

Testimony : Ways and Means Committee
How Today's Fragmented Welfare System Fails to Lift Up Poor Families

Chautauqua Opportunities Inc. has been an anti poverty agency since 1965. For the past 15 years we have restructured our service model to be integrated and comprehensive. We are an evidence based agency and we have created a service model that is asset focused and provides individuals in poverty a ladder out . We measure individual and household progress toward self sufficiency and economic security against continuums of care based on ROMA categories (Crisis to Thriving). It is a customer driven model that is strength based and utilizes a wide array of services as “tools” to achieve short and long range transformative life goals. We deliver our services from a cognitive behavioral approach and have full supports in place that reinforce behavioral change theory.

From our experience we make the following recommendations: to remove existing barriers and to create better opportunities to assist families working their way out of poverty.

- Current Welfare system needs to be re-designed to reflect financial life after welfare (copays in line with overall percentages of net cash)
- There needs to be a planned transition off welfare (assuming the recipient will be attaining a relatively low paying job)...supportive services should provide the necessary supports at levels that allow slightly more cash in hand while working (comprehensive enrollment that matches need)
- Soft employment skill development should continue – post welfare - to increase earning capacity
- Supportive services should be designed to incrementally decrease as wages increase
- Basic service design: (applicable to employable individuals – not to specific populations that are not able to be self supporting)
 - No service should be “for life” and do not force divesting of assets to qualify
 - Do not incentivize default and bad credit in order to become eligible for greater benefit.
 - Address waiting lists for services that are critical for employment (child care, housing, health care, transportation, food)
 - Structure services to support asset acquisition and a ladder out of poverty –
 - All services should support financial education and financial repair

New areas for federal concern:

- Promote integration of services:
 - o Centralize oversight of human service funding...(result: lower gov't audit cost, all resources would support similar goals, would bring coordinated service delivery at local level to customers – resulting in better outcomes and lower costs)
 - o Mandate that RFPs reflect integration, holistic customer response, outcome tracking, centralized services within organization
 - o Encourage organizations to develop economies of scale and reward good

management(performance based contracting – rather than grant funding)

- Mandate that states' demonstrate streamlined contract process across beaurocracies
- o Mandate centralized intake and customer file by all organizations responding to federal RFPs
- o Promote administrative model that capitalizes on volume and saves money and is more efficient and effective
 - Expect that agencies move to electronic files (efficient, cost effective, able to be audited off site, better off site back up for disaster recovery - eliminates agency redundancy in staff and files)
- Promote asset focused policies that benefit low and moderate income Americans

- **History with local stakeholders/ comprehensive sector involvement: leverage federal, state, local and private support, create local opportunities, breakdown local barriers**
- **Grassroots connections: involve low income residents in creating solutions and building their future**
- **Comprehensive service delivery mechanism: blending service options expands services and reduces cost while increasing impact on outcomes**
- **Utilizing all dollars to serve multi level purposes simultaneously: individuals and families, towns and municipalities, institutions (ex: schools, health care, housing, economic development)**