What’s In the Approved Fiscal Year 2020 Budget for Interim Disability Assistance?

By Kate Coventry

Interim Disability Assistance (IDA) provides modest, temporary cash benefits to adults with disabilities who have applied for federal disability benefits, Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), and are awaiting an eligibility determination. The wait for federal benefit determination has skyrocketed in recent years, from 350 days in 2012 to nearly 600 days in 2017, leaving residents who are unable to work without any cash benefits.¹

The $3.3 million total budget for fiscal year (FY) 2020 is less than one-third of the program’s historic funding. In FY 2009, IDA spent $10.9 million which allowed the District to provide benefits to all who needed them, around 2,750 residents per month (Figure 1).

IDA is a Lifeline

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 to access some housing programs that are administered by nonprofit organizations and require residents to have income.

IDA is similar to interim assistance programs offered in 38 states, including Maryland and Virginia. Approval for federal disability benefits can take anywhere from several months to several years, with the average wait time now 600 days.¹ The benefits paid to IDA recipients are reimbursed by the federal

SUMMARY

- The total budget for IDA is $3.3 million, a decrease of just over $1 million from the FY 2019 budget. It also is well below the peak budget of $10.9 million in FY 2009.
- Local funding for IDA is $2.5 million, a decrease of just over $1 million.
- Monthly benefits will increase by a cost of living adjustment (COLA) to an estimated $414.
- Only 673 people can be served each month compared with 2,750 who were served in 2009, when enrollment wasn’t capped. This suggests that many residents cannot access benefits.

FIGURE 1.

Funding for IDA Less Than Third of Peak Levels, Leaving Many Residents in Need

Note: All figures are adjusted for inflation to equal FY 2020 dollars.
Source: Department of Human Services; Fiscal Year 2011-2020 Budget & Financial Plans
government if an applicant is ultimately determined to be eligible for SSI or SSDI.

**IDA Budget Combines Local and Federal Funding**

The FY 2020 budget combines $2.5 million in local funding with $800,000 in federal reimbursement for a total budget of $3.3 million. This is a cut of just over $1 million in local funding from FY 2019. This cut combined with an increase in benefit amount (see below) will lead to a reduction in the number of people receiving IDA benefits. It is expected that the number served will fall to 673, down from 970 in 2019.²

Federal reimbursement funds come from the Social Security Administration. When an individual is approved for SSI or SSDI, the federal government reimburses the District for the IDA benefits the individual received. These reimbursement dollars are used to support the annual budget, and unspent funds are put into DC’s SSI Payback Fund at the end of the year so the District can provide benefits for future IDA applicants.

**IDA Benefits Will Rise in FY 2020**

The IDA benefit level is tied to benefit levels in Temporary Assistance for Needy Families (TANF), DC’s cash benefit and workforce training program for families with children. The IDA benefit equals the TANF benefit for a household of one person (such as a pregnant mother applying for TANF). Under a policy adopted in the FY 2016 budget, TANF benefits were annually increased between 2017 and 2019 and then adjusted for cost of living annually going forward, which means that IDA benefits have increased. The IDA benefit will increase to an estimated $414 a month in FY 2020, a 2.4 percent increase (Figure 2, Table 1).³

Because of the increased benefit level, even fewer residents will be served than in FY 2019.
WHAT’S IN THE APPROVED FY 2020 BUDGET FOR INTERIM DISABILITY ASSISTANCE?

Funding is Not Sufficient to Meet All Residents Who Need IDA

In FY 2009, the Interim Disability Assistance Program spent $10.9 million and was funded to serve all residents in need, around 2,750 residents per month. This is far higher than the 970 residents per month assisted now\(^4\) and the 673 who will be assisted each month in FY 2020 (Figure 3, pg. 2). The reduced funding and caseloads for IDA since 2009 suggests that many DC residents with disabilities have no regular source of income, since one of the prerequisites for applying for SSI is that an individual is unable to work.

TABLE 1.
Interim Disability Assistance Benefit Increase Schedule
Not adjusted for inflation.

<table>
<thead>
<tr>
<th>Year-Over-Year % Increase</th>
<th>FY 2014 Actual</th>
<th>FY 2015 Actual</th>
<th>FY 2016 Actual</th>
<th>FY 2017 Actual</th>
<th>FY 2018 Actual</th>
<th>FY 2019 Approved</th>
<th>FY 2020 Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Benefit</td>
<td>$270</td>
<td>$274</td>
<td>$278</td>
<td>$320</td>
<td>$362</td>
<td>$404</td>
<td>$414*</td>
</tr>
</tbody>
</table>

*Annual COLA estimated at 2.4% by the Office of the Chief of Financial Officer in Fiscal Impact Statement: “Fiscal Year 2015 Budget Support Act of 2014.” Benefits will be increased by the actual Consumer Price Index for All Urban Consumers (CPI-U).

Sources: Fiscal Year 2020 Budget and Financial Plan; Fiscal Year 2019 Budget and Financial Plan; 29 DCMR § 7200; Fiscal Year 2016 Budget Support Act of 2015; 29 DCMR § 7200; DC Code § 4–205.52 and § 4-204.07. Rate Table provided by the Department of Human Services

---

2 DHS reports 970 residents are being served on average per month. The agency has found funds to supplement the reported budget in order to serve this many people.
3 The Office of the Chief Financial Officer estimates that the cost of living adjustment (COLA) is 2.4%. Benefits will be increased by the actual Consumer Price Index for All Urban Consumers (CPI-U).
4 DHS reports 970 residents are being served on average per month. The agency has found funds to supplement the reported budget in order to serve this many people.