

**Re: Testimony in Support of amendment to HF466
Being Heard: 2/21/23 by the Children and Families Committee, Chair Pinto
Today's Date: 2/17/23**

I am providing shared testimony in support of the amendment to HF466 that includes the removal of statutory requirements for the state of MN to operate a Diversionary Work Program (DWP) and instead provide one cash assistance program that serves all Minnesota Families through MFIP.

My name is Anne Lindseth and I am the Director of Health and Human Services for Beltrami County. In 2022 I served as a co-chair of a MACSSA sub-committee that researched and made recommendations around the effectiveness of the Diversionary Work Program.

One family cash assistance program inherently supports a goal of HF466; which is to provide a more streamlined and simplified process of accessing and processing family cash benefits.

Our DWP group's research lead to some state-wide shared conclusions:

- DWP unintentionally causes barriers to access benefits with the requirement to have a signed employment plan prior to receiving a benefit. Completing this requirement is challenging for many applicants as they have very few resources and often are challenged with transportation and childcare barriers.
- DWP does not allow adequate time for recipients to manage the barriers that have caused them to need cash assistance in the first place. I.e. in greater MN, it is not uncommon to be on a wait list for childcare for 6 months or more if they have young children; thus, making the four months of DWP not affective.
- Many families end up transitioning to MFIP at some point in the 12 months following their initial application. This in itself negates the initial goal of DWP which is to divert families from having to go on long term cash assistance.
DHS data covered calendar years 2018 and 2019 showed that on average, 30% of DWP participants were on MFIP in their 5th month, the month immediately after DWP ended. 43% were on MFIP at some point during the 6th through 11th months after starting DWP and 23% were on MFIP in their 12th month after starting DWP.
- DWP creates churn and confusion for families. DWP is a 4-month program. It often is received in conjunction with other programs such as SNAP and MA. SNAP and MA operate off of 6 month budgeting cycles with different reporting requirements. A family has to go through many processes to access DWP then once receiving, if not successful in securing employment they have to go through all those processes again to access MFIP while keeping track of different program rules for cash assistance programs vs. all other programs being receiving.
- **DWP does not provide any identified benefit that would not be available through MFIP. Both programs have the same employment service requirement and the same goal of employment that leads to self-sufficiency.**
- Without any data that shows proven success, the operation of the DWP program is not worth the administrative cost.

It is important to note that while DWP data does show that some individuals are successfully diverted from MFIP through DWP participation, those same families would have all the same resources through MFIP and would have a high likelihood of successfully exiting MFIP in that same time frame.

Counties are tasked with the administration of this program and see the effects and the experience of recipients. We hope that you consider our strong support for this simplification effort to improve access and long-term outcomes for our participants.

We provide our strong support for the simplification of family cash assistance programs by transitioning to having the Minnesota Family Investment Program serve all Minnesota families.

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