



REAUTHORIZATION OF TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) AND CHILD CARE & DEVELOPMENT FUND:

Proposed Amendments to Assist Adults and Children with Mental Disorders

April, 2002

Since the enactment of TANF, there has been a dramatic change -- a significant reduction in the number of people on the rolls and many individuals returning to work.

At the same time, there is an emerging consensus that welfare rolls include a population of individuals with very significant barriers to work. Among these are people with mental illness, adults who have a child with a disability and individuals with addiction issues.

Current federal law is not sufficiently supporting state efforts to assist these individuals and amendments to TANF and the CCDF are needed to address this issue.

BACKGROUND

Numerous studies illustrate the rate of mental illness among welfare recipients:

- depression rates of 25-53%, as compared with general population rate of 13%
- generalized anxiety disorder rates of 7-10%, as compared with general population rate of 3.4%
- posttraumatic stress disorder rates of 15%, as compared with general population rate of 3.5%

Studies have also found:

- childhood disability rates of between 21-36% in welfare families, as contrasted with identification of 12.2% of school-aged children as students with disabilities under special education
- parents who have a child with a disability or a chronic health condition are less likely to work. Medical problems that limit the child's activities, and the need for significant levels of health services decrease the likelihood that parents can hold jobs outside the home

PROPOSED IMPROVEMENTS

The following amendments to TANF and the CDBG would assist states address the needs of those with significant barriers and parents of children with disabilities so that those who can and wish to

return to work are able to do so. (Note: many of the proposals listed below for helping persons with mental illness would be equally applicable for other people with disabilities.)

- Screening and Assessment: Prior to imposing sanctions, states should screen for mental illness and substance abuse in the adult or mental disability in her children and assess those whose screen indicates there may be a need for services. Sanctions should not be imposed and services should be furnished.
- Greater State Flexibility in Time Limits: States should be able to stop the clock on time limits in situations where individuals are unable to engage in work or are participating in activities that are appropriate, such as: for parents of children with disability aged 0-6 where specialized child care is not available; in 2-year increments for those caring for a child with disability over age 6; for adults with mental disorders who cannot meet work requirements due to their illness and who participate in available services.
- Amending the Federal Definition of Work: States should have greater flexibility to define certain activities as work for purposes of the federal law, including: participating in treatment; attending a health appointments or service plan meetings for a child with disability; participating in training regarding care for a child with disability; supported employment or transitional employment; volunteering in a child care program or classroom.
- Improving Child Care: Families who cannot find appropriate child care due to their child's mental disability should not be required to meet work requirements.

In addition, the federal government should provide support and resources for states to encourage expansion of specialized child care arrangements; improve training of child care workers; encourage consultation for child care programs from mental health professionals; and ensure higher payment for workers who care for children with mental disabilities so as to expand the availability of care child for these children. Specialized child care should be available at hours when parents must work, including nights and weekends.

- Continued Medicaid Coverage: Medicaid coverage should continue for 12 months for TANF leavers and states should have the flexibility to extend this for another year. This is particularly necessary to cover mental health services which are unlikely to be covered in sufficient amount, duration or scope in private insurance (even where insurance is available). States should engage in transition planning for those leaving TANF to address meeting on-going needs, such as access to health and mental health services, access to SSI benefits for children or other family members or access to food stamps.
- Interagency collaboration should be improved: Incentive grants should be authorized to encourage TANF agencies and mental health authorities to work together.

ACTION NEEDED:

Congress should address the needs of individuals with significant barriers to work when the TANF and CDBG programs are re-authorized, including the issues outlined above.