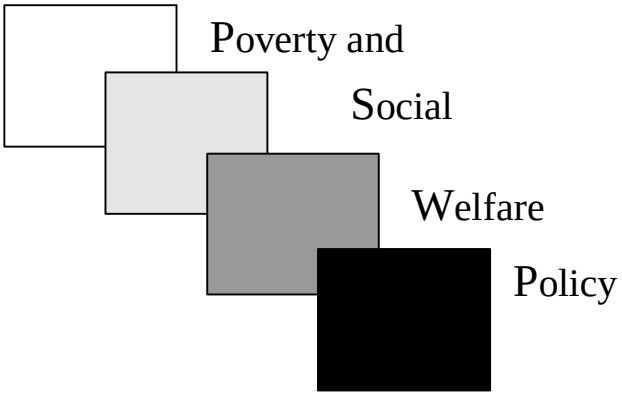
Michigan Program on



WHAT FIA DIRECTORS HAVE TO SAY ABOUT WELFARE REFORM

Highlights from Interviews with FIA County Directors/District Managers in Michigan

March, 1999

This brief provides highlights of what we have learned from directors of local Family Independence Agencies (FIA), Michigan's welfare offices. The data come from interviews with county and sub-county FIA directors offices that occurred in the last half of 1998 as part of our study, "Implementing Welfare to Work in Michigan." This project, funded by the Joyce Foundation, analyzes how welfare and welfare-to-work services in Michigan are delivered in the changing policy climate of devolution. Results from the first stage of the project are documented in *"Moving Toward a Vision of Family Independence: Local Managers' Views of Michigan's Welfare Reforms."* (See http://www.ssw.umich.edu/poverty/pubs.html for this report or call Kristin Seefeldt at 734-998-8514).

In the following pages we provide descriptions of:

- Michigan's welfare system and the changes affecting the Family Independence Agency;
- the transition within the agency to a case management service delivery model;
- local strategies for implementing this case management model;
- other innovative local practices; and
- ways directors would improve the welfare system.

For more information on employment services for welfare recipients, please see *"What Contractors Have to Say About the Work First Program,"* also located at the website address noted above.

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OVERVIEW OF MICHIGAN'S WELFARE SYSTEM & WORK FIRST

Michigan has been recognized as a leader in national welfare reform efforts, with current Governor John Engler playing a major role in advocating for passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). But prior to the 1996 reform, Michigan had already revamped its welfare system, with many of the changes closely conforming to those now required under federal law. This facilitated Michigan's ability to be one of the first states to submit and receive approval for implementation of the new federal block grant, the Temporary Assistance for Needy Families (TANF) program.

Highlights of Reforms

Prior to passage of federal welfare reform, Michigan implemented a series of its own reforms under the name "*To Strengthen Michigan Families*." Several of the more noteworthy changes to the cash assistance program included:

- Increasing the earned income disregard to $200 plus an additional 20 percent of earnings;
- Eliminating some of the eligibility restrictions for two-parent families;
- Increasing the penalties for non-compliance with employment and training requirements.



With implementation of TANF, the following reforms were put in place:

- The Aid to Families with Dependent Children (AFDC) program changed to the Family Independence Program (FIP), and Work First, a job search program emphasizing quick movement into work, is the primary employment and training program;
- Attendance at an orientation to the Work First program is a condition of eligibility for FIP;
- Participation in the Work First program is mandatory for all clients except for those who are: disabled; care for a child with a disability; minor mothers (who are living at home or in an adult-supervised setting and attending school); new mothers up to the 12th week postpartum); or already employed;
- Failure to comply with work requirements without good cause results in a 25 percent grant reduction for four months followed by case closure. New applicants are not eligible for assistance beyond 60 days if they fail to cooperate.

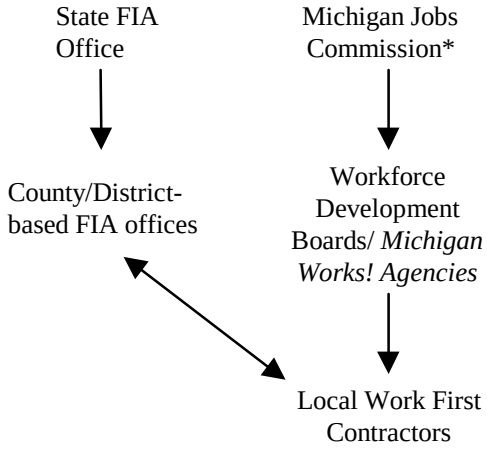
The Family Independence Agency and Work First

The Family Independence Agency (FIA) is responsible for FIP, the state's TANF program. FIA is a state administered system, with local county or district offices (staffed by state employees) determining program eligibility, processing payments for child care, and performing case management activities.

FIA is also responsible for monitoring client compliance with Work First program requirements. Clients are referred to a local Work First contractor through their FIA office, but FIA does not contract directly with the Work First providers.

Instead, Work First is administered at the state level by the Michigan Jobs Commission* and locally through 25 Workforce Development Boards and their staff, called *Michigan Works! Agencies* (MWAs). Twenty-five Board and their MWAs act as fiduciaries for public employment and training funds, including Work First monies. They then contract with one or more agencies to operate Work First in their service delivery area. (For more details, see *"What Contractors Have to Say About the Work First Program,"* also on this website).

MICHIGAN'S WELFARE SYSTEM



* As of April 5, 1999, the Michigan Jobs Commission will be dismantled, and a new agency, the Department of Career Development, will administer Work First.

CHANGES IN THE FAMILY INDEPENDENCE AGENCY

While state and federal welfare reform policies were implemented, a number of organizational changes also affected the Family Independence Agency: in 1997, an early retirement initiative to reduce the number of all state employees resulted in an approximately ten percent reduction in FIA's work force, and local offices were re-configured. Additionally, the composition of FIA caseloads changed.



New Office Configurations

In Michigan, cash assistance (FIP), Food Stamps, child care assistance, medical assistance, and child welfare services are usually delivered from a county FIA office. In larger counties, however, these services are delivered via multiple district offices, with some district offices specializing in the medical or child welfare programs, and the county office functioning as an administrative office.

Since for this study we focused on the Family Independence Program, we only interviewed county directors and district managers of offices with FIP caseloads. In late 1996, there were 117 of these local offices. By late 1998, this number was 114. The reduction is both a factor of the early retirements and declines in FIP caseloads (see below).

Consolidation of local offices also reduced the number of county director/district manager positions from 98 in 1996 down to 88 in 1998.

In addition to these changes, a number of county directors and district managers moved offices. Other county directors took on responsibilities for more than one county.

- In total, over half of the offices were under new leadership, and
- Twenty-five directors, up from 16 in late 1996, have responsibility for overseeing two or more county offices.

New Directors

The statewide early retirement initiative greatly affected the county director and district manager positions. Of those interviewed in 1997 for the first round of the study (98 directors and district managers), just under half retired.

Of the 84 county directors/district managers we interviewed in 1998 (95 percent response rate), all have a management background:

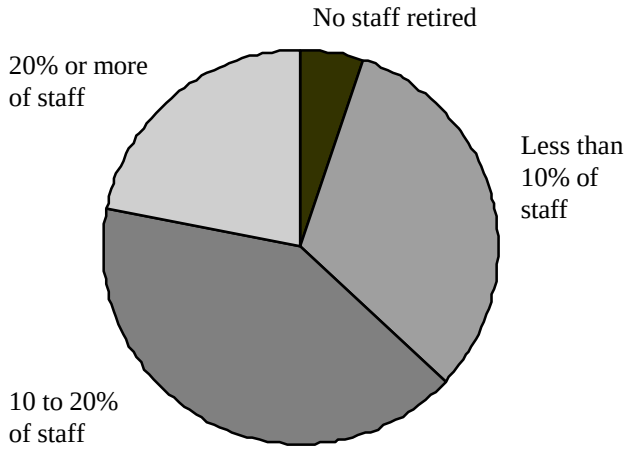
- the majority formerly held supervisory positions in the same or other local offices;
- four came management positions within the state FIA office.

Staff Retirements

The early retirement option affected FIA offices quite differently.

- About two-fifths of county directors/district managers reported losing between 10 and 20 percent of staff—with front-line staff positions affected slightly more than management.
- Just under a third said they lost fewer than 10 percent of staff.
- One fifth of managers reported significant losses of staff—between 20 and 40 percent

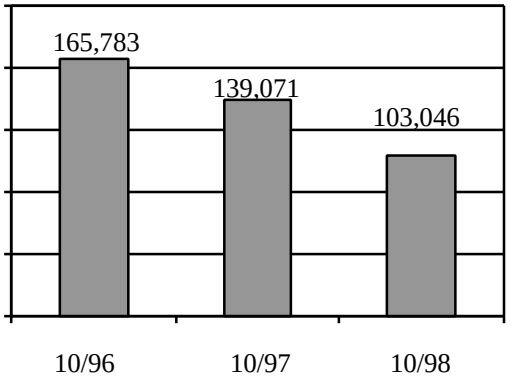
Percent of Local Office Staff Taking Early Retirement



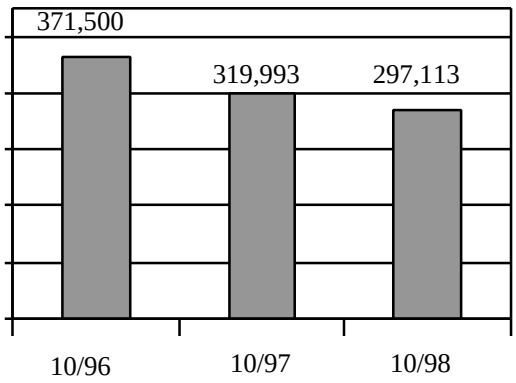
Caseload Changes*

Over the last several years, caseloads for the Family Independence Program (FIP) continued to decline, as has been the trend since March, 1994. Between October, 1996 and October, 1998, the rolls dropped 39 percent. Food Stamp caseloads also declined, although not quite as dramatically—20 percent during the same time period. On the other hand, the Medicaid-only (medically needy) and child daycare caseloads rose. Medicaid-only cases increased by 25 percent, and the daycare caseload experienced tremendous growth; the caseload more than doubled, and the number of children served grew from 44,314 to 107,774.

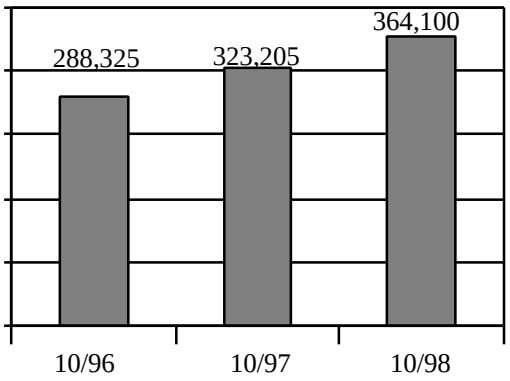
FIP Caseload



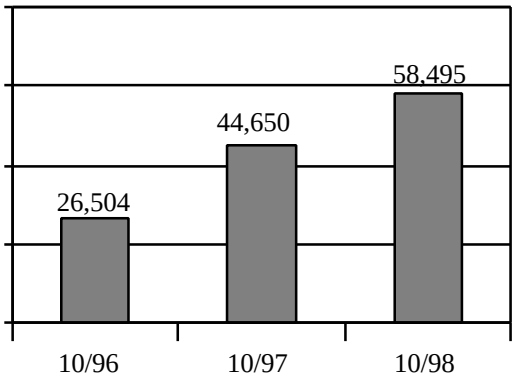
Food Stamp Households



Medicaid Only Caseload



Child Care Caseload



*All data from FIA Assistance Payments Statistics, Family Independence Agency, Lansing, MI

THE TRANSITION A CASE MANGEMENT MODEL

In April, 1997, FIA's workforce underwent a major transformation. For FIP cases, eligibility determination, case maintenance, and support services provision are now the duties of one worker: the Family Independence Specialist (FIS). In addition to these functions, the FIS is responsible for: assessing client needs, developing a trusting relationship with clients, advocating for and linking clients to resources, and motivating clients to become self-sufficient-- in essence, functioning as a case manager. Workers were trained in **"Strength-Based, Solution-Focused"** methods, a casework approach based on the work of Insoo Kim Berg, that seeks to "engage clients in productive problem solving by focusing on what clients to do right, rather than what they do wrong" (Berg, 1994). Visits to clients' homes are also part of the strategy workers use to meet their new responsibilities. As directors reported, however, implementation of this new position was not entirely a smooth process.

Changing Office Culture and Making Home Calls: A Major Implementation Challenge

Overwhelmingly, county directors and district managers reported that ***changing office culture*** and ***performing "social work"*** activities such as ***home calls,*** posed the greatest challenge in converting staff from eligibility and income maintenance workers (formerly called Assistance Payment staff) to case managers (FIS).

Although many directors and district managers anticipated this problem prior to FIS implementation (i.e., late 1996), for a couple of reasons, this finding is somewhat surprising:

- In late 1996, more directors thought that the lack of policy simplification would be a bigger barrier to FIS implementation issue in that paperwork tasks would keep staff from performing case management activities.
- Additionally, county directors in six sites where FIS was piloted reported that staff liked performing case management activities. Workload issues, not a lack of staff skills, were the only reported barriers to fully realizing their new role and making visits to clients' homes.



However, it appears that once the position was taken statewide, local offices found the culture change to be more difficult. As one director noted, the implementation of FIS represents a complete paradigm shift in worker orientation; staff were initially hired to compute eligibility and process paperwork. Now they are being asked to perform social work functions with fairly limited training in those skills.

One third of county directors/district managers said some of their staff were resistant to performing home calls. Further exacerbating the problem was the May, 1998 death of a Child Protective Services worker at the hands of a parent under investigation for child abuse.

Learning New Policies

For the majority of staff, becoming a FIS not only meant adopting a new set of skills when interacting with clients, it also meant learning new program policies. Over a quarter of directors and district managers mentioned the following policy-related stumbling blocks:

- Formerly specialized staff becoming generalists— With FIS, workers who only performed intake work (i.e eligibility determination) now are responsible for ongoing maintenance work on the case. Workers who only had responsibility for one program area, such as Medical Assistance, now must be proficient in all programs;
- Former eligibility and income maintenance staff learning daycare policy— Until FIS implementation, this program was handled by support services staff. FIS are now responsible for daycare, which is a very complex program;
- All staff dealing with frequent policy changes--- Federal and state welfare reform initiatives have led to many and frequent changes in the policies guiding local office operations. Keeping abreast of these changes can take time away from other activities.



Early Retirements

As noted above, the conversion to the FIS position coincided with a significant portion of FIA's workforce taking early retirement. Many county directors/district managers noted detrimental effects of the retirement on their offices' ability to implement FIS:

- Loss of staff often translated into loss of expertise—in some offices, staff with the most policy knowledge were the staff who retired.
- In some offices, implementation of FIS went slower than anticipated; new staff had to be hired and trained, while ongoing staff carried heavier workloads.

On the other hand, some managers noted a positive side to the retirements. They characterized their new staff as bringing a fresh perspective to the agency and being more attuned to the new case management approach. Moreover, because they were hired specifically for the FIS position, new staff tend to have social work training.

How Long Does it Take to Make This Transition?

While some county directors and district managers note that individual workers adapted to their new role at different rates, most believe that the transition takes time.

At the time of our interviews (about a year and a half after FIS was implemented), nearly equal numbers of managers (about one-fifth) said that staff either took between six to nine months or a full year to become functional as FIS.

However, more directors—***over one-quarter***—said that their staff still had not completely made the transition.

Caseload Sizes

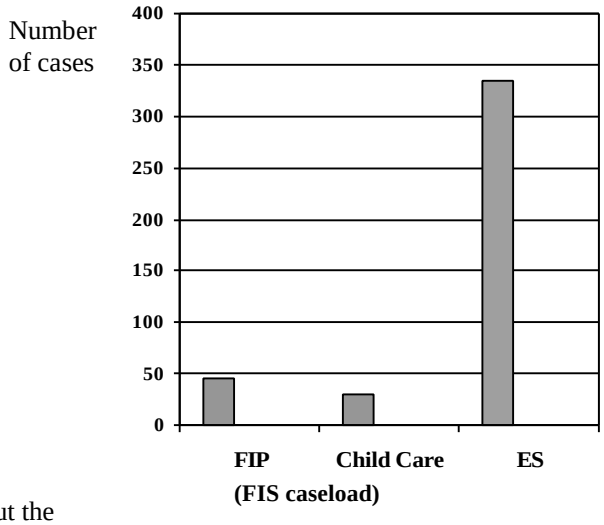
In order to perform case management activities, FIS workers are supposed to carry smaller caseloads than workers did as income maintenance staff. Originally, the state envisioned that the FIS would handle 60 to 65 FIP cases each. However, FIS also are responsible for daycare cases as well as Food Stamps and Medicaid for their FIP cases. Non-cash assistance cases, such as Food Stamp only households or Medical assistance cases, are handled by Eligibility Specialists (ES). These workers carry larger caseloads than do the FIS, since ES cases do not receive any case management services.

In late 1998, county directors reported that:

- FIS workers carry anywhere from 9 to 103 FIP cases per worker, with a median of 45 cases.
- Daycare caseloads range from 12 to 96 cases per worker, with a median caseload of 30.
- Eligibility Specialists have higher caseloads by design, but large variation is seen here, with workers carrying between 200 to 650 cases each (median=335).

Not surprisingly, caseloads per worker tend to be the lowest in offices in the less populated northern part of the state, while offices in Wayne County have some of the highest staff to caseload ratios.

Median Caseload



Directors and district managers have very mixed feelings about the appropriateness of staff caseload size. In part this is due to the wide range of staff to caseload ratios reported by county directors.

About half of directors/district managers believe that FIS have manageable caseloads, although a sizeable minority think FIS need fewer cases per worker. On the other hand, Eligibility Specialists were more likely to be perceived as having caseloads that are too high. Even though ES workers do not have the case management responsibilities like the FIS, they are responsible for administering multiple programs with complex rules and policies.

Additional Training Needs

Many local managers suggested that staff be given a "refresher" seminar on Strength-Based, Solution-Focused techniques. Initially, this was a foreign concept for most workers. These directors expected that since staff have been in their new role for some time, another training session would help solidify some of the tenets of the model. Additionally, now that staff have experience, they may have concrete questions that could get addressed in such a session.

Another training need identified is cultural sensitivity. In many cases, FIA clients and FIA staff come from different backgrounds, and a need was seen for staff to be more cognizant of the stereotypes they may have about clients.

However, several directors cautioned that too much training can subvert the desired intent. Time spent in training sessions means time spent away from the office. If workers are constantly in training, they risk getting behind in their paperwork. As such, they may feel pressured for time and not practice the client-related skills learned in training. A balance must be struck between training and allowing staff the time they need to perform their duties.

LOCAL APPROACHES TO FIS IMPLEMENTATION

Even though the conversion of staff to the Family Independence Specialist position occurred nearly two years ago, county directors and district managers recognize that the process of implementing it will be ongoing. In order to facilitate staff adaptation to their new role, a number of local offices have undertaken their own training or adopted unique practices. We enumerate several of these, which other offices around the state or country may wish to use with their own staff.

Local Training and Workshops

Most local offices supplemented the state-provided training on Strength-Based Solution Focused techniques with other training sessions or workshops. These include:

- Training on home call protocols and safety, conducted by child welfare staff or local police. Topics covered include practical matters such as how far into the house to enter and how to deal with dogs.

- Periodic speakers series featuring social services agencies in the community that deal with issues such as mental health, domestic violence, and family crises. Directors noted that these sessions serve a dual purpose:

  1) staff are exposed to the resources in the community so they can refer clients to them; and
  2) the speakers can model social work skills.



Local Management Innovations

New Policies:
Keeping on top of policy changes takes time away from other duties. To address this, one office formed a committee made up of front-line staff. Committee members are responsible for explaining new policies to their peers and implementing them in the office.



Home Calls:
Several offices have instituted home call evaluation processes that require staff other than the FIS to be in the field. In one office, all members of the management team, including the district manager, conduct a home visit with a FIS worker at least once every six months. This opportunity both provides feedback to the FIS on their performance and exposes the managers to issues faced by staff in the field.

Morale:
Recognizing that staff needed an avenue to vent frustrations, one director created a "FIS anonymous" meeting for staff. While this group gives staff a place to talk about any difficulties they are currently facing, it has also developed into a forum for workers to share their own "best-practices" with each other.

INNOVATIVE LOCAL PRACTICES

This page highlights some of the innovative approaches to addressing client needs that we documented during our conversations with county directors and district managers. While we cannot at this point correlate these practices with levels of client employment or earnings, local managers endorse these particular strategies as useful in helping to remove client barriers to employment.

Collaboration with Work First



Because Michigan's welfare system is comprised of two sectors, FIA shares responsibility for welfare recipients with various Work First contractors. However, since the two entities are not administratively linked, building and maintaining a relationship with each other is important so that clients are given consistent messages and served in the best manner possible. Most FIA directors reported frequent communication with their partner Work First contractor office, but some places have undertaken greater levels of collaboration. Examples of this include:

1) Work First staff joining FIA workers on home calls to clients;

2) Regularly scheduled meetings between FIA and Work First staff to discuss particular cases (frequently the "hard-to-serve" or those with no earned income) and develop joint service strategy plans. One director referred to these sessions as "wrap-around meetings";

3) Case conferencing for clients having particular difficulties. These meetings would involve relevant community agencies and/or the client's family;

4) A FIS worker going to the Work First site a couple of hours each week to answer client questions. Also during this time the FIS, Work First staff, and clients have an opportunity to do joint meetings. Directors of offices using this practice report that it helps all staff to provide more consistent information to clients and that it gives FIA staff a chance to observe Work First program activities.

Transportation

Despite state efforts to address this issue, many directors noted that transportation continues to be a barrier to employment for a significant number of clients. Moreover, this problem can be difficult to solve because of larger infrastructure issues (e.g., lack of public transportation in some areas).

A couple of interesting programs were in development, or recently started, which could help alleviate this barrier:

- In one area in the northern part of the state, a community group is exploring the possibility of buying cars and leasing them (for a very-low monthly payment) to working people. If the person holds a job for six months, s/he will then be able to buy the car for one dollar;

- In Ypsilant (an urban area in southeastern Michigan), a nonprofit group called NeighborWorks Garage takes donated cars, repairs them, and then gives them to low-income, working single mothers. Additionally, the program provides instruction in basic car maintenance, budgeting, and driving-related legal issues. A one year maintenance plan with subsidized repair is also part of the program. Currently, NeighborWorks has a 200 person waiting list.



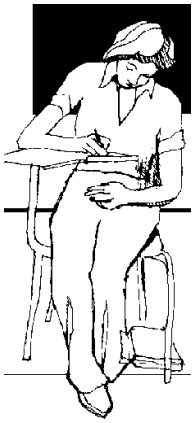
HOW DIRECTORS WOULD IMPROVE THE WELFARE SYSTEM

Problem: Lack of Training for Clients

A sentiment shared by just under half of respondents is that Michigan needs to find a balance between immediate job placement and training. Two commonly mentioned concerns are:

Many jobs clients take are entry-level, minimum wage positions that have no career ladder; and

Current training policy may not be realistic. In Michigan, clients who become employed have the option of participating in short-term training programs, as long as they maintain employment and are still on welfare. This post-employment training (PET) option, however, may not be the optimal solution to the employment vs. training issue. Many managers realize the difficulty of juggling work and single-parenthood within the first few months of starting employment. Others note that by the time a single mother is ready to manage work and training, she may be off the welfare rolls and no longer eligible for PET.



Managers' Suggested Solutions

Allow clients with low skills to engage in short-term vocational training;

Do more collaboration with businesses at both the state and local levels. Target job development efforts on employers who offer benefits, opportunities for on the job training, and career growth.;

Change PET requirements so that clients can cut back on number of hours they work while they are in training.

Problem: Need More Comprehensive Services

With many clients leaving the FIP (TANF) rolls, those left will likely face greater barriers to employment. Just under half of county directors/district managers believe that more than 20 percent of the FIP caseload will reach the federal time limit without being employed or being marginally employed. Addressing the barriers faced by this group will require services beyond job search and placement.

But even clients who get jobs may lack the supports necessary to maintain employment. Additional services could keep these clients from cycling in and out of jobs.

Managers' Suggested Solutions

Collaboration with a wider set of partners:
A number of directors mentioned that the school system should be a partner in welfare reform. These directors believe that this collaboration could be helpful in setting up after-school programs, so working parents would have another child care option for school-age children.



Assessment training for FIS:
The benefits of further collaboration with other agencies could be limited by a worker's inability to identify problems. In order to effectively address client barriers to employment and provide case management, FIS need additional training in problem identification.

Post-employment services:
Services of this type could include continued case management of employees' progress and service needs, and workshops on topics such as anger management, problem solving, budgeting (especially important for clients whose bills are currently vendored), and other skills crucial to balancing work and family.