

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DEPARTMENT OF HUMAN SERVICES**



**Fiscal Year 2017 - 2018 Budget Oversight Hearing**

Testimony of  
Laura Green Zeilinger  
Director

Before the

Council of the District of Columbia  
Committee on Human Services  
Chairperson Brianne K. Nadeau  
Councilmember, Ward 1

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John A. Wilson Building  
1350 Pennsylvania Avenue, N.W. – Room 500  
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Good afternoon, Chairperson Nadeau, members and staff of the Council, and members of the community. I am Laura Zeilinger, Director of the District of Columbia Department of Human Services (DHS). I am pleased to provide testimony on Mayor Bowser's Fiscal Year 2018 (FY 2018) Budget entitled, "DC Values in Action: a Roadmap to Inclusive Prosperity."

Last month, Mayor Bowser presented the District's 22nd consecutive balanced budget. It reflects the ideas and priorities of District residents and fulfills our commitment to work on behalf of District residents each and every day. Mayor Bowser's FY 2018 Budget makes strategic investments in education, affordable housing, transportation, infrastructure, public safety, job training, and employment services that keep residents on the pathway to the middle class. These investments reflect the key priorities identified by District residents at Budget Engagement Forums held during the budget formulation process.

For the Department of Human Services, the Mayor's FY 2018 Budget demonstrates her leadership and commitment to our shared DC Values and ensures that all District residents have an opportunity to benefit in the District's prosperity. The Mayor's FY 2018 Budget calls for a twenty-three percent increase in local funding in DHS programs—making continued investments in the solutions we know work to end homelessness, support at-risk youth, improve customer service, and provide critical TANF assistance to families.

### **Ending Homelessness**

Mayor Bowser's FY 2018 Budget provides more than \$15 million for new housing solutions and \$54.3M in new investments to continue our efforts to transform the homeless services system. In the last two years, targeted prevention efforts have enabled more than 3,000 families to overcome a housing crisis without a shelter stay. This has been particularly important for being able to safely support parenting transition aged youth to access services without a long-term shelter stay. There are *half* as many families headed by transition aged youth (18-24 year olds) in shelter than there were only a year ago. And overall, there are more than 20 percent fewer families experiencing homelessness than at this time last year, with 28 percent fewer families in motel rooms. These new investments build on the \$36 million in increases made by the Council and the Mayor over the last two fiscal years, which we will maintain. New investments include \$1.2 million for targeted affordable housing, \$5.6 million for permanent supportive housing, and \$3.8 million in new rapid rehousing assistance.



These resources will also help us continue our drive to end homelessness among Veterans; we have made incredible progress over the last two years and are we committed to finishing the job. Thanks to the leadership of the ICH, partnerships with federal government, and community providers and advocates, more than 1,900 Veterans have moved from homelessness to permanent housing over the last four years. With the addition of site-based permanent supportive housing like the new John and Jill Ker Conway Residences, which provides a sense of community to our Veterans, we are closer than ever to meeting our goal – and just last week the number of Veterans experiencing homelessness in the District was 239.

Since Mayor Bowser entered office, families who have had no other safe place to stay finally have access to safe shelter, regardless of the temperature outside. Providing a warm bed and supportive services to families when they need it is the right thing to do, but it also stabilizes the system throughout the year so we can more effectively support families when they need assistance. With sustained focus and investments, we will continue to reduce the need to rely on overflow shelter in motels. The Mayor’s FY 2018 Budget includes \$16 million to support motel costs – that is approximately \$10 million less than anticipated expenditures this fiscal year, and we are projecting our motel spending to go down every subsequent year. Achieving this goal requires continuing investment in housing solutions, including rapid rehousing. Let me be clear, rapid rehousing is *not* a one size fits all approach. Rather, it allows us to assess and tailor services for families with housing as a platform.

We are also on a path to greatly improve quality, targeted services, and conditions in low-barrier shelters. Our new Continuum of Care contract makes long-needed improvements, such as extending the hours of our low-barrier shelters, doubling our investment in meals and requiring nutritional standards, and adding clearly defined expectations around connections to services and our coordinated entry system to facilitate housing placements. Because we are committed to being good stewards of public funds, we have added two additional contract monitors and have included much more explicit requirements in our contract, which will allow the District to hold our vendor and its subcontractors accountable for deliverables. And for the first time, we are fully funding these services with \$36.4 million in new investments. For years, we have covered these costs with TANF carryover, which is no longer available, and the lack of surety of its availability has also presented a significant administrative burden for our staff and providers.



Thanks to the leadership of the Mayor and this Council, we are also preparing to break ground on six new buildings throughout the District that will provide short-term family housing and allow us to finally close DC General. The Mayor's FY 2018 Budget includes \$2.1 million to begin operations of three of these facilities this fall.

### **Enhancing Services for Youth**

The Mayor's FY 2018 Budget continues the District's commitment to supporting youth programs that work. It calls for a total of \$7.9 million to fund diversion services in the Alternatives to the Court Experience (ACE) and Parent and Adolescent Support Service (PASS) programs. These programs provide critically important services to youth and their families, helping young people who may otherwise face criminal prosecution. The program assesses each child's stress, trauma, and behavioral needs using a tool called the CAFAS and provides a tailored program of wrap-around services that will help each child achieve success and avoid reoffending. These services include proven strategies like family and individual therapy, mentoring, tutoring, mental-health treatment, recreation, and school supports. The budget includes \$3.2 million in increased investments for these programs, which have undeniable success rates; more than 85 percent of participants who completed these programs had improved scores on the CAFAS, and 81 percent of the youth participating in the ACE program has no further legal involvement after completing the program. I am grateful for the partnership of this Council, which has long championed these programs.

As part of the ICH working group and in partnership with a thoughtful set of community stakeholders, this year we developed and the ICH adopted the District's first-ever Strategic Plan to End Youth Homelessness. The Mayor's FY 2018 Budget sustains the FY17 expansion of beds and adds \$2.4 million for additional crisis, transitional, and independent living units. This will help meet a critical need identified by our partners.

### **Improving Customer Service**

The Mayor's Budget continues to invest in the information technology needed to bring human service programs into the 21st Century, allocating \$6.5 million for operations and maintenance of our DC Access System (DCAS). DCAS not only ensures that the agency meets the mandates of the Affordable Care Act; it also modernizes the entire health and human services



eligibility and enrollment system, replacing an old and outdated mainframe system for which we expect to eliminate costs in FY19.

Most importantly, DCAS will make getting needed services and benefits easier for District residents. In tandem with our Business Process Redesign, DCAS will reduce the need for in-person visits to Service Centers through a passive renewal process for Medicaid and online applications for benefits. These changes will allow DHS to process customer benefits more quickly and accurately, it will reduce customer wait times, and provide a more comprehensive service for customers by creating a one-stop shop for benefits and case management. From this, DCAS is expected to generate operational efficiencies on case management services across the District government. Down the line, we also look forward to launching additional customer-facing tools like a web portal for TANF and SNAP benefits.

We are also investing in our staff, our most important asset. The Mayor's FY18 Budget funds the realignment of position grades for service center eligibility staff to better reflect the complexity of the work they perform and to ensure that our employees also have a pathway to the middle class.

### **Extending TANF Benefits**

The Mayor's FY18 Budget includes \$8.1 million to advance a TANF policy that will better enable families to build economic security and protect the wellbeing of children, regardless of how long they have been receiving TANF assistance. Based on analysis of DHS data, findings in national studies and the recommendations of the TANF Working Group, the Mayor's Budget eliminates the 60-month lifetime limit for benefits and replaces it with a two-generational program approach. When we set out to develop a policy for customers who have been on TANF for more than 60 months, it quickly became clear that the lessons we learned are broadly applicable to TANF program participants as a whole. Consistent with the Workgroup recommendation, the Mayor's policy would provide a blended TANF grant to eligible families that keeps cash in the household to protect and enrich children, while also incentivizing parents to continue to increase their economic stability and independence through meaningful employment. Specifically, the TANF cash benefit would be calculated using two measures:

1. The Child Enrichment Grant, which will be valued at 50 percent of the total grant, and will be provided regardless of parental engagement; and



2. The Parent Engagement TANF Grant, which will be valued at 50 percent of the total grant, and will be subject to work participation and sanction policies.

This two-generational approach helps improve parent's abilities to meet the basic needs of their children. Simultaneously, this policy supports parents to achieve their workforce goals by incentivizing full participation in the TANF employment program. Parents who are engaged in activities to advance toward their goals have the opportunity to earn the full TANF grant amount. Under this policy, even when parents are not engaging in employment services, the family would still receive a child enrichment benefit that will provide more resources to the household than the existing policy.

There are a number of interrelated program components that make up a successful TANF program, and the Mayor's budget was crafted with full recognition of those relationships. We have greatly improved the TANF Employment Program (TEP) over the past several years, and continue to do so. We can now better engage families in meaningful services that are readily available without any wait time. DHS is re-competing our TEP contracts, and making modifications to incentivize continued education, so that parents can obtain jobs that put them on pathways to the middle class. These changes have helped the TANF program move from a one-size-fits-all income maintenance program to a vehicle for families to achieve their individualized economic goals. Consequently, the Mayor's FY 2018 Budget includes \$2.9 million savings by shifting costs from local funds to the federal TANF grant based on forecasted assumptions of work participation outcomes we believe we can achieve with a two-generational benefit that equally balances the child enrichment portion of the grant with the parent engagement portion (50 percent and 50 percent). We also believe an equal value of the two grants most effectively balances the need to provide cash benefits to households with children with the right incentives for parents to continue to leverage employment resources.

### **Investing in What Works**

In closing, I am extremely hopeful about the opportunities the Mayor's FY 2018 Budget provides for residents who rely on DHS services to achieve greater stability and economic security. The Budget makes smart and strategic investments that provide DHS with the resources necessary to continue our transformation and to create the change we know is needed



to advance inclusive prosperity. Thank you for the opportunity to testify today. I am prepared to answer any questions the Committee may have.

