Protective services shall include the investigation and screening of complaints, casework and other counseling services to parents or other caretakers as provided by the director to help the parents or other caretakers and the court to prevent abuse or neglect, to improve the quality of child care, to be more adequate parents or caretakers, and to preserve and stabilize family life.

In SFY 1987-88, county directors received and investigated 23,713 allegations of abuse, neglect and dependency. 8,015 of the allegations received in 1987-88 were substantiated (34%). When a case is substantiated, it means a child and his family are experiencing problems of such a nature and severity that without services the child is at risk of continued maltreatment. It means the family is under stress; and, such stress may come from a combination of circumstances such as a chaotic and violent life style, insufficient income, low self-esteem, isolation, heavy child care responsibility and lack of parenting skills. In a number of instances there are serious health problems such as low birth weight babies, poor health practices or developmental disabilities. There is high incident of alcohol and other substance abuse.

Considerable time and skill is required for social services intervention -- both during the investigative phase and during the treatment phase. The level of effort in an investigation is estimated at 16 hours per report and at 27 hours on average per case for treatment. This is time spent on face-to-face and telephone contact with the client-family and on collateral contacts directly associated with the family's treatment plan. Ideally, each worker has 1,007 hours (48.4% of the working hours) a year to provide this level of intensity. The remainder of the worker's time is used for travel, court time, planning and consultation, training, paperwork, vacation, legal holidays, sick leave and other non-designated time. Norms in terms of personnel time come from the National Center on Family Based Services at the University of Iowa.

Given the 23,713 allegations during 1987-88 and the 8,015 substantiated reports which need on-going treatment, the number of Full Time Equivalent staff needed to deliver timely, professional child protective services in each county was projected. Following is an example of the method of calculating staff needed (Alamance):

362 reports X 16 hours per report = 5,792 hrs ÷ 1,007 investigation hrs = 5.75 FTE

112 substantiated X 27 hrs per case = 3,024 hrs ÷ 1,007 treatment hrs = 3.0 FTE

Using this method, statewide, 376.77 service workers are needed to investigate reports; and 214.90 service workers are needed in CPS treatment.

A survey was conducted in November, 1988. Counties reported FTE staff engaged in investigation of reports and FTE staff providing treatment where abuse and neglect are substantiated. This data was used to determine the difference between projections of staff needed and reported staff available. Statewide, 207.97 workers are available for investigations; and, 148.59 are available to provide treatment.

Number of CPS Workers Needed

Investigation - 376.77 needed  
                  207.97 available  
                  168.80 shortfall  
                  X \$40,000 each  
                  \$6,752,000

Treatment -     214.90 needed  
                  148.59 available  
                  66.31 shortfall  
                  X \$40,000  
                  \$2,652,400

Estimated Cost - \$9,404,400

Supervisory Support

Investigation - The survey shows a need for 168.8 FTE line staff. At a supervisory standard of 1 supervisor for 5 staff, 33.76 additional supervisors are needed.

Treatment - 66.31 FTE additional line staff are needed for treatment. At a 1:5 supervisory ratio, 13.26 additional supervisors are needed.

Estimated Cost: \$2,351,000

Total Additional Requirement: \$11,755,400

Adequate Staffing Levels  
Adult Protective Services (APS)

To arrive at a recommended staffing level for Adult Protective Services we first reviewed data from 25 participating counties in the state's Elder Abuse Project. After controlling for county size, we project 4178 APS reports evaluated and 1637 reports substantiated statewide in FY88. Norms in terms of personnel time come from the National Center on Family Based Services at the University of Iowa. Adequate standards for these functions are recommended to be 16 hours for evaluation of reports and 27 hours for treatment of substantiated cases. 1007 hours is used to establish a full time equivalent worker. This time is a standard for direct client services available from social work staff per year and represents 48% of a worker's time. The other time is spent for travel, planning and consultation, paperwork, vacation, and other non-direct service delivery functions.

The Division is also in the process of collecting Adult Services Manpower information through a survey being conducted by the Center for Aging Research and Educational Services (CARES). The information summarized here is preliminary and is based on responses from 77 local departments of Social Services.

In the Administrative portion of the questionnaire, counties were requested to estimate the number of full time equivalent Social Workers for different Adult Services functions. For Adult Protective Services, counties report a median full time equivalent of .65 workers, or an estimated 65 full time equivalent Adult Protective Services workers in all counties.

Number of APS reports evaluated FY88	4178
Number of APS reports substantiated FY88	1637

4178 Reports evaluated X 16 hours =	66,848 hours
1637 Reports substantiated X 27 hours =	44,199 hours

66,848 hours evaluation ÷ 1007 =	66.38 FTE Workers
44,199 hours treatment ÷ 1007 =	43.89 FTE Workers
Total	110.27 FTE Workers Needed
	65 FTE Workers Actual
	45.27 FTE Workers Shortage

45.27 FTE Workers X \$40,000 =	\$1,810,800 Additional Requirement
9.05 FTE Supervisors X \$50,000 =	<u>\$452,500</u> Additional Requirement (at a supervisory standard of 1 supervisor for 5 staff)

\$2,263,300 Total Additional Requirement

## Public-Private Information Program

It has been proposed that the Department of Human Resources, Divisions of Social Services and Medical Assistance, establish a program to inform public and private social services agencies, community groups, and interested individuals about public assistance and social services programs. The information program would include the following components:

1. Public information to human services agencies and the general public about public assistance and social services programs and changes in the law which affect client eligibility or the extent of services under these programs.
2. Community education materials and brochures for low income individuals who could be assisted by public assistance and social services programs.

Presently, the Public Affairs Office of the Department of Human Resources coordinates the dissemination of program information to the general public. The Public Affairs Office, in coordination with the program divisions, distributes press releases to all media groups (Radio, TV, newspapers, etc.) regarding available services, major changes in services, or announcement of new services to be offered. During the course of the fiscal year, program divisions provide information on special programs or major programs that are expanding or undergoing major policy revisions to be used on DATELINE DHR (a five-minute radio series) and for other program highlights through the media. Brochures, pamphlets, and posters are made available through the county departments of social services for all major public assistance and social services programs. Informational materials are also shared with certain service agencies and community groups in our social services programs. Energy vendors also receive materials on our Low Income Energy Assistance Program.

The proposed program would require a more comprehensive approach that extends beyond public information through the media or brochures being distributed through local social services departments. Public information efforts would require more frequent transmittals of program information to a more extensive list of private and public social services agencies and community groups. For example, the CARELINE directory of helping agencies includes 10,000 different agencies or organizations in North Carolina.

It is proposed that the following activities be undertaken by the Department of Human Resources to implement a more comprehensive public information program for public assistance and social services programs:

1. Plan for and implement a quarterly informational bulletin to be distributed to local human services agencies that would provide information or significant program changes in current programs, new programs, or special program highlights. A directory of agencies would be developed based upon the CARELINE directory.
2. Increase the dissemination of brochures and pamphlets on social services programs to community groups and local service agencies to be made

available to individuals and families that receive services from these groups.

3. Develop a network of local public and private agencies that are interested in serving as a referral agency network to receive and distribute community education materials on social services programs, and to routinely receive mailings in program changes. These agencies would also assist in identifying and referring to county social services departments low income individuals who could be eligible for social services program benefits.
4. Increase the use of public education and information efforts through the printed and electronic media, including program highlights, feature stories and program announcements. Develop a public information series or video cassettes that can be distributed to local services agencies explaining program benefits and eligibility requirements. Such video programs would also be made available to TV stations and Cable TV networks for use as community education programs.

Cost estimates to implement a comprehensive public information program include the salary and benefits for one Public Information Officer position, purchase of personal computer equipment and software, printing and mailing costs, and other support costs.

Total Estimated Appropriation:	<u>1989-90</u>	<u>1990-91</u>
	116,184	106,091

ADDITIONAL MONIES REQUIRED FOR IMPLEMENTATION OF AFDC PROPOSALS

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PROPOSAL I

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Under this proposal, the AFDC Standard of Need would be increased by 5% effective July 1, 1989 .

	FY90
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AFDC Payments (1220-6810)	\$12,172,086
IV-A Income Maintenance (1220-0111)	8,228,027
County Funds (1220-0200)	1,971,999
Equalizing Payments to Counties (1220-0201)	(214,895)
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Total Receipts	9,985,026
State Appropriation	2,187,054

PROPOSAL II

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Under this proposal, the AFDC Standard of Need would be increased by 10% effective July 1, 1989 .

	FY90
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AFDC Payments (1220-6810)	\$22,356,660
IV-A Income Maintenance (1220-0111)	15,112,543
County Funds (1220-0200)	3,622,004
Equalizing Payments to Counties (1220-0201)	(394,885)
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Total Receipts	18,339,662
State Appropriation	4,016,998



County Public Assistance Program  
Caseloads and Workers

County directors of social services each have an eligibility staff that they can assign to handle the combined workload for the major public assistance programs. As managers, they are responsible for allocating this staff among the AFDC, Food Stamp, Medicaid, and State/County Special Assistance programs so that they get the most out of the total worker time available given the types of caseloads and application processing requirements of each program in their counties. From this perspective, it makes sense to look at the combined average number of cases in all public assistance programs among all FTE public assistance program eligibility workers. The following table does this and ranks counties according to the results. Average monthly cases per average monthly FTE eligibility worker is also shown separately for the AFDC, Medicaid, State/County Special Assistance, and Food Stamp programs by-county.

It is important to note that this data reflects active cases only and does not take into account inquiries, denied cases, or other intake activity on applications. Neither does it reflect anything about the number of actions that may be required in the cases, such as adding someone to the budget unit, adjusting the amount of earned income, putting in or deleting a special needs allowance, etcetera; nor does it speak to the need to further inform clients about changes in benefits, services that might especially apply to their circumstances such as the Adolescent Parenting Program, or the meaning of the many stuffer messages they get with their checks. Further, it does not reflect time spent in activities mandated by court orders as a result of various class action law suits. In other words, the data describes caseload, not workload.

By way of explanation, the following points apply to Medicaid and State/County Special Assistance data in this table. Only the Medicaid cases that require Medicaid worker time and attention are included in computing cases per worker. These are "Medical Assistance Only" (MAO) cases. The cases omitted from this statistic are those that are automatically eligible for Medicaid because they are eligible for AFDC or State/County Special Assistance. The time required to do eligibility work for these cases shows up in the AFDC and State/County Special Assistance columns. In the State/County Special Assistance column, several counties show very large number of cases per FTE worker. This doesn't mean that a worker in these counties actually has this many cases. It means that relatively little worker time was required to take applications and service existing cases during the time period covered by this data. For example, if there are 100 average monthly cases in a particular county and .05 average monthly FTE workers, one full-time worker could have handled 2,000 cases in that county during this time period: (100 cases/.05 FTE workers = 2,000 cases per FTE worker.)

Finally, data on FTE workers was taken from monthly reimbursement reports filed by county departments (DSS-1571). Data on number of cases comes from the Eligibility Information System (EIS) and the Food Stamp Information System (FSIS).

COUNTIES	ALL PROGRAMS				SPECIAL ASSISTANCE FOR ADULTS
	ASSISTANCE PROGRAMS	AFDC	FOOD STAMPS	MEDICAID (NAO CASES)	
Sunny	104.5	61.9	217.0	107.0	351.2
Craven	133.2	59.5	280.0	120.0	294.0
Madkin	133.2	62.9	167.6	132.0	412.2
Buncombe	132.9	59.4	238.7	96.4	128.2
Person	132.2	73.4	179.7	132.0	324.0
Perquimans	132.1	96.1	183.7	185.2	263.4
Bertie	131.8	83.7	161.1	134.1	225.0
Macon	131.4	50.5	181.0	134.7	492.4
Beaufort	130.9	81.0	153.0	142.0	322.2
Graham	129.4	37.9	158.4	235.0	1,355.0
Caswell	128.4	55.2	210.3	121.7	199.1
Warren	125.7	87.7	123.3	160.0	303.2
Carteret	125.6	60.6	240.0	82.4	200.0
Montgomery	125.0	81.5	150.0	100.0	240.0
Chowan	125.1	83.7	157.6	122.0	110.3
Edgecombe	124.5	77.1	198.0	185.5	427.4
Lincoln	123.9	80.0	120.0	142.2	445.0
Iredell	123.3	67.0	182.4	132.9	315.0
Washington	122.0	83.7	186.2	186.0	187.6
Alexander	121.5	80.7	125.4	111.0	4,706.3
Wayne	120.5	80.0	190.7	109.7	103.2
Sampson	120.4	58.0	177.0	120.0	318.0
Rowan	119.3	56.1	148.6	143.5	410.0
Orange	118.4	63.6	184.8	113.0	223.7
Transylvania	116.2	61.5	160.0	107.8	294.5
Greene	115.6	63.9	171.3	115.5	221.8
Haywood	115.3	72.2	136.8	115.0	198.7
Richmond	114.2	59.9	184.1	96.3	225.0
Stanly	113.7	61.3	127.7	146.9	275.0
Wartin	113.6	69.3	156.2	107.6	164.3
Stokes	113.2	53.8	151.6	122.7	215.5
Wata	112.4	57.7	169.0	121.6	219.0
Union	109.5	79.4	157.4	95.0	266.4
Randolph	108.3	67.1	139.6	99.0	270.5
Cleveland	106.5	56.8	136.3	145.9	206.3
Cabarrus	105.5	47.2	176.5	119.0	334.5
Famlico	105.1	52.2	163.8	96.2	426.0
Hyde	104.4	60.7	149.0	88.2	187.0
Polk	104.3	61.2	104.0	114.4	215.0
Rockingham	103.1	54.4	155.4	99.3	182.0
Moore	100.4	71.3	138.3	83.0	230.0
Alleghany	99.8	34.1	111.0	121.0	259.0
Gates	98.7	104.1	120.5	81.2	68.7
Wecklenburg	94.7	62.5	125.9	95.6	1,243.5
Camden	91.0	58.2	108.0	94.1	431.0
McDowell	90.0	42.4	83.6	119.1	2,143.6
Granville	89.4	68.5	85.0	109.0	206.2
Guilford	89.6	47.1	142.1	87.1	243.5
Cumberland	85.5	46.2	102.3	90.9	561.1
Dare	75.7	36.1	108.0	82.2	206.0
County Average	107.0	69.0	186.6	137.0	459.2

COUNTIES	ASSISTANCE PROGRAMS				SPECIAL ASSISTANCE FOR ADULTS
	ASSISTANCE PROGRAMS	AFDC	FOOD STAMPS	MEDICAID (MAO CASES)	
Swain	231.9	176.3	304.0	183.4	428.4
Scotland	213.2	197.9	245.9	194.8	203.2
Rutherford	208.3	123.6	269.5	172.1	681.9
Catawba	207.8	141.4	195.5	256.8	462.8
Clay	187.6	124.0	124.8	350.7	561.1
Halifax	178.5	125.4	195.4	207.6	2,448.2
Columbus	177.8	114.5	191.2	222.2	203.8
Davidson	176.9	99.3	209.0	193.7	644.5
Madison	176.7	83.6	204.9	188.5	552.9
Caldwell	176.5	127.7	195.1	183.2	218.8
Forsyth	176.3	188.8	282.7	188.8	413.3
Johnston	175.8	88.8	253.8	182.3	553.8
Northampton	173.6	107.4	238.2	188.2	381.7
Jones	173.5	97.8	238.8	185.8	581.7
Durham	173.2	93.8	288.8	291.2	1,297.7
Jackson	164.8	88.8	304.8	111.4	225.8
Wilkes	164.5	83.7	299.8	138.8	172.8
Hertford	163.8	129.5	224.8	125.5	283.8
Lenoir	162.7	98.2	245.5	142.8	289.9
Hoke	160.8	118.8	215.1	148.3	241.8
Avery	158.8	38.3	212.8	283.8	-
Cherokee	158.4	69.1	194.3	162.5	821.7
Pender	155.7	69.5	219.7	198.4	-
Robeson	154.6	185.5	224.1	135.4	289.7
Anson	151.9	82.4	289.9	148.5	563.5
Davie	151.4	75.8	283.8	148.4	385.3
Watauga	150.9	138.5	159.6	137.8	233.8
New Hanover	150.6	183.6	288.6	121.8	287.4
Mitchell	150.5	78.6	181.9	148.8	466.8
Bladen	149.3	186.7	228.3	113.8	382.1
Wilson	148.1	79.1	212.1	183.6	193.2
Vance	147.3	86.9	175.7	159.3	3,968.8
Burke	146.9	97.6	214.2	116.4	559.6
Franklin	146.8	73.3	195.1	56.1	265.7
Tyrell	146.4	75.4	259.9	187.6	315.6
Pasquotank	146.8	183.1	182.6	77.5	378.8
Cumberland	145.8	181.4	285.9	187.5	286.8
Brunswick	145.3	85.8	287.6	37.2	326.4
Cratham	144.1	74.3	231.2	158.7	224.8
Alamance	143.5	67.4	181.8	171.2	259.3
Harnett	143.1	84.9	198.5	145.6	223.8
Gaston	141.9	98.6	177.9	143.8	397.1
Pitt	140.7	185.1	196.4	119.2	322.9
Duolin	140.4	65.6	171.6	175.1	446.9
Lee	139.8	68.3	256.6	122.3	195.2
Henderson	139.8	78.1	198.7	131.9	235.8
Yancey	138.3	76.9	188.6	131.9	286.9
Ashe	138.2	98.2	147.8	143.1	266.7
Yash	138.1	73.2	196.5	138.6	265.1
Chislow	134.9	35.2	174.8	121.8	317.3

UNDETERMINED NUMBER OF NON-FINANCIAL BENEFIT CASES PER FTE EMPLOYEE WORKER

COUNTIES	CASES PER WORKER	CASES	FTE WORKERS
Gates	134.1	469	3.050
Currituck	104.6	366	3.500
Sampson	98.2	1,522	15.500
Tyrrell	87.0	174	2.000
Northampton	81.4	816	10.030
Polk	78.8	242	3.070
Mitchell	78.7	406	5.160
Nash	78.3	2,553	32.620
Davie	77.0	616	8.000
Clay	75.5	151	2.000
Montgomery	74.3	505	6.800
Randolph	73.6	1,342	18.220
Washington	73.2	690	9.420
Duplin	73.1	895	12.100
Hoke	72.4	729	9.990
Pasquotank	71.7	797	11.110
Pitt	71.3	2,497	35.000
Jackson	71.2	346	4.860
Bertie	70.5	423	6.000
Johnston	69.8	1,116	16.000
Buncombe	69.0	3,306	47.940
Edgecombe	68.7	1,757	25.570
Columbus	64.5	778	12.060
Bladen	64.3	366	6.000
Cherokee	64.3	579	9.000
Rutherford	63.5	1,270	20.000
Warren	63.2	382	6.040
Perquimans	61.8	247	4.000
Caswell	61.1	843	13.000
Gaston	61.1	2,002	47.100
Yancey	60.8	426	7.000
Madison	60.8	365	6.000
McCrackin	60.8	1,832	28.000
Haywood	59.9	1,248	21.000
Harnett	59.7	1,233	21.000
Stokes	57.8	610	10.930
Wayne	57.8	1,745	30.150
Beaufort	57.4	1,116	19.430
Wilson	57.4	1,787	31.120
Davidson	56.9	2,018	35.420
Chowan	56.3	225	4.000
Rowan	55.8	1,029	33.200
Lenoir	53.9	1,024	19.000
Martin	51.7	619	11.970
Swain	51.6	142	2.750
Lee	49.9	806	16.150
Anson	49.8	517	10.307
Scotland	49.4	894	18.100
Halifax	46.2	1,639	37.410
Ashe	46.9	494	10.100

COUNTIES	CASES PER WORKER	CASES	FTE WORKERS
Caldwell	48.8	1,558	31,920
Richmond	46.6	634	13,600
Lincoln	48.3	665	13,770
Vance	47.2	1,020	21,600
Robeson	47.1	2,257	47,900
New Hanover	46.3	2,456	53,060
Alleghany	45.8	182	3,970
Surry	45.6	1,050	23,050
Carteret	45.4	770	16,960
Jones	45.3	269	6,360
Onslow	45.3	2,501	55,240
Greene	43.6	268	6,070
Franklin	43.6	417	9,530
Pender	43.4	328	7,550
Moore	43.4	969	22,120
Brunswick	43.1	698	16,190
Wake	42.6	5,360	125,160
Transylvania	42.1	527	12,530
Graham	42.0	126	3,000
Granville	41.8	460	11,000
Dare	41.4	273	6,500
Guilford	41.3	6,648	160,920
McDowell	41.2	535	13,000
Henderson	40.6	823	20,250
Wilkes	39.8	764	19,160
Alamance	39.7	1,403	35,330
Cumberland	39.5	6,447	163,220
Union	38.4	1,459	37,800
Hacon	38.5	308	8,000
Camden	37.7	132	3,500
Burke	37.2	1,084	28,170
Cleveland	36.8	1,189	30,110
Orange	36.7	1,280	34,830
Perham	36.8	3,086	80,580
Yadkin	35.7	457	12,780
Cabarrus	35.2	1,468	41,750
Hertford	34.4	483	11,730
Forsyth	34.1	4,178	122,540
Person	32.2	554	17,200
Stanly	31.1	558	17,920
Avery	31.0	93	3,000
Pamlico	31.0	343	11,070
Craven	30.3	1,633	53,830
Alexander	30.0	337	11,250
Hyde	30.0	130	4,340
Rockingham	29.5	737	27,050
Catawba	29.4	1,777	60,430
Chatham	29.1	383	13,170
Mecklenburg	28.9	8,627	229,000
Watauga	23.9	258	10,800
County Average	39.1	1,714	38,555



Senator Walker, Representative Colton, Members of the Social Services Study Commission:

Thank you for giving me the opportunity to speak to you at this late date in your study process. I am here this morning to represent two groups. These are the Joint Services Committee (comprised of . . .) and the Program Administrators of DHR Region I. Program Administrators are "Assistant Directors" for administrative purposes and consequently understand about cost efficiency and the reality of limited resources. We are also, however, "Program Directors" and consequently understand how service inadequacies affect those that we try to serve.

Although I officially represent these two groups, I can assure you that the issue that we will be discussing this morning is of great concern to everyone who works with troubled children as a social worker, mental health therapist, juvenile court counselor, educator, or caregiver. (Introduce guests to illustrate). JoAnn Holland has expressed to you the concern of our state office about this issue.

We are all concerned about the impact of our current foster care reimbursement system, with its roots set in 1937, on our ability to appropriately care for children entering foster care in 1988. Although the basic assumption of "one rate for all children" which underlies this system has not changed in 51 years, we really only need to look back ten years to see what has happened.

The profile of children coming into foster care has changed dramatically. Thirteen year old Billy has a history of bringing knives to school and fighting, staying out all night against his mother's will, and being in possession of stolen property. Ten years ago he would have been sent to training school. Today, due to changes in the juvenile code, Billy is in foster care.

Thirteen year old Terry has juvenile diabetes which must be controlled by insulin and diet. She has also been diagnosed as being bulimic in that she engages in eating binges and then purges herself. Ten years ago she would have been institutionalized. Today we have a better understanding of these diseases and we have re-defined the role of hospitals in disease control (i.e. much more done on out-patient basis now). Terry is in foster care.

Sixteen year old Rosemary has an I.Q. of 55 and is sexually aggressive. She is extremely manipulative and is easily confused and upset. Ten years ago she would have been placed in a state hospital. She would have been joined there by fifteen year old Sandy who is addicted to drugs. Today we believe in the "least restrictive alternative" principle in caring for the mentally ill. Today, Rosemary and Sandy are in foster care.

Fifteen year old Chris has been sexually abused by a step-parent. Ten years ago no one would have believed him and the abuse would have continued. His behavior would have earned him a label that would remain with him for a lifetime. Because the issue of sexual abuse has "come out of the closet" today, Chris is in foster care. So is sixteen year old Laura, who ten years ago would have gone to a maternity home and placed her newborn child for adoption. Billy and Terry and Rosemary and Sandy and Chris and Laura are also in foster care in Hoke County, Alamance County, Moore County, Catawba County and in every county in which members of this Study Commission live.

Ten years ago these children were the "exceptional cases", and the state Division of Social Services developed a definition of "special needs children" to describe them. "Because of their unique problems and handicaps," they wrote, "these children require a home with special foster parents trained to meet their special needs." Today, the Division estimates that 61% of all foster children in North Carolina are "special needs children". This represents 1800 children. The exception of ten years ago is the norm of today. It is important to note that these are not "Willie M" children. Although they present the same problems in care as Willie M children, only a few of our "special needs" foster children will ever become Willie M certified. Ten years ago, most foster care social workers worked with one or two such children who "drove them crazy". With special needs children now comprising 61% of their caseloads, it is driving these workers from our agencies. In the thirteen counties represented in our Program Administrators' group alone, we have identified 544 special needs children. This is not an estimate or a projection. We can tell you the names of each child and their tragic stories.

In the absence of financial incentives, foster homes and group homes able to care for special needs children have been very slow to develop.



Ten years ago foster parents were often couples who had raised their own children but still enjoyed the excitement of having children around them. We often expected these parents to rear the foster children. Today, the goals of foster care are quite different, and what foster parents once described as excitement they now describe in quite different terms. We expect today's foster parents to be counselors, educators, behavior managers, transporters, nurses, and advocates. "Special needs" foster children require real skill on the part of their caregivers. Although our reimbursement system does not recognize this fact, we must PAY FOR SKILL! Would you continuously endure Billy's obstinence and fighting and Terry's eating binges and refusal to take insulin for \$200.00 per month? Would you put up with Rosemary's sexual aggression, Sandy's stealing to obtain drug money, or Chris' running away, manipulation and tantrums for \$200.00 per month? And yet that's exactly what we ask of foster parents today.

What kind of care are we giving our special needs foster children? Billy has been hospitalized once, placed in detention twice, and has experienced disruptions in both a foster home and a group home. Terry has been hospitalized frequently following disruptions with two sets of relatives, a foster home, and two group homes. Rosemary has been hospitalized once and has experienced disruptions in five group homes and with one set of relatives. Sandy has been hospitalized three times and has experienced disruptions in a group home and with relatives. Chris has been placed in detention twice, hospitalized once, and has experienced disruptions in five foster homes, one group home, and with two sets of relatives. Laura and her baby are in separate placements because no one would take them both. How are we going to teach her to be a good mother under these circumstances? Our current reimbursement system drives a placement process that is focused on "finding a bed" as opposed to meeting documented needs. And like purchasing second best goods, purchasing second best services is very expensive in the long run. The bill for our neglect of these children's special needs is high, as they remain in foster care much longer than necessary and are too frequently hospitalized at tremendous state expense in order to control their behavior. A typical charge for a day of hospital care is equal to two and a half months of foster care at current rates. The expense of a typical hospital stay of 60 days would pay for 10½ years of foster care. Moreover, all too often these children "graduate" from foster care into a world of adult corrections and poor adult relationships with their accompanying costs.

The foreseeable consequences of "doing nothing" about this problem are scary to us. Television specials such as ABC's " " title " in (time) and news segments such as that aired on CBS on November 21st clearly illustrate growing public frustration with our sadly outdated foster care system. With its current board rate the third lowest in the nation and being one of only three states that still clings to the "one rate for all children" concept, North Carolina is surely in for increased criticism. The public perception of our foster care system will continue to provide ammunition for those who view government as inept. Our continual struggle to improve our public image will be made even more difficult. The recruitment of foster parents and other caregivers will become increasingly problematic. Liability lawsuits charging departmental negligence will become commonplace. Most tragically, our special needs children will continue to experience multiple failures in foster care and will remain in the system an inordinate period of time without getting the help that they need.

I have painted a bleak picture here this morning, but the situation is not hopeless. And it will not break the bank to initiate dramatic improvement.

The state and the county are financial partners in the care of foster children. This concept is sound and should be preserved. The maximum board rate for state financial participation however, is in dire need of revision.

It is our recommendation that the maximum monthly board rate for state financial participation be raised from \$200.00 to \$250.00 for foster children who do not meet the "special needs" definition. We recommend that the maximum monthly rate be established at \$500.00 for foster children who do meet the "special needs" definition. These rates should also receive the type of annual review that the adult foster care rates currently receive.

There are numerous arguments to support this recommendation. It will provide incentives for qualified foster parents and other child care providers to "get in the business" of caring for special needs children. It will also enable us to require these providers to possess and continually upgrade their caregiving skills. The recommendation will bring our basic monthly rate much closer to the average rate among the states. With the adoption of this recommendation, North Carolina will join the other 47 states who already have a variable rate to address special needs. The recommendation

does not change our existing reimbursement process, and it requires no new staff nor new system nor new level of bureaucracy. The recommendation does not place any mandate or new requirement on the counties, who will still establish their own local board rates. This recommendation will also allow for discrimination among providers based on quality of service. This is exactly what we want our market system to do, but currently does not. And importantly, our state Division of Social Services supports this recommended approach to recognizing the care required by special needs children.

The additional cost to the state of this recommendation is \$2.6 million in 1989-90 with no increase in 1990-91 according to projections from our state office on the number of children who will enter into foster care. However this recommendation should not be viewed as requiring all "new money". Addressing the special needs of troubled foster children will reduce the length of time in care and reduce expensive hospitalizations. It should also reduce the likelihood that these children will represent costs to the correctional and mental health systems as adults. No, we would not be able to see the improvement we would like in all of these children, but our success rate will be significantly greater than it is now. And the sum total of the improved success rate will represent significant savings in state expenditures. Compare the recommended monthly rate of \$500.00 for special needs children with the typical monthly rate of \$1,500.00 for Willie M children. If our proposal prevents just 5% of the special needs children from experiencing an unnecessary hospitalization, the savings will more than pay for the increased foster care expense.

This commission has taken on work that is exceedingly broad and complex. We admire your patience and perserverance and we look forward to your findings. You will shortly be making your report to the 1989 General Assembly. This will, indeed, be a most critical legislative year for our Social Services system.

We are asking that you please consider endorsing our proposal among your recommendations for immediate legislative attention. It is nothing short of crucial that we take this important first step toward updating our foster care system now. Do not do this because it has become difficult for us to recruit and maintain staff or because these children present us

numerous challenges and headaches. Do it so that together we can begin to provide appropriate care for these children and give them a change to make it in this world. We have to give them a chance!

Again, thank you for the opportunity to share our concerns with you.

Questions?

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 1989

D

89RM-5  
THIS IS A DRAFT 12-DEC-88 16:39:40

Short Title: (public)

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Sponsors:

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Referred to:

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1                                   A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE DEPARTMENT OF HUMAN RESOURCES TO DEVELOP A  
3 SOCIAL SERVICES PLAN TO ENSURE THE UNIFORM AVAILABILITY OF CORE  
4 SOCIAL SERVICES AND PUBLIC ASSISTANCE PROGRAMS TO THE CITIZENS  
5 OF NORTH CAROLINA.  
6 The General Assembly of North Carolina enacts:  
7           Section 1. It is the policy of the State of North  
8 Carolina to provide a statewide system of social services and  
9 public assistance programs to meet the basic needs of citizens  
10 who cannot meet those needs themselves. The goals and purposes of  
11 that system include:  
12           (1) To ensure that children and adults are protected  
13           from abuse, neglect, and exploitation;  
14           (2) To enable citizens to maintain or achieve maximum  
15           self-sufficiency and personal independence through  
16           employment, if possible;

- 1           (3) To strengthen family life in order to nurture our  
2           children so that they may become productive,  
3           healthy, responsible adults;
- 4           (4) To assist disabled and dependent adults, while  
5           ensuring that they live in the most independent  
6           setting feasible with the least possible intrusion  
7           from public agencies;
- 8           (5) To ensure that every family and individual has  
9           sufficient economic resources to obtain the basic  
10          necessities of life.

11 It is the policy of this State to operate its social services  
12 system through a cooperative partnership between the State and  
13 the counties, primarily through programs that are administered by  
14 the counties and supervised by the State, and with both State and  
15 county financial participation.

16           Sec. 2. In order to ensure that a quality core of social  
17 services is available to every citizen of the State who needs  
18 them and to ensure that the necessary resources are available to  
19 provide those services, it is the policy of the State to define a  
20 minimum core of social services and to provide from federal funds  
21 available for those purposes and from State revenues the expenses  
22 of providing those services across the State.

23           Sec. 3. The Department of Human Resources, in  
24 consultation and cooperation with other appropriate agencies and  
25 groups, shall develop a Social Services Plan consistent with the  
26 policies stated in Sections 1 and 2 of this act. The Plan shall  
27 include at least the following:

- 28           (1) A definition of a core of social services that  
29           shall be provided in every county;
- 30           (2) Cost estimates and a plan and timetable for  
31           assuring the availability of the core of services  
32           in each county;

1           (3) Minimum standards for the provision of core  
2           services and public assistance programs, including  
3           staffing standards, caseload standards, training  
4           standards, and facilities standards;

5           (4) State and county responsibilities for the financing  
6           of social services not included in Section 2 of  
7           this act, public assistance benefits, program  
8           administration costs, physical facilities, and  
9           staff training; and

10          (4) Strengthened mechanisms for State supervision and  
11          enforcement of program standards.

12          Sec. 4. In carrying out its responsibilities under this  
13 act, the Department of Human Resources shall consult, on a  
14 systematic basis through a process designed by the Department,  
15 with local and State governmental agencies and boards and with  
16 public and private agencies and organizations.

17          Sec. 5. The Department of Human Resources shall report  
18 periodically on the Plan required by Section 3 of this act to the  
19 Social Services Study Commission, if that Commission is  
20 reauthorized. The Department shall submit the final Plan to the  
21 General Assembly by the convening of the 1990 Regular Session of  
22 the General Assembly.

23          Sec. 6. This act is effective upon ratification.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 1989

D

89RM-3

THIS IS A DRAFT 12-DEC-88 17:06:57

Short Title: (public).

Sponsors:

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE DEPARTMENT OF HUMAN RESOURCES TO ESTABLISH  
3 AN INFORMATION PROGRAM REGARDING PUBLIC ASSISTANCE AND SOCIAL  
4 SERVICES PROGRAMS, TO DEVELOP A PLAN TO TARGET LOW-INCOME  
5 PERSONS FOR INFORMATION AND REFERRAL, AND TO CREATE A POSITION  
6 TO IMPLEMENT THE PROGRAMS.

7 The General Assembly of North Carolina enacts:

8 Section 1. The Department of Human Resources shall  
9 establish a program to inform public and private agencies,  
10 community groups, and interested persons about public assistance  
11 and social services programs, including AFDC, Medical Assistance,  
12 Food Stamps, and programs designed to address infant mortality.  
13 The Department shall develop a referral list of public and  
14 private agencies, community groups, and interested persons who  
15 serve low-income people. The Department shall inform these  
16 agencies and persons and the general public about public

1 assistance and social services programs and changes in the law  
2 which affect client eligibility or the extent of services under  
3 the programs. The Department shall develop and distribute  
4 informational materials, such as public service announcements,  
5 brochures, pamphlets, posters, and correspondence.

6           Sec. 2. The Department of Human Resources shall develop  
7 and implement an information and referral plan targeted to low-  
8 income persons. The plan may include identification of low-income  
9 persons who could be assisted by social services and public  
10 assistance programs and development of community educational  
11 materials, such as pamphlets, brochures, posters, and public  
12 service announcements explaining public assistance and social  
13 services programs, changes in eligibility and the extent of  
14 services. The community education materials shall be easily  
15 understandable by persons reading on a fourth grade level.

16           Sec. 3. There is appropriated from the General Fund to  
17 the Department of Human Resources the sum of one hundred sixteen  
18 thousand one hundred eighty-four dollars (\$116,184) for the  
19 1989-90 fiscal year and one hundred six thousand ninety-one  
20 dollars (\$106,091) for the 1990-91 fiscal year to fund a position  
21 of Public Information Officer and to provide the clerical and  
22 material support within the Department to implement the  
23 provisions of this act.

24           Sec. 4. This act shall become effective July 1, 1989.



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