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What's In the Proposed FY 2017 Budget For Interim Disability Assistance (IDA)?

SUMMARY OF PROPOSED FY 2017 BUDGET

- The proposal reduces local funding for Interim Disability Assistance (IDA) by \$88,000, to \$3.51 million.
- The proposed budget preserves a series of benefit increases passed in the FY 2016 budget. Monthly benefits will increase from \$278 to \$320 per month in FY 2017. By FY 2019, benefits will be \$406.
- Due to the benefit increase without a corresponding increase in funding for the IDA program, the monthly caseload may drop from 1,076 to 935, unless other funds are identified. DHS is contemplating using federal reimbursement funds to maintain the caseload. The SSI Payback Fund is a dedicated fund for IDA. When an individual is approved for SSI, the federal government reimburses the District for the IDA benefits the individual received. These reimbursement dollars are put into the SSI Payback Fund so the District can provide benefits for future IDA applicants.
- The proposed budget removes a portion of the reserves, \$1 million, from the SSI Payback Fund. This means the agency will have less funding available to maintain caseload in the next fiscal years as benefits increase.
- IDA funding is not sufficient to meet the need. 277 residents are waiting to receive IDA and the average wait time is between four to six months.¹ Many residents do not even apply for IDA because of the long wait time. When IDA was fully funded, nearly 2,800 residents received benefits.

The District's Interim Disability Assistance (IDA) program provides temporary cash benefits to adults with disabilities who have applied for federal disability Supplemental Security Income (SSI) benefits and are awaiting an eligibility determination. IDA is similar to interim assistance programs offered in 38 states, including Maryland and Virginia. SSI approval can take anywhere from several months to several years. The benefits paid to IDA recipients are reimbursed by the federal government if an applicant is ultimately determined to be eligible for SSI.

IDA serves as a vital lifeline for DC residents who cannot work and have no other income or other means to support themselves. IDA allows recipients to pay for basic needs such as transportation, medicine, toiletries, and food. In addition, the steady modest monthly income allows recipients access to housing that requires a minimum income to participate.

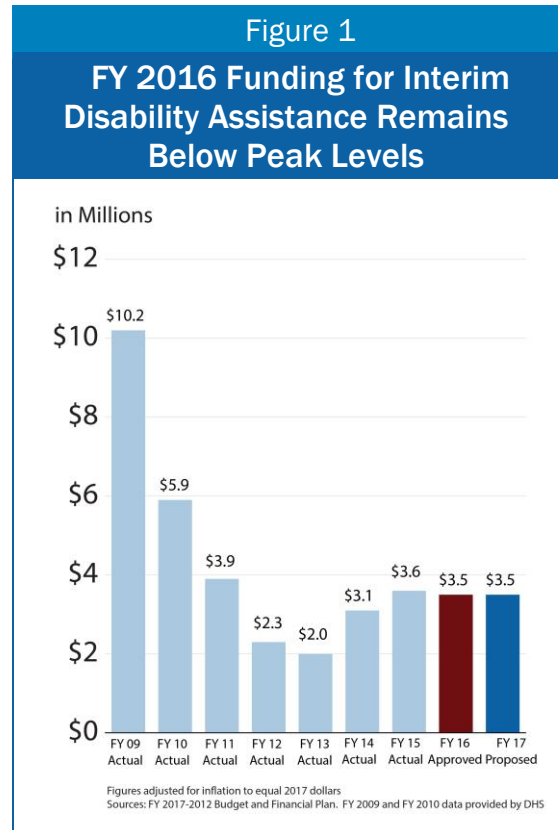
¹ Responses to Fiscal Year 2015-2016 Performance Oversight Questions. Department of Human Services. Submitted February 18, 2016.

Analysis of the Proposed FY 2017 IDA Budget

The fiscal year (FY) 2017 proposed budget for Interim Disability Assistance is \$3.5 million. This represents an \$88,000, or a 2.5 percent, decrease from FY 2016 after adjusting for inflation (unless stated otherwise, all figures are adjusted for inflation to equal FY 2017 dollars). The budget falls far short of the FY 2009 budget of \$10.2 million which allowed the District to provide benefits to all who needed them. (See **Figure 1**.)

The IDA benefit level is tied to benefit levels in Temporary Assistance for Needy Families (TANF), DC's welfare to work program. The IDA benefit equals the TANF benefit for a household of one person (such as a pregnant mother applying for TANF). The FY 2017 budget preserves three years of TANF benefit increases included in the FY 2016 budget, so TANF and IDA benefits will increase by 15.3 percent in FY 2017 (see **Table 1**). Benefits will also increase in FY 2018 and again in FY 2019, bringing the IDA benefit to \$406 per month. (See **Figure 2**.) After FY 2019, benefits will be adjusted annually for inflation.

The proposed budget consists of \$2.5 million in local funding and \$1 million of federal reimbursement funds from the Supplemental Security Income (SSI) Payback Fund. This fund is a dedicated fund for IDA. When an individual is approved for SSI, the federal government reimburses the District for the IDA benefits the individual received. These reimbursement dollars are put into the SSI Payback Fund so the District can provide benefits for future IDA applicants.



| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| % Increase | -- | 1.5% | 1.6% | 15.3% | 13.3% | 11.8% |
| Monthly Benefit | \$270 | \$274 | \$278 | \$321 | \$363 | \$406 |

Sources: FY 2017 Proposed Budget and Financial Plan; FY 2016 Budget Support Act of 2015; 29 DCMR § 7200; DC Code § 4-205.52 and § 4-204.07; Rule Number 29-5814 Published on 12/26/2014.

However because proposed local funding for FY 2017 did not expand to accommodate the benefit increase, the monthly caseload may fall from 1,076 to 935. DHS is considering using additional federal reimbursement funds in the SSI Payback Fund to maintain the caseload at the current level. Yet the

proposed budget also removes \$1 million from this Fund, meaning the agency will have less funding available to maintain caseload in the next fiscal years as benefits increase.

In FY 2009, when the program was funded to serve all residents in need, nearly 2,800 residents with disabilities received benefits, far higher than the roughly 1,100 residents being assisted today. (See **Figure 3**.) The reduced funding and caseloads for IDA since 2009 suggests that many DC residents with disabilities have no regular source of income as one of the prerequisites for applying for SSI is that an individual is unable to work.

