

**Applicant Name:** Vermont Department for Children and Families (DCF)

**Project Title:** Flattening the Benefits Cliff: Vermont's Work Support Strategies

**Amount Requested:** \$246,028

**Overview:**

Vermont will use the Urban Institute grant opportunity to support in-depth data analysis and assessment across multiple benefits areas, including Medicaid, SCHIP, 3SquaresVT (food stamps), Child Care Financial Assistance, LIHEAP and TANF. Targeted data mining will enable us to better identify outcomes associated with the current work support benefits structure and plan for a more synchronized and integrated package of benefits in the future. We will clearly identify factors associated with cycling in and out of benefits eligibility, track the benefits churn, and analyze the optimal package of benefits individuals and families need to move out of poverty. We will define a clear plan of action for a thoughtful realignment of our benefits package, including outreach strategies to ensure more Vermonters access the benefits they are eligible for, maintain those benefits, and use work supports to achieve economic stability.

The Department for Children and Families is in the midst of a major effort to modernize benefits programs managed by its Child Development and Economic Services divisions. This grant will provide us the opportunity and the resources to step back, take an all encompassing view, and completely integrate these efforts across systems in the department and agency. This is critical as staff resources have remained static while caseloads have increased dramatically.

A strong history of innovation and flexibility; a confluence of structural changes related to eligibility determination, access, and retention; a series of assessments related to our benefits structure; and the political will to significantly change our benefits package make Vermont an exceptionally strong candidate for this grant opportunity.

## Section 1: Project Goals and Objectives

**Vermont's Goals:** Vermont is committed to improving the financial stability and well-being of children and reducing child poverty 50% by 2017 (Act 68, 2008). To reach this goal, we must comprehensively address the economic stability of Vermont families and individuals, focusing our efforts toward creating the right incentives, helping people prepare for work, providing viable employment opportunities, and supporting success. We must also address the administrative, procedural, and policy barriers that prevent Vermonters from enrolling in and maintaining work support benefits.

In 2008, Vermont asked the National Center for Children in Poverty (NCCP) at Columbia University to analyze the effectiveness of our state and federal work supports. In its report, *Supports in Vermont: An Analysis of the Effectiveness of State Policies Supporting Work* (known as the Cliff Study), the Center clearly identified economic disincentives to work created by Vermont's current benefits structure. Work support benefits do not operate in sync with one another, and benefits are often eliminated as individuals and families begin to gain financial ground through work. When they lose benefits, many individuals and families fall into economic distress, transition back into benefits, and begin the cycle again. At least one impact of this economic cycle is the "churn" in and out of work support and health benefits.

[http://dcf.vermont.gov/sites/dcf/files/pdf/reports/Work\\_Support\\_in\\_VT.pdf](http://dcf.vermont.gov/sites/dcf/files/pdf/reports/Work_Support_in_VT.pdf)

The Cliff Study recommended incremental change to state policies and benefits structures to mitigate the benefits cliff and maximize work incentives for low income Vermonters. To succeed, Vermont needs to simplify and align eligibility processes and guidelines at the same time that it makes investments in technology and customer-driven methods of eligibility determination, enrollment, and retention. Even more important is the creation of a well-defined,

thoughtful, and viable plan that lays out a step-by-step approach and clearly articulates the consequences, both intended and unintended, of each modification to our current structure.

**Project Goals:**

- Create structured, cross-agency partnerships to develop and implement policies to remove barriers to work;
- Identify and implement strategies to expand outreach, enrollment, and retention in health care and work support financial benefits through multiple points of access;
- Increase our understanding of the factors that contribute to “churn” or enrollment instability in work support benefits;
- Develop a system to predict, identify, track and ultimately reduce or eliminate that churn;
- Identify and implement successful customer service models and relationship-based strategies that will help Vermonters achieve economic stability; and
- Develop a proposal to have Vermont act as a federal laboratory for an innovative benefits structure that would allow the packaging of work support benefits to incentivize work, sustain economic stability, and reduce churn in enrollment and eligibility.

**Planning Year Objectives:**

- Identify and analyze the level of and reasons for “churn” in our health care (Medicaid, SCHIP, VHAP) and our work support financial benefits (e.g., 3SquaresVT, Child Care, Fuel Assistance, Reach Up, Vocational Rehabilitation);
- Update the benefits cliffs analysis incorporating recently implemented changes to eligibility and benefits levels in child care subsidy, LIHEAP and 3SquaresVT;
- Coordinate Vermont’s strategic and operational health insurance exchange planning efforts to

ensure eligibility and enrollment efforts are aligned; and

- Analyze the benefits counselor model, the role of family financial coaching/counseling, and other relationship-based strategies as a vital link to helping Vermonters get and keep work and work supports.

**Vermont Policy and Systems Issues:** Although progress is being achieved through DCF's modernization efforts (e.g., a new interactive website for applying and managing benefits: [mybenefits.vt.gov](https://mybenefits.vt.gov), a phone-based benefits service center, centralized application and document processing, and eligibility specialists), much work remains to be done to streamline the work supports system. We must address our inability to easily access and mine current data across agencies and programs so we can accurately understand the reasons for lack of enrollment or under enrollment in benefits. An intensive diagnostic assessment will provide baseline information on the scope of benefits instability (churn); analyze current benefits for alignment and impact, both singly and in combination, on economic stability; and assess the cost and administrative burden of potential changes. Working in concert with the planning efforts for Vermont's health insurance exchange will provide additional crucial information about benefits churn and the optimal benefits structure. Finally, there are promising new models for relationship-based client service strategies to examine, including specialized benefits counseling provided by Vermont's Division of Vocational Rehabilitation and financial coaching provided by Vermont's Community Action Agencies. Both models have some proven benefit and support proactive benefits management, household planning, and asset development.

Participating in the Urban Institute's Work Support Strategies project will help Vermont identify and plan for needed changes to administrative, procedural, and policy structures to ensure that work is incentivized and individuals and families begin to achieve economic success.

## **Section 2: State Human Services Environment and Leadership Commitment**

**Level of Commitment:** Since at least 2007, Vermont has had a shared, public, and common goal of reducing child poverty in the state. This goal, articulated by the Vermont Child Poverty Council (created by Act 68 of the General Assembly's 2007 session), is to cut child poverty in half by the year 2017. The Child Poverty Council is representative of leadership from across the state and from every branch of state government. The Executive branch, the Legislative branch, community advocates, policy makers, and concerned citizens all have a voice on the Council. They speak clearly and with passion about the role of government, community, education, and individuals toward reaching our common goal. Through a series of forums held in every district of the state, Vermont citizens have also been engaged in this vision. Additionally, Vermont has several vital coalitions that exist around hunger (e.g., Governor's Task Force on Hunger), homelessness (e.g., Vermont Interagency Council on Homelessness), early childhood (e.g., Building Bright Futures Early Childhood Advisory Council), future workforce development (e.g., Next Generation Task Force), and healthcare (e.g., Governor's Health Care Cabinet).

In 2009, Vermont held a Summit on Pathways to Economic Stability, bringing together legislators, educators, state and business leaders, community advocates, and non-profit agency representatives. Participants were asked to prioritize recommendations for action

([http://governor.vermont.gov/priorities/recommendations\\_matrix.pdf](http://governor.vermont.gov/priorities/recommendations_matrix.pdf)) pulled from five reports:

1) the Vermont Child Poverty Council's Report *Improving the Odds for Kids*; 2) the Governor's Hunger Task Force Report *Hunger in Vermont: An Action Plan for Change*; 3) the 2008 Report to the Governor from the Vermont Interagency Council on Homelessness; 4) the 2008 Goals and Measures Report from the Next Generation Workforce Leadership Committee; and 5) Work Supports in Vermont: An Analysis of the Effectiveness of State Policies Supporting Work.

The primary recommendation that came out of the Poverty Summit was for Vermont to address the benefits cliff and find a way to incentivize work for our low income citizens who are able to work. Through the intrinsic and financial benefits of a vibrant and successful workforce, Vermont believes it can address child poverty and continue to care for its most vulnerable citizens. The level of commitment to this goal is strong, ground in information and experience, and bi-partisan, reaching across party lines to a place of state values.

In Vermont's most recent legislative session — in response to *Cliff Study* recommendations and in the midst of significant budget stress — both the Governor and the legislature supported funding an increase to child care subsidy rates. In that same session, both the Executive and Legislative branches expressed continued support for the ongoing effort to modernize benefits eligibility determination in the Economic Services Division of the Vermont Department for Children and Families. This effort includes an online application, a call center serving the entire state, centralized application and document processing, and a network of community partners that provide assistance (e.g., access to the web and help applying).

Legislative and community oversight of the modernization effort has been intense and continues to identify areas of concern and opportunities for improvement. Data and information consolidated through this effort will be more readily available and service integration can occur more easily and with better outcomes. The Commissioner of the Vermont Department for Children and Families is integrally involved in observing processes, listening to stakeholders inside and outside of government, and reporting to legislative committees as the process unfolds. Amidst the attention to the process is a persistent commitment, both inside of government and in Vermont communities, to ensure the modernization of eligibility determination improves customer service, streamlines processes, and includes strategies to preserve access to populations

who may not be able to navigate a modernized system independently. Additionally, the intent is that we are able to use a more efficient system to increase enrollment and outreach, monitor entry and exit into benefits, and make sure each individual and family has access to all available benefits in a holistic package that targets economic stability. A diagnostic assessment will help Vermont government and its community partners to focus on the details of implementation, evaluation, and planning to ensure success. Additionally, the intention is to include eligibility determination for child care subsidy and customer service for health care into this modernization effort, creating comprehensive, streamlined access for our consumers.

**Leadership Capacity:** The leadership team for this project brings together a diversity of expertise and viewpoints that give it particular strength to identify challenges, resolve differences, carry out an effective plan, and provide a model for developing collaborative relationships toward a common end. The Agency of Human Services includes the Department for Children and Families (DCF), which is responsible for a full range of benefit programs that support work and economic security; the Department of Disabilities, Aging and Independent Living (DAIL); and the Department of Vermont Health Access (DVHA). An organizational chart identifying specific divisions within these departments and the relationships among them is available online at <http://humanservices.vermont.gov/publications/ahs-organizational-chart>. The Commissioners of these departments and the Deputies who are responsible for specific divisions related to work supports and economic stability are well known to one another and are fully engaged and committed to the goals of this project and plan. Participation is not, however, limited to senior management. It extends throughout the agency and includes staff assigned to monitor agency programs and initiatives and develop relationships in specific regions of the state. It also includes leadership from three community partners: the Community Action

Programs Coalition, the Parent Child Center Network, and the Vermont Campaign to End Childhood Hunger.

**Stakeholder Engagement:** As evidenced by our rich coalition of taskforces, Legislative and Executive branch commitment, public forums to engage Vermont citizens, and community provider groups, stakeholder commitment to the alleviation of poverty for Vermont children is extremely strong. We anticipate continued involvement from all of these stakeholders and will use the resources afforded by the planning grant to more effectively and intentionally maintain a connected and meaningful discussion informed by real data. Helping low income Vermonters to achieve economic security and a commitment to customer service for Vermont citizens engaged with government are strong, shared values. Engaging the appropriate stakeholders in this ongoing effort will not be a challenge.

**Other Cross-Systems Collaborations:** In the 2010 Legislative Session, the legislature and administration passed the bill *Challenges for Change Act*, which supports efforts to streamline administration; advance innovation in government; integrate service delivery; and base all governmental supports on data, outcome measurement, and accountability.

(<http://www.leg.state.vt.us/docs/2010/Acts/ACT068.pdf>) Two specific initiatives included in the act are particularly relevant to this effort: Creative Workforces Solutions and Modernization of Eligibility Benefits Determinations. The Department of Vermont Health Access recently received a one million dollar grant to work on the development of a Health Insurance Exchange. Their work will directly inform our diagnostic assessment and allow for the development of a unified plan to move Vermont forward.



### **Section 3: Past Experiences with Streamlining Access and Retention**

In 2004, several agencies and departments in Vermont were reorganized under the aegis of the Agency of Human Services. This restructuring brought eligibility determination for most public benefits under the administration of the Vermont Department for Children and Families (DCF). Currently, our Economic Services Division is responsible for determining, maintaining, and reviewing eligibility for a broad array of work support benefits (e.g., SNAP, TANF, Medicaid/SCHIP, LIHEAP, and General Assistance), while our Child Development Division is responsible for determining, maintaining, and reviewing eligibility for the Child Care Financial Assistance Program (child subsidy). The Economic Services Division has worked diligently and innovatively over the last 5 plus years to improve access to and retention of the work support benefits it manages. Several years ago, the division began to envision work supports as a package that begins with a single application for multiple benefits. This was followed by efforts, which continue today, to integrate, streamline, and align benefit policies regarding eligibility determination and renewal. For the past two years, it has been involved in modernizing its processes for determining eligibility. The basic components of modernization are:

- Business-Process Modifications, including replacing a geographically-bound, generalist caseworker model with a function-based, just-in-time production model; streamlining client intake; creating self-service options; and instituting a performance-centered management culture;
- Technology Investments, which are aimed at enhancing productivity, expanding access, and multiplying the channels of communication between workers, community partners, and the department; and

- Outreach and assistance aligned with the new technologies used, including the creation of a statewide call center and a statewide network of community organizations to help individuals and families access and keep benefits.

Additionally, each individual benefit program has given serious attention to streamlining its eligibility determination, enrollment, and retention. During the 2010, legislative session, modernization was expanded to include eligibility determination for child care subsidy. This involves replacing private contracts with 12 community agencies and centralizing the work within the Economic Services Division of DCF. With the inclusion of child care subsidy in the ESD eligibility system, work supports will be even more fully integrated and streamlined and related policies and requirements better aligned to support families with children.

A significant strength of our current eligibility determination structure is a commitment to an integrated benefits application process. Since the mid-1990s, we have had a single paper application for many benefits, including SNAP, Medicaid/SCHIP, TANF and Cash Assistance. LIHEAP was added to the application in 2010, and the Child Care Financial Assistance Program (or subsidy) will be added in 2011. In October of 2010, the single paper application was made available as an online application ([mybenefit.vt.gov](http://mybenefit.vt.gov)). Data on initial usage indicates that approximately 25% of recent applications for benefits were submitted online.

Vermont has a strong tradition of seeking out national policy research and innovative state approaches and applying experiential learning to streamline access to work supports. In 2008, for example, the Child Development Division began reviewing its child care subsidy policies (CCDF) as it relates to one of its sub-groups: families participating in TANF. Using findings from *Designing Subsidy Systems to Meet the Needs of Families: An Overview of Policy*

*Research Findings* by Gina Adams and her colleagues at the Urban Institute, policy executives in both the Economic Services and Child Development divisions focused their policy and process analysis and recommendations on strategies to simplify the recertification process for child care subsidies and make consistent statewide the 12-month authorization policy for families enrolled in TANF and receiving a child care subsidy, an area where families were experiencing churn. Similar efforts are evident in our health assistance program. Vermont introduced health care reform legislation in 2006. This served as a catalyst to strengthen enrollment and retention through such initiatives as the Vermont Campaign for Health Care Security Education Fund. In 2009, in response to a legislative request, the Commissioner for the Department of Disabilities, Aging and Independent Living reviewed current financial eligibility rules and other characteristics of the Medicaid for Working People With Disabilities (WPWD) program on eligibility and enrollments, and assessed the degree to which the program promotes employment opportunities and ensures access to health coverage for Vermonters with disabilities. The findings are summarized in the report entitled *Medicaid for Working People With Disabilities: Impacts of Eligibility Rules and Program Characteristics (2009)*. (<http://vocrehab.vermont.gov/pdf/wpwd-medicaid-impacts-on-eligibility.pdf>).

Vermont made the paradigm shift to seek integrated solutions in all three areas of its benefits-work supports a number of years ago and views eligibility determination, enrollment, and retention as a continuum. The Economic Services Division has many years of experience assessing and implementing policy, procedural, and technological improvements and conducts this work through its division-level Policy and Operations team. Some important examples of work we have done to better integrate the benefits system include the use of the 30 eligibility determination timeframes for SNAP nutritional benefits; the inclusion of LIHEAP heating

benefits eligibility determination in a year round eligibility cycle; and the work we are currently doing to align child care subsidy reviews with the entire benefits package available in the state.

Preliminary work in benefits integration and alignment has already occurred through an in-depth analysis of policy and eligibility across four benefit areas: SNAP, TANF, health insurance (Medicaid and SCHIP), and child care subsidy. By benefit, we analyzed the impact of each policy on parents, administration, training, IT and rules. In addition to application processing, review periods, and reporting changes, other policies such as household composition rules, verification requirements, citizenship eligibility, income and resources were studied. While the workgroup identified similarities and differences in definitions, rules, policies, and business practices, there is much work to be done to design and implement strategies that will further improve access to and retention of the full package of work supports. Knowledge of federal rules and their flexibility; an understanding of all the benefits and their business processes; and reaching an agreement for state rules, policy, and procedural changes are just a few of the areas where Vermont could benefit from technical assistance, peer-to-peer learning, a focused planning time, and a dedicated team.

While Vermont is experienced at integrating eligibility determination from the application process point of view, it is not experienced in conducting in-depth analysis of the longitudinal results of that continuum for both potential and enrolled beneficiaries, as well as the length of enrollment without breaks (churn factor) for those that enroll. Vermont has the capacity, experience, and willingness to develop, promulgate and implement policies that will make a difference in the lives of low-income Vermonters, but again would be in much better position to make sounder policy recommendations if it had the capacity to more rigorously

analyze its administrative data, qualitative data from consumers, community support systems, and economic data from a child-family-community level of analysis across all benefit programs.

In January 2009, Vermont expanded its SNAP eligibility requirement to 185% of FPL and removed the asset test for most households. Combined with the general worsening of the economy, this resulted in a 40% increase in the number of households receiving the benefit. At the same time, our modernized benefits eligibility system was beginning to roll out. The combination of a new system, new business practices, a static workforce, and a significantly increased caseload had created unique challenges and taught us valuable lessons as a state.

We have gained a wealth of experience in the arena of project management and change in very large and complex systems and have developed in house expertise in business process mapping and developing requirements for business systems. We have learned that having a communications plan and dedicated communications resources is key before, during, and after any type of policy or operational systems change. Because of the consolidation of the staff and alignment of job duties, training staff has been critical. Web-based, self-directed learning, orientation seminars, coaching, and supervision have all been used to transition staff to a new way of doing business.

New tools and technologies have been implemented to ensure a more streamlined and accessible application process. Technologies such as document imaging and telephone interviewing offer staff tools for timely eligibility determination and families the ability to self-serve. The first six months of implementation have been very challenging with several poor reviews by consumer advocates due to long response times in the call center. Targeted response

strategies are being deployed to address these issues and performance metrics are being monitored daily and shared weekly with our community partners and the legislature.

A critical lesson learned in our transition is specific to the need for a staged transition plan and technical contingencies to ensure families experience as seamless a transition as possible. We have learned that technology advances rapidly but as a large, governmental organization we cannot always be as nimble as we want and must be very attuned and synchronized with technology investments and strategic plans from multiple sectors so as to turn these into opportunities for advancing policy.

#### **Section 4: Planning Grant Project Description**

**Programs Included & Revisions Anticipated:** Vermont's overall project will include a broad array of work support and public benefits programs including 3SquaresVT (SNAP), Health Care programs (Medicaid, Dr. Dynasaur-SCHIP, Vermont Health Access Plan, Premium Assistance, Pharmacy Programs, Medicare Savings Program), Seasonal and Crisis Fuel Assistance (LIHEAP), Essential Person Program, Lifeline & Link-Up Phone Services, Reach Up (TANF), General Assistance, and Child Care Financial Assistance (child care subsidy). Eligibility determination, maintenance, and review for a great majority of these programs falls under the responsibility of the Department for Children and Families (DCF). While most of the work is handled in the Economic Services Division of the Department, eligibility for child care financial assistance is currently done by the Child Development Division. Health care eligibility responsibility is shared by the Economic Services Division and the Department for Vermont Health Access.

Broadly speaking, we anticipate policy and procedure revisions that align and simplify eligibility guidelines and processes across programs; minimize and mitigate the benefits cliff;

incentivize work; and allow for flexibility in order that each low-income Vermonter has the right package of work support benefits to build and sustain economic stability. For the state of Vermont, this grant opportunity aligns with our statewide agenda to alleviate childhood poverty. The identification of a targeted, step-by-step plan, encompassing policy changes and a detailed analysis of the impact of each proposed change, is a critical and concrete step towards meeting our goal. Proposed policy revisions will be similar in nature and scope to those presented by Agency of Human Services Secretary Rob Hofmann and DCF Commissioner Steve Dale in their January 2010 report to Governor Douglas to address the benefits cliff, *Addressing the Benefits Cliff: Recommendations for Further Action*.

<http://humanservices.vermont.gov/publications/addressing-the-benefits-cliff-recommendations-for-further-action/view>

Additionally, we hope to develop a system for identifying and tracking the exiting and re-entry into benefits (churn) to better predict the phenomenon and alleviate it for our citizens.

Vermont's commitment to structuring its system to encourage employment as the primary path out of poverty has already led to a variety of policy recommendations and supports including expanding and updating eligibility requirements, removing asset tests, consideration of income disregards, and restructuring tax credits and rebates to better support low-income working families. In addition, modernization efforts have dramatically reorganized administrative practices and technology including a client call center, data matching, application and document processing unit, eligibility specialists, network of community partners, paperless document management, online client interface, self-service capacity, and more. Under modernization, workgroups continue to forge ahead on eligibility business-process rules, an eligibility website, and local service kiosks. We anticipate ongoing procedural changes to build

on and revise Vermont’s modernization planning and implementation to strengthen benefits enrollment and stability for eligible households.

**Multi-faceted Approach to Change:** As past initiatives have illustrated, Vermont has long recognized the importance of a multi-faceted approach that includes changes to policies or regulation, administrative practices and processes, client service strategies, and IT systems. Concrete steps in each arena will be necessary to ensure a cohesive and comprehensive product. Some examples of these include:

- Comparison of State and Federal policies, regulations, and procedures to illuminate the way rules interact and where rules and/or processes create barriers to enrolling or maintaining a package of benefits. (*policy/regulatory*)
- Intensive data mining, economic analysis, and diagnosis to provide baseline data on enrollment and retention as well as a clear case for change. (*policy/regulatory, administrative practices/processes*)
- Analysis of current agency program performance data – internal division teams identify strengths and weaknesses in benefits administration. (*administrative practices/processes*)
- Community partner assessments and focus groups with low-income households to keep diagnosis and planning grounded in the experience of households. (*client service strategies, policy/regulatory, administrative practices/processes*)
- Further benefits cliff analysis to include recently implemented changes and the appropriate mix of benefits to maximize work incentives. (*policy/regulatory*)
- Analyze promising models for bolstering relationship-based client service strategies including benefits counseling and financial coaching (*client service strategies*).



- Review of DCF Modernization, assess progress towards new technology and business practice objectives. (*administrative practices/processes, technology/information systems*)

**Project Management Structure & Key Players:** The Vermont Department for Children and Families (DCF), in the Vermont Agency of Human Services, is the lead agency for Vermont's project. DCF will partner with the Department of Vermont Health Access, Division of Vocational Rehabilitation, and key community partners. As the department responsible for many of the state's public benefits, DCF is uniquely positioned to integrate and streamline services.

The Project Leadership Team will meet monthly to ensure regular communication, accountability to project planning goals, and forward movement. Individuals identified for the Project Leadership Team include:

- Project Lead: Shaun Donahue, Chief Administrator, DCF's Office of Economic Opportunity (OEO);
- Steve Dale, Commissioner, Department for Children and Families (DCF);
- Monica Hutt, Operations Director, DCF;
- Susan Besio, Commissioner, Department of Vermont Health Access (DVHA);
- Diane Dalmasse, Director, Department of Disabilities, Aging and Independent Living (DAAIL), Division of Vocational Rehabilitation (VR);
- Pam Dalley, Deputy Commissioner, DCF's Economic Services Division (ESD);
- Reeva Murphy, Deputy Commissioner, DCF's Child Development Division (CDD); and
- Angela Rouelle, Director, DCF's Division of Information Systems.

Division representatives span the variety of benefits programs and will be liaisons to the ongoing work within each department to meet implementation challenges. Contractors will be hired to

act as the Project Manager and the primary Data Analyst. Additionally, we anticipate continued work with NCCP at Columbia University for economic analysis and state and federal regulatory comparison. The Project Team will consist of the following individuals:

- (TBH) Project Manager reporting to the Project Lead;
- (TBH) Project Data Analyst;
- Karolyn White, data analyst ESD;
- Kathleen Paterson, CDD;
- Michelle Betit, ESD Health;
- Amy Darley, ESD, 3SquaresVT (SNAP);
- Russell Frank, DVHA, SCHIP;
- James Smith, DAIL/VR; and
- 3 community partners representing Parent Child Centers, VT Community Action Directors Association, and the Vermont Campaign to End Childhood Hunger.

The current DCF Modernization efforts, the state budget climate, increased consumer demand, and the changing landscape of federal regulations have become all consuming for staff in many, if not all, state departments/divisions. Though a modernized system should allow a static or shrinking workforce to deliver benefits to a growing population, transitioning to this new system is still underway. Participation in the Urban Institute's Work Supports Planning Grant would provide a welcome and critical opportunity for staff to engage in an intensive diagnostic assessment of our plans to modernize and integrate benefits and plan for the future. In addition, the inclusion of community partners as part of the project team will help address the unintended disengagement that can happen under organizational stress. In addition to their

critical role in the work support benefits system, community partners are legislative constituents that can inform and bolster policy efforts.

Vermont could benefit from technical assistance and peer-to-peer learning in many areas, including information about federal rules and their flexibility; comparisons of enrollment strategies across states; concrete definitions for enrollment instability or “churn” and remedies for that churn; and recommendations for policy and procedural changes.

## **Section 5: Plans for Collection and Use of Data**

Currently, the state of Vermont has rich data resources across multiple programs but only limited ability to mine the data and report on it in real time. The state as a whole is working on a comprehensive vision for data collection, management, and retrieval. The Vermont Agency of Human Services (AHS) maintains a wide variety of information sources that contain enormous amounts of client, provider, and support system information specific to the programs/services it administers. To assist in analyzing and reporting this data, AHS has developed the Central Source for Measurement and Evaluation (CSME) data warehouse. CSME is designed and built to identify and analyze utilization patterns among clients served by multiple AHS departments and programs. Until the advent of CSME, it had been difficult to achieve a cross-organizational understanding of client needs, resources, and expenses due to the heterogeneous nature of the source systems containing the data. The data warehouse provides “one-stop shopping” with a common interface and a standard reporting tool.

Data warehouses excel in their ability to bring together information from different sources and combine it across common elements. The current CSME system does just that, by bringing person level information in from seven different source systems and matching data to provide a comprehensive view of benefits engagement. The Agency is continually adding new

source systems to broaden the scope of CSME. The information system for child care subsidy (BFIS) has been approved as one of the next source systems to migrate into CSME.

Once the data has been extracted, transformed and loaded, CSME is designed to answer questions such as how many people are participating or have participated in a given geographic area during any given period or point in time. CSME also provides breakdowns for demographic information including gender, race, ethnicity, marital status, veteran's status, and citizenship. This technology will allow the combined data to be used to inform management decisions, for planning and evaluation, and to improve the delivery and integration of services.

**Current Information:**

<b>Plan for Data Collection &amp; Use Table</b>	<b>Benefits</b>	<b>Currently Reported (Y/N)</b>	<b>Most Recent Data and frequency</b>	<b>Audience for the reports</b>
Caseloads, by office or region, by specific subgroups	Health Care(*1), LIHEAP, SNAP	Yes	Monthly	Public
	Child Care	Yes	Monthly	Federal Office of Child Care; managers
Application volume, by source and by reason	Health Care, LIHEAP, SNAP- (HC not available by program)	Yes	Daily	Managers
	Child Care	No(*2)	Not Available	Managers
Application outcomes (e.g., approvals, and denials, including reasons for unsuccessful or	Health Care, LIHEAP (HC not available by program)	Yes	Daily	Managers

incomplete applications)				
	Child Care	No(*2)	Not Available	Managers
Application Timeliness	Health Care, LIHEAP, SNAP (HC not available by program)	Yes	Daily	Managers
	Child Care	No(*2)	Not Available	Managers
Caseload overlap (i.e., receipt of multiple program benefits by total caseload, by subgroup)	Health Care, LIHEAP, SNAP	No	N/A	N/A
	Child Care	No(*2)	Not Available	Managers
Retention rates (share of renewals that successfully renew)	No	No	N/A	N/A
	Child Care	No(*2)	Not Available	Managers
Caseload churn (what share of case closures return within 30 or 60 days)	No	No	N/A	N/A
	Child Care	No(*2)	Not Available	Managers
Other client contact data (phone calls or online inquiries)	No	No	N/A	N/A
	Child Care	No(*2)	Not Available	Managers
Other information about client experiences or outcomes (i.e., interviews or focus groups)	No			
	Child Care –Parent Experiences w/Child	Yes	Not Available	Challenges for Change Report to

	Care			Legislature
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*\*1- the designation "Health Care" includes Medicaid and SCHIP*

*\*2 Data collected in the child care information system (Bright Futures Information System) and is available but must be manually extracted (staffing and capacity issue)*

**Example of Use of Data:** One example of current data use to inform policy is evidenced in the Vermont Division of Vocational Rehabilitation (VR). VR derives outcome measures for employment and earnings from administrative wage records of the State's Unemployment Insurance (UI) program. This information is submitted by employers to the state as quarterly wage reports. Both public and private sector workers are included in this system. Because the UI system is mandated to collect data on all earnings directly from employers it is a highly reliable source of employment data. Although UI data does not include all earnings, it covers a large majority of wage earnings in each state and can be used as an economic indicator variable for group comparisons. Vermont compared self reports from Vermonters to a 2004 comparison of UI data from the Social Security Administration to better direct program targeting disabled enrollees in Vermont's Medicaid Buy-In program.

**Ability to Use Data in Cross Agency Settings:** Although Vermont does have regular data reporting available in certain areas, health care reports do not provide data by health care program (Medicaid, SCHIP) or for sub programs within Medicaid (PCCM, Premiums Assistance, etc). In addition, we have no reporting on initial health care applications and denials or reporting on retention as a result of review process. A primary goal of the planning phase is to enhance existing reporting and create new monthly reports to enable administrators to review and enhance programs. These reports will also help managers to highlight program specific areas for possible pilot initiatives. Secondly, we want to conduct a broad cross program data analysis to support the diagnostic self-assessment. Finally, based on learning from the creation of

reports and from data analysis, we intend to revise existing data reporting and data reports for individual program management and cross program management. Goals for final data reporting include information on families receiving the full package of identified work support benefits; families receiving one or more of the identified work support benefits and eligible for others; and duration of family participation in benefits programs either distinctly or as these overlap.

## **Section 6: Continuity and Sustainability**

**2010 Elections:** At the time of this proposal submission, public polling suggests that the candidates in Vermont's 2010 gubernatorial race (the Lt. Governor and State Senate President Pro-tempore) are in a dead heat. In terms of the Vermont legislature, the leadership of both the House and Senate are known, stable, and unlikely to change as a result of this year's elections. (See letter of support from Legislative leadership.) As in much of the rest of the nation, jobs, the economy, and tight state budgets are at the forefront of gubernatorial and legislative campaigns. And while candidates may offer different approaches to a particular issue, the health and welfare of the state and its citizens remains of paramount concern and a significant reason for anticipating ongoing support of the activities presented in this proposal.

A work benefits supports streamlining initiative offers much to the political continuum. For economic conservatives, reducing expenditures and eliminating waste while achieving outcomes cost-effectively, holds great appeal. Providing comprehensive programs and services to help underserved households achieve economic self-sufficiency may be more compelling to left wing ideologists, as would reducing barriers to accessing and retaining services. Streamlining workforce supports while achieving results at lower costs and greater efficiencies, and at the same time reducing negative impacts on beneficiaries is something Vermont's

leadership would support regardless of political persuasion and would galvanize bipartisan support for this effort.

**Past Experience:** Vermont has a history of leading the nation in significant public policy debate and development. Some efforts were initiated at the grass roots level, while others sprang from state agencies and elected officials in the legislative and executive branches of government.

Examples not already mentioned in this proposal include:

- Vermont Welfare Restructuring Project (1994)—one of the earliest statewide reforms initiated under waivers of federal welfare rules granted before the passage of the 1996 federal welfare reform law (program evaluation funded in part by The Ford Foundation).
- Vermontfoodhelp.com (2003)—a Department for Children and Families partnership with the Vermont Campaign to End Childhood Hunger to create an accessible online resource for consumers, advocates, and agencies to increase SNAP participation.
- Building Bright Futures (2006)— A 21-member council of state agency, business and community leaders established by Executive Order to assure that all Vermont children are healthy and successful by improving the quality, affordability, and accessibility of services for families with children under the age of six.

**Stakeholders:** In a rural state where resources are few and operating costs high, inclusive collaboration that engages a broad network of stakeholders is essential. Stakeholder engagement and community partnerships underpin much of the successful policy work identified above. Stakeholders can support the initiative in planning and implementation including consumer and community connections, consumer feedback and needs data, links to funding sources, policy expertise, tracking of outcomes, and testing of proposed strategies.



**Maximizing Long-Term Support and Sustainability:** A significant strategy built in the program model is the inclusion of service providers in state-level systems assessments, policy planning, prioritization, and implementation. Field staff at community organizations will be directly involved in planning phase and subsequent implementation phases and will offer best practice information, and real time data to arrive at a thorough assessment of the sources and costs of “churning” and other system inefficiencies. Issues which might jeopardize sustainability include lack of shared ownership, transparency, common accountability, shared data, training, and consumer engagement. Strategies to mitigate these threats include: a shared vision; a clear and rationale decision making process; consistent and coordinated leadership; and good communication.

## **Appendix 1.A - Budget Narrative**

The budget proposed consists of two positions and associated fringe benefits, consultants, travel and meeting costs, and equipment. It is recognized that the State of Vermont and our community partners will be contributing significantly through dedicated staff time and other resources as needed. As indicated in the proposal, the Leadership and Project Teams are staffed by senior state employees and management level community partners. All of the costs associated with their participation including labor, travel and incidental will be in-kind and borne by their respective agencies.

### **Personnel Costs: \$179,488**

- Project Manager (1) at \$35.00 per hour with 35% fringe. In an ideal world this would be a state position, but Vermont like many other states has seen significant staff reductions in the past several years putting a premium on every “classified” state position. Given that, we propose to contract with an individual for a rate that is based on a senior level classified state position.
- Data Analyst (1) at \$28.92 per hour with 35% fringe. This position will also be a contract for the same reasons as stated above.

### **Consultants: \$40,000**

- Columbia University has quoted a figure of \$30,000 for updating the “Family Simulator Model” developed for Vermont and used in the “Benefits Cliff Analysis”, economic analysis, and state and federal regulatory comparison.
- Vermont anticipates the use of topic specific data analysts in addition to the 1 contracted data analyst included in this proposal. It is estimated to cost \$100 – 150 per

hour for these limited scope analysts and we will be exploring the feasibility of matching with other federal funds eligible for these activities such as Medicaid or SNAP for work in these areas.

**Staff Travel: \$12,000**

Expenditures charged to this line will cover the cost of travel for the two contracted staff and contracted consultants and will be reimbursed at the current GAO approved rate. All travel costs associated with other team members/participants will be covered by their respective agencies.

**Meeting Costs: \$9,600**

We anticipate a need to meet with community partners and consumer groups around the state. When not in central Vermont, it is not always possible to use government owned space for such meetings. This line item covers the anticipated costs including light refreshments and travel by non-state employees to attend.

**Equipment: \$4,940**

This line item covers the cost of laptops (2) and PDA's (2) for the contracted staff as well as the service subscription. All other equipment needs will be provided for by DCF.

**Total Request: \$246,028**

**APPENDIX 1. B. - BUDGET PROPOSAL**

BUDGET CATEGORY		COST
<b>PERSONNEL</b>		
<b>Project Coordinator</b> (pg 30 step 5) fringe @ 35%	\$35.00	\$72,800.00 \$25,480.00
<b>Data Analyst</b> (pg 27 step 5) fringe @ 35%	\$28.92	\$60,154.00 \$21,054.00
<b>Consultants</b> Columbia University (update of VT Benefits Cliff study) misc. data consultants, mtg facilitator's etc.		\$30,000 \$10,000
<b>Personnel total</b>		\$219,488.00
<b>Staff travel</b>		\$12,000
<b>Meeting costs</b> (room & refreshments) \$800 X 12		\$9,600.00
<b>EQUIPMENT</b> laptop and PDA (2 ea) phone and data subscription 2@ \$60. per month		\$3,500.00 \$1,440.00
<b>TOTAL BUDGET FOR 1 YEAR PLANNING PERIOD</b>		\$246,028.00

## Vermont Campaign to End Childhood Hunger



October 28, 2010

Dear Grant Officer,

I am writing to express my enthusiastic support of Vermont's "*Work Support Strategies: Streamlining Access, Strengthening Families*" grant proposal to the Urban Institute.

The Vermont Campaign to End Childhood Hunger's mission is to end the injustice of malnutrition and hunger for all Vermonters. We work closely with the Vermont Department for Children and Families to improve access to and participation in 3SquaresVT (Vermont's name for SNAP). We understand the critical importance of this program in providing 88,000 Vermonters with access to more and healthier food and allowing families to use their limited budgets for additional basic needs such as housing and health care. For many Vermont families, these benefits are critical to ensuring food security and economic household stability.

Vermont has seen a 50% increase in 3SquaresVT participation in two years (09/2008 – 09/2010) at the same time that the Department for Children and Families has seen budget cuts and no new staffing. This has created many challenges for the Department, community organizations, and ultimately Vermonters in need. In working closely with the Department, we know that many families are not able to access and maintain all the benefits they may be eligible for in an easy and timely way, and still, many families fall off various "benefits cliffs" in the process of securing employment.

Because we believe in the ability of 3SquaresVT and other work support programs to help end hunger and poverty in Vermont, we want to see improved systems that streamline eligibility and access for limited-income Vermonters. We are committed to continuing to work in close collaboration with the Department for Children and Families as they work to improve benefits access and delivery, and we sincerely hope that Vermont is able to receive this much needed grant funding for these efforts.

Sincerely,



Marissa Parisi  
Executive Director



November 1, 2010

Our mission is to enable people to cope with, and reduce the hardships of poverty, create sustainable self-sufficiency, and reduce the causes and move toward the elimination of poverty.

Work Support Strategies Proposal Review Committee  
Urban Institute  
2100 M Street, NW  
Washington, DC 20037

On behalf of the Vermont Community Action Directors Association (VCADA), I am pleased to express our strong support for the proposal submitted by the Department for Children and Families, on behalf of the Agency for Human Services, to the Urban Institute for a “*Work Support Strategies: Streamlining Access, Strengthening Families*” grant.

The Vermont Community Action Agencies (VT CAAs) have been part of the planning process for this initiative, and we are very excited about the possibilities for enhancing the critical supports needed to help low-income Vermonters achieve a decent quality of life and move toward self-sufficiency. Those potential outcomes echo the missions of the VT CAAs and we are committed to working in partnership with the Departments of Children and Families, Vermont Health Access, and Vocational Rehabilitation, as well as community-based partners, to reach them.

The five VT CAAs – BROC–Community Action in Southwestern Vermont (BROC), Central Vermont Community Action Council (CVCAC), Champlain Valley Office of Economic Opportunity (CVOEO), Northeast Kingdom Community Action (NEKCA), and Southeastern Vermont Community Action (SEVCA) – collectively provide a broad array of anti-poverty programs and services to enable low-income Vermont residents to cope with and overcome the hardships of poverty, stabilize their lives, and take significant strides toward economic self-reliance. These programs run the gamut from short to long-term strategies, from crisis intervention to workforce and small business development.

The Work Support Strategies initiative fits perfectly into the context of the CAAs’ strategic plans, and we believe that Vermont’s specific approach to it, as reflected in its proposal, will be effective if funded. We appreciate your consideration of this proposal and look forward to working with you, the state of Vermont, and a wide range of community partners, to help ensure its success.

Sincerely,

A handwritten signature in black ink that reads "Stephen Geller". The signature is written in a cursive style with a large, looped "S" and "G".

Stephen Geller  
SEVCA Executive Director  
President, Vermont Community Action Directors Association

Serving Windham  
& Windsor Counties

CRISIS INTERVENTION

EMERGENCY HOME  
REPAIR

FUEL ASSISTANCE

FOOD STAMP  
OUTREACH

HEAD START

HOUSING  
STABILIZATION

INDIVIDUAL  
DEVELOPMENT  
ACCOUNTS

MICRO BUSINESS  
DEVELOPMENT

PARENTING  
EDUCATION

TAX PREPARATION  
ASSISTANCE

THRIFT STORES

WEATHERIZATION

WORKFORCE  
DEVELOPMENT

91 Buck Drive  
Westminster  
Vermont 05158  
802.722.4575  
800.464.9951  
fax 802.722.4509  
sevca@sevca.org  
www.sevca.org

Vermont Parent Child Center Network  
2 North Main Street  
North Springfield, VT 05150

October 28, 2010

Monica Hutt, Director of Operations  
Department for Children and Families  
103 South Main Street  
Waterbury, VT 05671

Dear Monica,

It is a pleasure for me to write this letter of support from the Vermont Parent Child Center Network for Vermont's grant application to the Urban Institute for Work Support Strategies.

As you know, the Vermont Parent Child Center Network (VPCCN) represents the 15 Parent Child Centers in Vermont. PCCs play an important role in every region of Vermont. The mission of VPCCN is to create and support a statewide network of PCCs to help all families get off to a healthy start. All centers share a commitment to family-centered practice and offer eight core services: home visiting, early childhood services, parent education, on-site Learning Together program, playgroups, information and referral, and community involvement. In addition, each Parent Child Center provides a welcoming place in the community for families with young children.

PCCs deliver services to all kinds of families but we are intensively engaged with young parents and those facing multiple stresses. For almost 30 years, PCCs have been providing a diverse array of child development and family support services to Vermont families. PCCs have a strong record of success in connecting with disenfranchised populations, particularly families living in poverty. We bring together a myriad of state initiatives under one roof to assure that services are delivered in a way that is family-centered, family-driven, cost effective and integrated.

Many of the families we serve are enrolled in several of the work support financial assistance benefits programs that are the center of this grant's focus – 3SquaresVT, Child Care, Reach Up, and Vocational Rehabilitation. These families experience firsthand the frustrations of different eligibility rules and the myriad paperwork required to be determined eligible for various benefits. They are also the families who need extensive support to gather the required documentation and understand all facets of the application process.

We strongly support Vermont's application to the Urban Institute because it proposes to bring various state agencies and two key antipoverty networks (VPCCN and the Vermont Community Action Network) to the table together, bringing on the ground experience with real families and state policy development expertise together. That is when good real world solutions can be found that meet state and federal requirements and work for families in our communities.

We are especially interested in working with the state to “identify and implement tested and successful customer service models and relationship-based strategies which support Vermonters to achieve economic stability.” We know that all too often policy is developed which does not place sufficient priority on the trusting relationship which must exist between participant and helper to enable real progress against poverty to be made. Keeping the focus on on the ground relationships will be key to making progress to reduce poverty and provide desired services to all eligible families.

Vermont’s Parent Child Centers are committed to being active partners with the state in this initiative and will ensure that the needs and preferences of Vermont’s families with young children are integrally considered as the grant’s initiatives are carried out.

Thank you for pulling the efforts of many people and entities together in the application process.

Cordially,

Lee S. Lauber, Family Center of Washington County  
for the Vermont Parent Child Center Network





**STATE OF VERMONT**  
GENERAL ASSEMBLY

October 26, 2010

Work Support Strategies  
Urban Institute  
2100 M Street, NW  
Washington, DC 20037

RE: Letter of Support for Vermont Department for Children and Families  
Grant Proposal

To Whom It May Concern:

We are writing to support the Department for Children and Families (DCF) grant proposal for funds to improve access to and the delivery of Vermont's work support programs.

DCF has identified the following goals for the grant:

- identification and analysis of the level of and reasons for churn in our health care and work support benefits programs (Child Care Financial Assistance, 3SquaresVT, Reach-up, Vocational Rehabilitation)
- analysis of the benefits cliff created by varied eligibility levels across benefits and the identification of the appropriate mix of benefits to eliminate the cliff and create incentives to maintain employment
- development of a proposal to allow Vermont to act as a federal laboratory for an innovative benefits structure which would allow us to package work support benefits, including health care, in an appropriate way to build and sustain the economic stability of individuals and families
- analysis of the benefits counselor model as a vital link in supporting individuals and families to get and keep work

Vermont has a long history of ensuring that individuals and families have access to health care coverage, child care, nutrition assistance, and other programs supporting low-income individuals and families in employment.

While Vermont has a reputation for its generosity to these citizens, the state continues to struggle with ensuring easy and efficient access to families and individuals and with ensuring Vermont households with low incomes retain health care, child care, and other benefits when members become employed, change jobs, or move up the employment ladder.

As is the case with many states, Vermont is experiencing a fiscal crisis because of the economy and, accordingly, has worked toward streamlining state government by reducing staff, trimming programs, and working towards increased efficiency in operations. In addition, we expect a further deficit in the coming state fiscal year. The state does not have sufficient state funds to provide for this type of essential planning effort, so grant funds are the only available resource for this type of activity.

Please feel free to contact us through our staff, Robin Lunge at 802-828-0290 or [rlunge@leg.state.vt.us](mailto:rlunge@leg.state.vt.us), if you need any further information from us. Thank you for your consideration.

Sincerely,

Representative Shap Smith, Speaker, House of Representatives  
Representative Martha Heath, Chair, House Appropriations Committee  
Representative Mark Larson, Vice-Chair, House Appropriations Committee  
Co-Chair, Health Care Reform Commission

Senator John Campbell, Senate Democratic Majority Leader  
Senator Ann Cummings, Chair, Senate Finance Committee  
Senator Jane Kitchel, Vice-Chair, Senate Appropriations Committee  
Co-Chair, Health Care Reform Commission  
Co-Chair, Health Access Oversight Committee

JAMES H. DOUGLAS  
Governor



State of Vermont  
OFFICE OF THE GOVERNOR

November 1, 2010

Work Support Strategies  
Urban Institute  
2100 M Street, NW  
Washington, DC 20037

Re: Letter of Support for Vermont Grant Proposal

To Whom It May Concern:

I am writing in support of the Vermont Department for Children and Families grant proposal to the Urban Institute Work Support Strategies: Streamlining Access, Strengthening Families grant opportunity.

The reduction of poverty for the children and families of Vermont has been a significant focus for my administration and an area of intense interest within the State. In April of 2009, my administration worked with the National Governors Association to host a poverty summit, entitled Pathways to Economic Stability, which highlighted the necessity of involving state government, local businesses and the community in developing and sustaining long term solutions for the alleviation of poverty. Of particular importance was the work done within Vermont to comprehensively map our work support benefits and to identify the benefits cliff which creates disincentives to work for our most vulnerable citizens.


We have continued to explore the incentives and disincentives inherent in our current benefits structure, and have made incremental changes in benefits to begin to address this issue. In a time of significant economic stress, Vermont has continued to enhance its ability to offer health insurance to those most in need and to work with employers to create options for small business owners and employees across the state. Coupled with the work of the last few years, the global commitment waiver for the state has allowed us some important flexibility in ensuring that coverage for physical health, mental health and substance abuse meets the needs of Vermont's most vulnerable citizens. In this last year, our benefits eligibility system has been modernized, increasing access for our beneficiaries and allowing a static work force to better manage an increasing caseload.

Work Support Strategies  
November 1, 2010  
Page 2

An opportunity to access and retrieve appropriate data, assess our particular incentives and disincentives and identify next steps to stabilizing benefits and thereby stabilizing families and their participation in the work force would be a critical step for Vermont in our overall poverty reduction agenda. The Department for Children and Families, in the Agency of Human Services, is best suited for this task as the primary conduit for all three of the primary benefits: child care subsidy, health care and nutrition benefits.

I look forward to a continuing relationship between the State of Vermont and the Urban Institute and to the opportunity for our state to move an agenda forward, which could benefit the entire country.

Sincerely,



James H. Douglas  
Governor

JHD/qwm



State of Vermont  
Department of Vermont Health Access  
312 Hurricane Lane, Suite 201  
Williston VT 05495-2807  
<http://dvha.vermont.gov>

Agency of Human Services

[Phone] 802-879-5900  
[Fax] 802-879-5651

October 29, 2010

Work Support Strategies  
Urban Institute  
2100 M Street, NW  
Washington, DC 20037

Re: Letter of Support for Vermont Work Support Grant Proposal

To Whom It May Concern:

I am writing a letter in support of the Department for Children and Families proposal to the Urban Institute for the grant opportunity entitled: *Work Support Strategies: Streamlining Access, Strengthening Families*. I see this as a great opportunity for Vermont to address one of our very important challenges in health care programs, and this work will be the foundation for efforts to ensure ease of access to the benefits that are critical to support individuals and families in Vermont as we plan and implement aspects of Federal health care reform.

One of the areas Vermont will address through this grant opportunity is the extent that administrative, procedural and policy barriers prevent Vermonters from enrolling, or maintaining enrollment, in the Medicaid, SCHIP and VHAP health care programs. This grant would provide the resources for Vermont to study the eligibility data on applications, denials and retention to identify areas where there are challenges, and work on solutions to increase enrollment and retention rates and reduce churning.

The grant will be looking at similar issues in programs under the umbrella of the Agency of Human Services, and look at opportunities to align policies and procedures across Departments to support consumers in accessing and retaining benefits. In addition, it provides an opportunity to look at innovative benefit structures which would allow the packaging of work support benefits for individuals and families to incentivize work and sustain economic stability.

The activities outlined in this grant proposal have my full support and I look forward to working with the Urban Institute on this initiative.

Sincerely,

A handwritten signature in cursive script that reads "Susan Besio".

Susan Besio  
Commissioner





**State of Vermont**  
**Agency of Human Services**  
Office of the Secretary  
103 South Main Street  
Waterbury, VT 05671-0204  
[www.humanservices.vermont.gov](http://www.humanservices.vermont.gov)

*Robert D. Hofmann, Secretary*

[phone] 802-241-2244  
[fax] 802-241-2979

October 29, 2010

Work Support Strategies  
Urban Institute  
2100 M Street, NW  
Washington, DC 20037

Re: Letter of Support for Vermont Grant Proposal

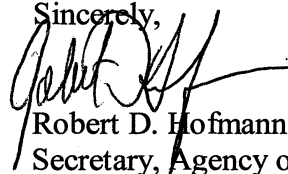
I would like to offer my support for the Department for Children and Families grant proposal to the Urban Institute Work Support Strategies: Streamlining Access, Strengthening Families grant opportunity.

The reduction of poverty for the children and families of Vermont has been a significant focus in our Agency. In April of 2009, Governor Douglas hosted a poverty summit which highlighted the necessity of involving state government, local businesses and the community in developing and sustaining long term solutions for the alleviation of poverty. The greatest area of interest and agreement centered on the importance of identifying and remediating benefits cliffs which create perverse economic disincentives to work.

We have continued to explore the incentives and disincentives inherent in our current benefits structure, and have made incremental changes in benefits to begin to address this issue. In a time of significant economic stress, Vermont has continued to enhance its ability to offer health insurance to those most in need and to work with employers to create options for small business owners and employees across the state. Coupled with the work of the last few years, the global commitment waiver for the state has allowed us some important flexibility in ensuring that health coverage meets the needs of Vermont's most vulnerable citizens.

An opportunity to extract the appropriate data, assess our incentives and disincentives and identify next steps to stabilizing benefits and thereby stabilizing families and their involvement in the work force would be a vital step for Vermont in our poverty reduction agenda. The Department for Children and Families is best suited for this task as the primary channel for all three of the key benefits: child care subsidy, health care and nutrition benefits.

Sincerely,



Robert D. Hofmann  
Secretary, Agency of Human Services

115 STATE STREET  
MONTPELIER, VT 05633  
TEL: (802) 828-2228  
FAX: (802) 828-2424



**STATE OF VERMONT**  
GENERAL ASSEMBLY

REP. ANN PUGH  
SEN. DOUGLAS A. RACINE  
REP. JOHANNAH LEDDY DONOVAN  
SEN. HAROLD GIARD  
SEN. JANE KITCHEL  
REP. CAROLYN W. PARTRIDGE  
DONNA BISTER  
STEPHEN DALE  
CARLEN FINN  
JEFF FRANCIS  
KAREN LAFAYETTE  
KAREN RICHARDS  
VALERIE RICKERT  
ARMANDO VILASECA

**Vermont Child Poverty Council**

October 26, 2010

Work Support Strategies  
Urban Institute  
2100 M Street, NW  
Washington, DC 20037

RE: Letter of Support for Department for Children and Families (DCF) Grant Proposal

To Whom It May Concern:

We are writing to support the Department for Children and Families' (DCF) grant proposal for funds to improve access to and the delivery of Vermont's work support programs.

The Vermont Child Poverty Council is a joint council of legislators, executive agency officials, and representatives from nonprofit organizations serving low-income families. The council was created by Act 68 of the 2007 session of the general assembly. Its mission is to "examine child poverty in Vermont and to make recommendations to the Governor and General Assembly on methods of improving the financial stability and well-being of children." The goal of the Poverty Council is to work towards cutting child poverty in Vermont by 50% by 2018.

In order to reduce child poverty, Vermont must improve access to and retention of the benefits currently offered to families and individuals as they become employed, experience crises, or otherwise hit "bumps" along the way. Vermont's eligibility determination and benefit delivery systems need to be more effective, integrated, streamlined, and customer-friendly in order to ensure that Vermont families receive the needed supports to maintain employment. In addition, this grant would provide needed resources for the state to achieve these goals. Vermont expects to have a budget deficit in the coming state fiscal year and has already significantly reduced staff and trimmed programs within the Agency of Human Services. Without financial support for this type of planning, Vermont will be unable to improve programs or engage in this type of work in the foreseeable future. In addition, the additional expertise provided under the grant would be extremely helpful to DCF and the general assembly.

DCF has identified the following goals for the grant:

- identification and analysis of the level of and reasons for churn in our health care and work support benefits programs
- analysis of the benefits cliff created by varied eligibility levels across benefits and the identification of the appropriate mix of benefits to eliminate the cliff and create incentives to maintain employment
- development of a proposal to allow Vermont to act as a federal laboratory for an innovative benefits structure which would allow us to package work support benefits, including health care, in an appropriate way to guarantee the economic stability of families
- analysis of the benefits counselor model as a vital link in supporting families to get and keep work

We very much support these goals and see it as necessary information for DCF, the Child Poverty Council, the governor, and the general assembly.

Please feel free to contact us through our staff, Robin Lunge at 802-828-0290 or [rlunge@leg.state.vt.us](mailto:rlunge@leg.state.vt.us), if you need any further information from us. Thank you for your consideration.

Sincerely,

Representative Ann Pugh  
Co-Chair, Vermont Child Poverty Council  
Chair, House Human Services Committee