

Updated June 13, 2013

## WHAT'S IN THE FY 2014 BUDGET FOR INTERIM DISABILITY ASSISTANCE?

The District's Interim Disability Assistance (IDA) program provides temporary cash benefits to adults with disabilities who have applied for federal 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.

The fiscal year (FY) 2014 budget increases local funding for IDA by \$501,000 to \$2.04 million. The FY 2014 budget reflects \$2.04 million in local dollars and \$1.0 million in carry over from previous years and federal recovery dollars, the federal funds received by the city when an IDA recipient is deemed eligible for SSI. The total budget for IDA for FY 2014 is \$3.04 million.

The average monthly caseload for IDA has decreased greatly over the past few years, from a high of 2,759 in 2009 to an estimated 979 for FY 2014. The FY 2014 caseload represents an increase of 279 cases over FY 2013, but still leaves many individuals on the waitlist.

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 modest \$270 in steady monthly income allows access to community-based services and housing that requires a minimum income to participate. The reduced funding and caseloads for IDA since 2009 suggests that many residents with disabilities have no regular source of income.

### KEY FINDINGS

#### FY 2014 Budget

- The approved FY 2014 budget increases local funding for IDA to \$2.0 million in FY 2014, a \$626,000 increase from FY 2013. The FY 2014 proposed budget continues to fund IDA at nearly its lowest level since the program was established in 2002.
- The proposed budget means that the average monthly caseload for the IDA program should increase by 279 cases, to an estimated 979 cases per month in FY 2014. This is far lower than in 2009, when nearly 2,800 residents with disabilities received IDA benefits.
- The FY 2014 budget removes the Mayor's revenue contingency list which included funding to provide application assistance to first time Supplemental Security Income (SSI) applicants who are also applying for the IDA program.
- The FY 2014 Budget Support Act limits eligibility for IDA by allowing residents to receive benefits through only the second level of appeal in the application process for Supplemental Security Income.

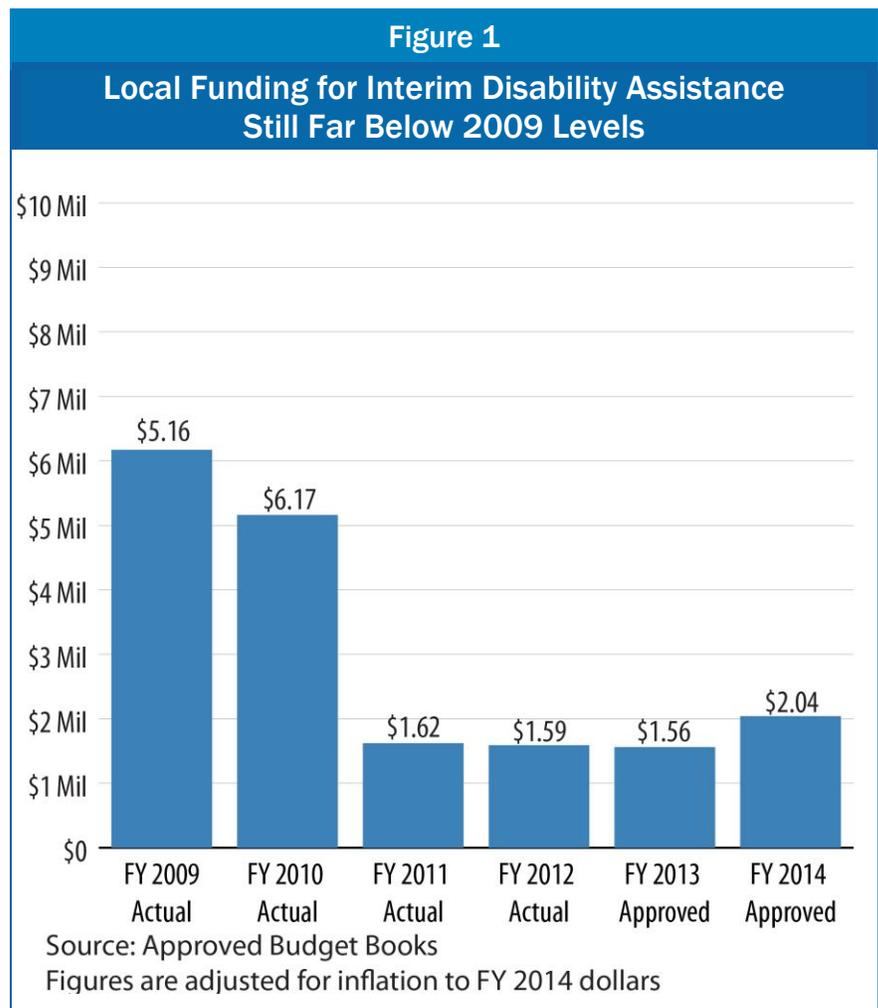
## Analysis of the FY 2014 IDA Budget

Interim Disability Assistance is supported by a combination of locally appropriated funds, federal dollars recovered from the Social Security Administration (SSA), and carryover of any unspent recovery funds from prior years. When a recipient is approved for SSI, the federal government reimburses the District, usually for 100 percent of that individual's IDA payments. According to the Economic Security Administration in the Department of Human Services, there is an 18- to 24-month lag from the time an IDA benefit is paid to the time when the money might be recovered from SSA.

Across the life of the program, the District has recovered approximately 40 percent of the funds spent on IDA, which is consistent with the reimbursement rates in other states that have similar programs. However, this rate varies considerably from year to year based on current and past years' spending.

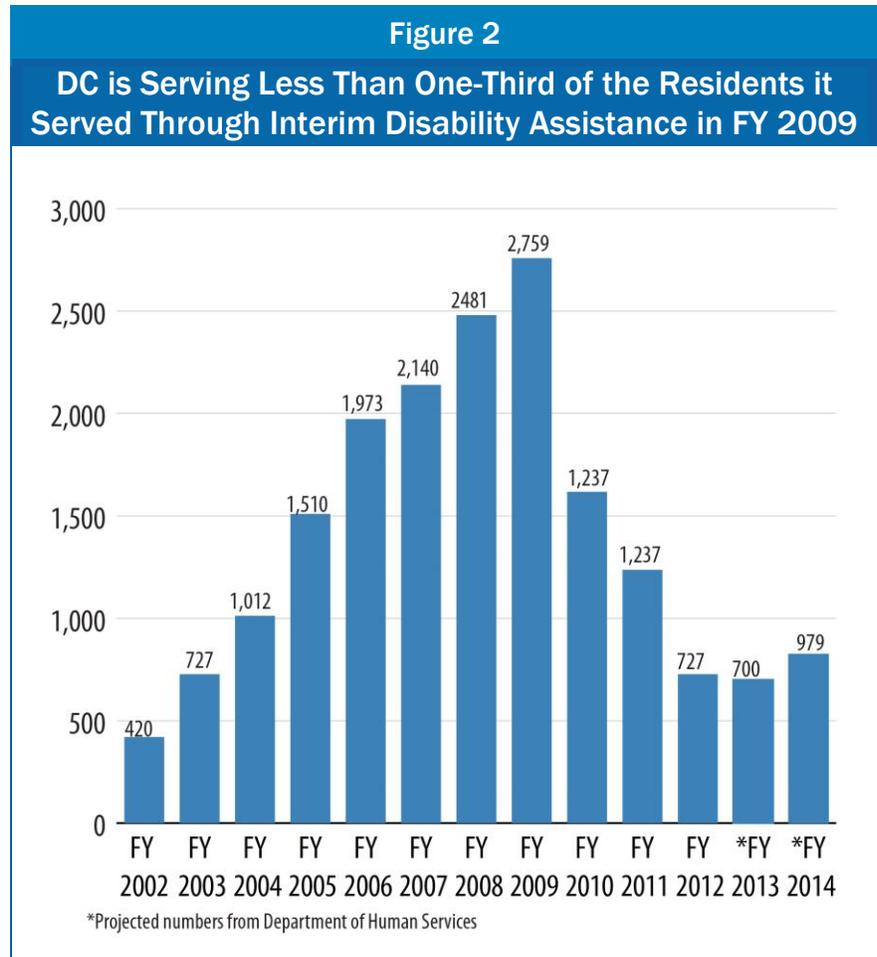
IDA began as a relatively small program in fiscal year 2002, serving an average of 420 individuals per month. Over the following five years, local funding grew and recovery funds added to the budget, allowing IDA to serve more residents with disabilities. By 2009, Interim Disability Assistance served nearly 2,800 residents with disabilities.

Funding for IDA has been cut sharply since the start of the recession, leading to significant cuts in the number of residents assisted. In FY 2009, the DC Council cut funding to address a mid-year budget gap, and enrollment contracted. Additional cuts in subsequent years eventually led to a 1,500 cap on enrollment in the program in mid-fiscal year 2010. In January 2011, the program stopped enrolling new participants, due to an unexpected reduction in funds mid-year. Subsequently, the program began serving fewer residents.



On average, 700 residents are expected to be served by the program in FY 2013. As of April 2013, there were 359 residents on the waitlist for IDA. The Department of Human Services cleared the waitlist in April 2013. The Department of Human Services plans to serve an average of 979 residents in FY 2014 (see **Figure 2**).

The mayor’s proposed FY 2014 budget included a contingency priority list that included funding to provide application assistance to first time Supplemental Security Income (SSI) applicants who are also applying for the IDA program. Although the list was removed from the FY 2014 budget, there is substantial research showing that early assistance in the SSI process, which the District currently does not offer, decreases the application wait time and greatly increases the likelihood of getting approved for SSI.



The FY 2014 Budget Support Act (BSA) contains language limiting IDA eligibility based on the number of appeals for federal SSI assistance. The SSI application process is very complicated and many successful applicants only receive benefits after completing a lengthy appeals process. Nationally, just one-third of SSI applicants are approved based on their initial application. Many IDA applicants appeal if they are not approved during the initial application (there are four stages of appeal). Currently DC allows residents to receive IDA until they receive a decision at the third level of appeal, the Appeals Council stage. The FY 2014 BSA would change the program so that an IDA receipt could only receive benefits through the second level of appeal, the administrative law judge stage.

## Performance Measures

The budget for each government agency includes a number of performance measures tied to specific agency objectives. In addition, each agency develops a performance plan each year, and it completes a “performance accountability report” at the end of the year.

The performance measures are intended to provide an indication of how well the agencies are using funds to meet their goals. Unfortunately, the quality of performance measures in the District’s uneven.

In many cases, performance measures are unclear or cover aspects of an agency's functions that do not seem tied to the agency's core functions.<sup>1</sup>

The FY 2014 budget includes no performance measures related to the Interim Disability Assistance program. The Department of Human Services tracks a number of IDA metrics internally, including the caseload, length of the waitlist, and average wait to be served. These are not published as part of its performance measures, however, despite the importance of understanding the impact of recent IDA budget cuts on the program's ability to meet demand. Without tracking basic data on the program's performance, it is difficult to assess the program's effectiveness or the impact of various policy changes on the program's ability to serve DC residents with disabilities.

The performance measures for IDA should also include a count of clients at each stage of the SSI application process, the SSI approval rate at each stage of appeal, and the average duration of each stage of the process. Additionally, DHS should track the percent of applicants for IDA that are approved for the program, the percent ultimately approved for SSI, and the top reasons for final denial for SSI.

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<sup>1</sup>The issues related to DC's performance measurement are discussed further in a DCFPI 2009 report, [\*Ten Ways to Improve the Transparency of the DC Budget\*](#).