

Final report

Author: Boston College. Social Welfare Regional Research Institute

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Chestnut Hill, Mass.: Social Welfare Regional Research Institute, Institute of Human Sciences, Boston College, March 10, 1972

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SOCIAL WELFARE REGIONAL RESEARCH INSTITUTE
INSTITUTE OF HUMAN SCIENCES
BOSTON COLLEGE
CHESTNUT HILL, MASSACHUSETTS 02167
AREA CODE 617 - 969-0100 Ext. 2323

CL - 265

March 10, 1972

Commissioner Steven A. Minter
Department of Public Welfare
Commonwealth of Massachusetts
600 Washington Street
Boston, Massachusetts 02111

Dear Commissioner Minter:

It is my pleasure to forward to you the Final Report on the data and findings of our study of the General Relief - Division of Employment Security Program.

I want to thank you and your staff for the generous cooperation in the development and implementation of this study. I hope that we will have an opportunity of undertaking such interesting and significant studies for you in the future.

Sincerely,



Martin Lowenthal, Ph. D.
Director

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PREFACE

This study was undertaken at the request of Commissioner Steven Minter of the Department of Public Welfare. In his charge to the Regional Research Institute, the Commissioner asked that an objective evaluation of the new General Relief - Division of Employment Security Program to restore employable General Relief clients to self-support, be undertaken at the outset of the program in October. The following points were to be covered:

1. How many recipients failed to pick up their checks and register, and why?
2. How many recipients were placed in jobs? What kinds of jobs did recipients receive?
3. To what extent was the administration of the program problematical, unmanageable or excessively expensive?

Without financial assistance from the Department of Public Welfare but with full cooperation and generous amounts of DPW time, the Social Welfare Regional Research Institute (SWRRI) at Boston College, which receives support from the Social and Rehabilitation Service of the Department of Health, Education, and Welfare agreed to do as much of the study as was permitted by its own resources. This report represents the findings and analysis of the data collected as of the beginning of February 1972. In addition, the United Community Services of Metropolitan Boston generously collaborated in the study of those recipients who did not pick up their checks at the DES by conducting interviews and analyzing the data collected in those interviews.

The data and findings presented in this report are almost entirely concerned with the Department of Public Welfare portion of the program. Part of the reason for this was the general lack of cooperation from the Division of Employment Security. Even after making prior arrangements with the Division, researchers from the Regional Research Institute met with resistance in attempting to assess the implementation of procedures within the DES as it dealt with the new check pick-up program. After unsuccessful visits to four DES offices, the researchers decided to reallocate their time to other parts of the study, particularly that portion dealing with those recipients who found jobs within the first two months of the program.

The personnel who worked on this study were: Barry Bluestone, Kevin Farrington, Barbara Ferullo, Michelle Leary, Martin Lowenthal, Thomas Naughton, Sue Ellen Press, Mildred Rein, James Sumrall, Natalie Weinrebe, and Robert Wintersmith from the Social Welfare Regional Research Institute; Jean Driscoll and Michael Kerr from UCS; and Steven Girton, a doctoral candidate at M.I.T. who worked on this study with the SWRRI.

CHAPTER I

THE NEW GENERAL RELIEF - DIVISION OF EMPLOYMENT SECURITY PROGRAM

At the end of August, 1971 the Massachusetts Legislature passed the 1972 Appropriations Act which contained a provision that required employable General Relief recipients to pick up their checks at employment offices and register for work. Chapter 719 included this provision which read: "after October 1, 1971, every person eligible for an assistance check under Chapter 117 of General Laws, determined by the Department to be an employable person, shall receive such check from the nearest Office of Division of Employment Security."

This action was taken without prior formal study into the effects, problems and possible real advantages of the provision. Initial reports from New York which had just implemented a similar program appeared to indicate that a significant savings could be realized through those who did not pick up their checks and would subsequently be dropped from the rolls. In addition, the idea of having "employable" public assistance clients register with employment offices had received widespread public acceptance. While provisions to this effect were already in state regulations, the requirement that clients pick up checks and be interviewed at employment offices was seen as a way of enforcing work provisions.

The Legislature, while requiring this new program, did not appropriate any additional funds at the time to the Department of Public Welfare or the Division of Employment Security. The development of this new program within

the month before the provision took effect and the implementation of the program had to be absorbed by both departments through the shifting of employee time from other programs, which are primarily federally funded, into this new GR-DES program.

As a first step toward meeting the new requirement, the Commissioner of Public Welfare directed all Welfare Service Offices in the state to review their entire General Relief Caseload to determine the employability of all recipients and applicants. This was done in accordance with the following definition contained in State Letter 283 of September 15, 1971:

"Definition of Employability

All General Relief applicants or recipients age sixteen (16) and over shall be considered employable except by reason of:

1. Attendance full time in grade, high school, technical or vocational school by persons who have not reached their twenty-first (21st) birthday.
2. Full-time employment (35 hours or more per week).
3. Full-time satisfactory participation in an approved program of vocational training or rehabilitation.
4. Part-time employment to the extent permitted by medical verification.
5. Mental or physical incapacity which has been medically established to be of a substantial nature so as to prevent an individual from engaging in employment.
6. In the case of a female recipient or applicant, the need to remain at home to care for other members of the immediate household who have been verified to be wholly incapacitated and/or in need of constant care."

The State Letter also stated that "if the social worker is unable to establish and verify unemployability, the individual must be determined employable. (Emphasis contained in the instructions) The Letter included the guidelines for verification and required that all verification had to be in

the case record. Medical verification of illness or incapacity had to come from a physician or a clinic and "must contain a diagnosis, the anticipated duration of the illness or incapacity, the individual's limitations as to the kinds of work that may be performed and the number of hours that may be worked, as well as the medical treatment which is indicated to correct or improve the illness or incapacity."

These criteria for the determination of non-employability represent a significant operational decision by the Welfare Department. Clients were considered employable unless they could be fitted into one of the above categories and could be verified. The burden of proof, if verification did not already exist in the case records, was placed upon the client to obtain verification of his unemployable status. The Welfare Service Offices (WSO) were given five working days to review their entire GR caseload to make determinations, and to return the new payroll to the GR-DES Project Office in Boston.

All persons who were required to pick up their checks were notified by mail by the Department of Public Welfare. The notification informed the recipient that he was to report to a specified employment office to receive his check on a given day and at a specified time. The date and time were arranged by the D.E.S. with no consultation from the client or consideration for other client commitments.

In addition, the Division of Employment Security required that the dates for the clients to pick up checks be spread over a ten working day period. This was done with little or no consideration for the needs of the clients who were in need of the money which was issued on the 15th of the month but not released until the time of the appointment at the local employment office.

Procedures were established between the two departments to follow up on those persons who did not report to D.E.S., on those who found employment, and on those who refused employment or training. Those people who were determined to be "unemployable" by D.E.S. proved to be a more difficult problem.

The program went into operation on October 15, 1971. This report presents the findings of a study of the first three months of operation of the program and attempts to assess the results.

CHAPTER II

REASONS GIVEN BY GENERAL RELIEF RECIPIENTS FOR NOT REPORTING TO D.E.S. DURING OCTOBER 15 TO OCTOBER 29 PERIOD, 1971

The check period of October 15 to October 29 was the first period wherein "employable" General Relief recipients were required to obtain their assistance checks at local offices of the Division of Employment Security. A total of 11,507 such individuals in the State of Massachusetts were sent notification by the Department of Public Welfare, to report at a scheduled time within the above period. Three hundred and fifty of these notifications to report were returned by the post office. Of the remainder 9,016 recipients reported and 2,141 or 18% who ostensibly had been notified did not report. In the following check period of November 1 to November 15, 2,063 out of 10,087 or 20% did not report. This chapter is concerned with the reasons for not reporting during the first period of October 15 to 29.

One method used to study the reasons for not reporting to D.E.S. was a questionnaire sent by mail to all those in Massachusetts who did not report, asking for a voluntary and anonymous reply by mail. The questionnaire dealt with a list of reasons for not reporting including an "other" category where the respondent could write in alternative or additional reasons, elaboration or clarification. Out of the 2100 that were mailed, 612 completed forms were returned. The questionnaire listed 13 reasons, but the "other" category resulted in the addition of three new reasons: hospitalization, reclassification and agency error, which made 16 in all.

The distribution of respondents by reason given for not reporting to D.E.S. is shown in TABLE 1. The distribution of the specific reasons among all the reasons given by all respondents is shown in TABLE 2.

TABLE 1

DISTRIBUTION OF RESPONDENTS BY REASONS FOR FAILURE TO REPORT
TO D.E.S. OCTOBER 15 - OCTOBER 29, 1971

<u>Reason</u>	<u>Number of Instances</u>	<u>Percent of Total Number of Respondents Giving This Reason (N=612)</u>
Couldn't pick up check because:-		
1. Didn't know about it	137	22.3
2. Couldn't leave house - had to care for someone	25	4.0
3. Too far to travel	44	7.1
4. Too sick or disabled to go	202	33.0
5. Working full-time	59	9.6
6. Working part-time	23	3.7
Not sure entitled to check because:-		
7. Have other income	65	10.6
8. New welfare rules	47	7.6
Did not want to go to Employment Office because:-		
9. Am already working	45	7.3
10. Cannot work	72	11.7
11. Am too old	22	3.5
12. Am disabled	101	16.5
13. Must care for someone	16	2.6
14. In hospital	48	7.8
15. Case reclassified	6	0.9
16. Agency error	88	14.3

TABLE 2

DISTRIBUTION OF TOTAL NUMBER AND PERCENT OF REASONS GIVEN FOR
FAILURE TO REPORT TO D.E.S., OCTOBER 15 - OCTOBER 29, 1971

<u>Reason</u>	<u>Number of Instances</u> <u>(N=1000)</u>	<u>Percent of Total</u> <u>Reasons</u>
Couldn't pick up check because:-		
1. Didn't know about it	137	13.7
2. Couldn't leave house - had to care for someone	25	2.5
3. Too far to travel	44	4.4
4. Too sick or disabled to go	202	20.2
5. Working full-time	59	5.9
6. Working part-time	23	2.3
Not sure entitled to check because:-		
7. Have other income	65	6.5
8. New welfare rules	47	4.7
Did not want to go to Employment Office because:-		
9. Am already working	45	4.5
10. Cannot work	72	7.2
11. Am too old	22	2.2
12. Am disabled	101	10.1
13. Must care for someone	16	1.6
14. In hospital	48	4.8
15. Case reclassified	6	.6
16. Agency error	88	8.8
Total	1000	100.0

The two preceding tables clearly indicate that the reason given most frequently for not having reported to D.E.S. was "too sick or disabled to go." This response was offered by 33% of the respondents and there were 202 such instances which accounted for 20% of the total reasons. Adding reason "4" to reason "12" (am disabled), but subtracting 76 of these as duplicatory, there were 227 persons who listed illness or disability as a reason. In addition, of the 48 instances of "in hospital" if also adjusted for duplication, 18 can be added to make a total of 245 persons who claimed to have been disabled. This represents 40% of all respondents, and 24% of reasons.

The reason "didn't know" was cited by 137 or 22% of the respondents. If "agency error" - 88 responses - is added (after eliminating 27 duplicatory responses), we are left with 198 instances of what might be viewed as temporary reasons. This pertains to 32% of the respondents and 20% of total reasons given.

If the three categories of reasons that pertain to work ("5", "6", and "9") are added and duplication is considered, the sum total of all those respondents who gave work as a reason is 114 persons - 20% of the respondents and 11% of the total reasons.

Of the 1000 instances of the 16 reasons, 66% of respondents gave one reason for not reporting while 34% checked more than one or multiple reasons, as TABLE 3 shows. Thirty-three percent of respondents wrote some remark in the "other" designation.

TABLE 3

NUMBER OF REASONS GIVEN BY NUMBER AND PERCENT OF RESPONDENTS

<u>Number of Reasons</u>	<u>Number of Respondents</u>	<u>Percent of Respondents</u>
1	403	65.8
2	104	16.9
3	71	11.6
4	24	3.9
5	8	1.3
6	2	.3
	<u>612</u>	<u>99.8</u>

(N=612)

Illness

Illness appeared in the questionnaire in three questions - a) question "4" disability at the time that it was required to report to D.E.S., b) question "12" which concerned not wanting to go to the employment office because one was too ill to be considered for employment, and c) question "14" being in hospital at the time required to report. It is not certain that these questions elicited replies that were as specific as they were meant to be, according to these designations. We know that 76 of those who checked reason "4" also checked reason "12", and 30 of those who checked reason "4" were also "in hospital" at the time they were to report to D.E.S.

Tables "4" and "5" show such reasons as "too old" and "too far to travel" are related to reasons of illness and disability.

TABLE 4

DISTRIBUTION OF REASON "11" (TOO OLD) BY OTHER REASONS

<u>Other Reasons</u>	<u>Number Giving Other Reason</u>	<u>Percent Giving Other Reason</u>
1. Didn't know	4	18.1
2. Had to care for someone	0	0.0
3. Too far to travel	4	18.1
4. Too sick or disabled to go	12	54.5
5. Working full-time	0	0.0
6. Working part-time	1	4.5
7. Have other income	1	4.5
8. New welfare rules	7	31.8
9. Already working	1	4.5
10. Cannot work	8	36.3
12. Disabled	10	45.4
13. Must care for someone	0	0.0
14. In hospital	1	4.5
15. Case reclassified	2	9.0
16. Agency error	2	9.0
		<u>(N=22)</u>

TABLE 5

DISTRIBUTION OF REASON "13" (TOO FAR TO TRAVEL) BY OTHER REASONS

<u>Other Reasons</u>	<u>Number Giving Other Reasons</u>	<u>Percent Giving Other Reasons</u>
1. Didn't know	9	20.4
2. Had to care for someone	6	13.6
4. Too sick or disabled to go	20	45.4
5. Working full-time	1	2.2
6. Working part-time	4	9.0
7. Have other income	2	4.5
8. New welfare rules	9	20.4
9. Already working	2	4.5
10. Cannot work	11	25.0
11. Too old	4	9.0
12. Disabled	11	25.0
13. Must care for someone	3	6.8
14. In hospital	1	2.2
15. Case reclassified	0	0.0
16. Agency error	4	9.0
		<u>(N=44)</u>

In TABLE 4 a clear correlation is demonstrated between "too old" and "too sick or disabled to go" (54%) and "disabled" (45%). TABLE 5 shows the relationship between the reason "too far to travel" and the reasons "too sick or disabled to go" (45%), "disabled" (25%) and "cannot work" (25%). These findings tend to indicate that there are a group of respondents who are ill, aged and find travel difficult. The size of this group cannot be deduced from this study, but it is clear that recipients with these characteristics are probably not employable.

The importance of illness as a factor can also be assessed by referring to data on the total General Relief caseload. The Survey of General Assistance in Massachusetts (1971) concludes that "in nearly one-half of the cases physical or mental illness or handicaps contributed to the need for assistance." This is well borne out by total caseload data which indicates that 37% of adults whose cases are known and recorded were unemployed for reasons of illness, this being the most frequent reason for termination of employment. Similarly among the reasons for application to General Relief, 14,000 concerned some form of illness of adults out of 62,000 reasons (23%) in 33,000 cases (42%). The analysis of services received by adult recipients also reveals that 14,551 medical or psychiatric services were rendered out of 23,128 recorded services (63%). Medical care alone was obtained by 40% of the caseload and was the most frequently provided service.

Given the assumption that such a large part of the General Relief caseload appears to have some condition of illness, the issue of to what extent the category of Disability Assistance plays a part, should be taken into account. According to the Survey of General Assistance, in only 20% of General Relief cases was eligibility for Disability Assistance explored. Out of 7,106 cases that were submitted to the Medical Review Team for certification, as many as 2,512 or almost one-third were denied. Thus a low proportion of cases are referred and a high proportion denied. In addition, only 7 DPW offices use

the presumptive Disability Assistance category for all pending Disability Assistance cases, while 19 offices use it for obvious cases only, and in 9 offices it is not used at all.

But Disability Assistance applies only to the permanently and totally disabled. There should be ways of ascertaining temporary disability in regards to employability. Before the new system of reporting to D.E.S. was instituted, the recipient who claimed to be too ill to work had to present verification of this. However, it appears that this was not enforced in any comprehensive way, so that in the initial periods of this program, a large number of recipients in this category would not have obtained this verification and would have been deemed "employable" as a result. Since the new requirement has gone into effect, 2,400 General Relief recipients have obtained this verification.

Error

Twenty-two percent of the respondents claimed that they did not know that they were supposed to report to D.E.S. It was not clear from the data whether these recipients were not notified, were not home to receive notification, or notification was sent but did not reach them. In all of these cases, this discrepancy could be considered temporary for those cases.

In TABLE 6 below, an attempt was made to relate the "didn't know" to other reasons.

TABLE 6
DISTRIBUTION OF REASON "1" (DIDN'T KNOW) BY OTHER REASONS

<u>Other Reasons</u>	<u>Number Giving Other Reasons</u>	<u>Percent Giving Other Reasons</u>
No other reasons	100	72.9
Other reasons	37	27.0
Total	137	99.9 (N=137)
<u>Other Reasons *</u>		
(4) Too sick or disabled	24	64.8
(12) Disabled	16	43.2
(14) In hospital	2	5.4
(5) Working full-time	4	10.8
(6) Working part-time	7	18.9
(9) Already working	4	10.8
(11) Too old	4	10.8
		(N=37)

*Reasons not adjusted for duplication. See TABLE 1 for further clarification of reasons.

Of those who said they didn't know one-third volunteered other reasons that would prevent them from reporting to D.E.S. even if they had known. The distribution of reasons closely parallels the distribution of reasons in the over-all sample (see TABLES 2 and 3), with illness and disability being the primary reason.

TABLE 7 analyzes the types of agency errors that were made.

TABLE 7

DISTRIBUTION OF REASON "16" (AGENCY ERROR) BY TYPE OF ERROR

<u>Type of Error</u>	<u>Number of Instances</u>	<u>Percent of Total Errors</u> <u>(N=88)</u>
Closed casés	3	3.4
Known to be working	4	4.5
Check not at D.E.S.	31	35.2
Told wrong day, time, or place	21	23.8
Told check was being mailed	8	9.0
Other	21	23.8
Total	88	99.7

Eighty-eight persons indicated that an agency error had been made. Among these, the largest proportion (35%) claimed that they had gone to D.E.S. but their check was not there. Another 24% were informed of the wrong day, time, or place to report. Both of these errors would seem to concern unsuccessful efforts at coordination between D.P.W. and D.E.S. (see Part III of this report).

In addition, the Social Welfare Regional Research Institute received about 50 telephone calls from respondents as a result of the questionnaire. Although the content of these calls was not recorded, the impression is that at least thirty of them were about mix-ups regarding the new procedure, and resulting missed checks about which recipients were asking advice and assistance.

Work and Other Income

The third most frequent reason that respondents gave for not reporting to D.E.S. was that they were working. Twenty percent of respondents fell into this category. The question was designated on the questionnaire to elicit two kinds of work responses. Reasons "5" and "6" referred to working at the time required to be at D.E.S., while reason "9" was meant to indicate an unwillingness to be considered available for employment because already employed. (see TABLE 2). It is uncertain to what extent this distinction was honored by the respondents.

TABLE 8 attempts to analyze the work responses.

TABLE 8

ANALYSIS OF REASONS '5', '6' AND '9' (WORKING)

	Total No.	Per- cent	Conflict in Time		Not Sure Entitled		Self-Withdrawal	
			Total No.	Percent**	Total No.	Percent	Total Number	Percent
Working Full-time	49	42.	48	98.	12	24.	23	46.
Working Part-time	27	23.	25	92.	8	29.	11	40.
Full or part-time unknown	38	33.	5	13.	7	18.	27	71.
Total	114***	98.	78	68.	27	23.	61	53.

* Percent of Total Working, N=114

** Columns do not add up to 100% because "Working" fell into more than one category

*** Total working "114" takes into account duplication of Persons "5", "6", and "9"

Of the total at work in this sample where the work status is known, 42% work full-time and 23% part-time. The work group was further broken down by "conflict in time" (reasons "5" and "6"); "not sure entitled" (reason "7") and "self-withdrawal" (reason "9"). Sixty-eight percent of the total had a conflict in time; 23% were not sure they were entitled; and 53% withdrew from assistance (said they wanted their cases closed). Close to the same proportion of full-time and part-time workers were not sure they were still entitled to assistance and almost the same proportions of full and part-time workers withdrew from assistance.

It is difficult to evaluate the meaning of the 20% respondents who were at work. We know from the Survey of General Assistance that 7% of recipients were working and receiving supplementary assistance before the new program went into effect. A certain proportion, then, of respondents who were at work, would be continued on assistance. Seventeen percent of the caseload is usually closed each month but what proportion of these is closed for reasons of employment is not known. Some part of our 20% would fall into this category. We cannot ascertain from the questionnaire data when these respondents started to work or whether they started as a direct result of the program. We do know that over half of them voluntarily withdrew from assistance.

We also know that only 23% of adult G.R. recipients are designated as having marketable skills, and that only 33% had been regularly employed in the past. Forty percent of recipients had received assistance before. The caseload appear to consist, in large part, of sporadic and seasonal workers who have a high rate of return to General Relief. It is not clear at which point in the work-welfare-work continuum our 20% sample falls.

In TABLE 9, probable case closings are considered. Twenty percent of respondents were estimated to fall into this designation. Under "work" the "self-withdrawals" were used here (see TABLE 8); under "other" those respondents who indicated they had other income and no longer needed assistance were counted. The great bulk of these had received unemployment compensation. Almost as many were considered closable cases due to the extension of unemployment compensation as resulted from income from work.

TABLE 9
PROBABLE CASE CLOSINGS BY REASON

Reason	Number	Percent (N=612)	Percent (N=120)
Work	61	9.9	50.8
Other	54	8.8	45.0
Reclassification	5	0.8	4.1
	120	19.5	99.9

The receipt of unemployment compensation as being a source of case closings almost as high as income from work, is consistent with the previous state of the over-all caseload. In 10% of cases, unemployment compensation was being supplemented by General Relief. Again, the proportion of cases usually closed for receipt of unemployment compensation where this income is sufficient, is not known. Therefore, it is not clear what proportion of our respondents would normally have become part of this group.

It should be noted that out of the 2141 recipients who did not meet the requirement of reporting to D.E.S., over 600 or 28% replied to the questionnaire. This sample may have over-represented those clients with good cause due to the voluntary nature of the survey. However, the anonymous

nature of the questionnaire would tend to offset this potential bias somewhat.

Of those who did respond, the major reasons for not having complied with requirements were illness, error, and work, in that order. What is important to understand is the hardship that prevented compliance and that resulted from non-compliance. People were either too ill to report or too ill to consider work. Errors resulted in both confusion and deprivation which was clearly illustrated by the data and corroborated by the phone calls received. Some respondents who had good cause thought they had been simply dropped from the rolls and did not know how to deal with the situation. Many of these were still having difficulties at the time of the survey. These hardships may be the highest cost imposed by the program, falling on those who may be least able to cope with poverty and administrative structures.

CHAPTER III

THE IMPACT ON GENERAL RELIEF CLIENTS

The hardships on clients imposed by the new GR-DES program and the costs to the clients are difficult to measure. The study teams were able to get a sense of these dimensions in the interviews, from volunteered letters that accompanied the mail questionnaire, and from the telephone calls and visits that were made by clients to the Institute. While it would be impossible to present data on the amounts of suffering involved, selected quotations from some of the letters are included to illustrate the conclusion that the human costs of the program may have been its most important failing and highest expense, which fell on those who were least able to cope with the additional burden.

The most striking statement of this was a response we received about a client who was required but failed to report to D.E.S. to get her check as an "employable." She died a month after the program was initiated on October 15, 1971.

"She died November 23 - 7:15 p.m. No money. No help. No heat - with cancer of the lung." (#554)

The requirement to pick up the check at D.E.S. and the placement of the burden of proving "nonemployability" on the client resulted in many problems for many clients as the following demonstrate.

"I am confined to wheel chair and Soc. Worker said no one else could pick up my check!!" (#178)

"I am totally disable. Bad heart - Possible TB - Can't walk sometimes and can't get around good." (#2)

"I was in the hospital, to have an operation on my left eye. I have lost sight in my right. I have a sickle-cell sickness. I am being treated at the Boston University Hospital." (#184)

"Dear Sir: I am on crutches. I had polio when I was a boy. I am willing to work, but I can't walk very far. I tried it. I'm 54 years old. I called my Social Worker, if he could help me. He said he would send me a form to make out for Disable, but I never got it. This was two months ago...I need help but can't get it. If I could go after my check I would have gone. If it is possible for you to get me a Doctor to look at me I will gladly go, I think he will tell you that I'am not able to work. I'am willing to work if I can find something I can do. I'am willing to do anything you say. I owe my friends now for my rent. They can't keep doing it." (#298)

"I missed out on 2 check because I was in the hospital in spite of the fact my expenses continued e.g. electric - telephone - rent, etc. Certainly an unfair ruling on the part of the welfare because I had my sister call and advise of my incapacities - so besides trying to recover physically, I must try to recoup financially." (#220)

"At the time and day I was to pick up my check was here in the hospital, as a matter of fact the day before I was to pick up my check, I had to go into the hospital for minor surgery. Also I had notified my Social Worker, that it was of the utmost importance that I go to the hospital. Also it was under my Doctors orders. I had been very sick and my Doctor thought that it was to my best interest and health that I should go immediately and have the operation performed. It was something that just could not be helped." (#534)

"I cannot work as I am under hospital care. I cannot use my right arm to do anything...have been going to physical therapy, am also very nervous and will be 60 years old this year." (#249)

"Because of a fall 10 years ago when I fractured my 12th vertabreae, now I have arthritis in my back and knees. I am under Doctors care, and cannot ravel on buses and subways, and be in crowds. I find it too hard going." (#147)

"I am unable to go because I have a dislocated hip and use a crutch, and also I have a crippled hand which is my left and it is my left hip and I use the crutch with my right hand." (#94)

"Dear Sir: I called Hancock St. Office and told them I was unable to pick up my check because my sister died October 26th. I am a widow and need money as I have no other income. I am too old for jobs. I raised my family. I think I am damn right well entitled to it. I need that \$125 they owe me to pay my way. I have bad eyes, sore feet, and now severe pains in my stomach." (#316)

With reference to your research on Welfare recipients, I am passing along the following information for your observation:

I applied for relief about two years ago when I suffered a nervous breakdown. I had reached a point where I could not function well enough to maintain a job. Fortunately, I was assigned to a Social Worker who was familiar with the symptoms of a nervous patient and even though I appeared to be in good health, he recognized the fact that I was sick. Since I was only receiving \$32.50 weekly, I inquired at the Welfare Agency whether or not I would be permitted to work part-time to supplement this money. I informed them that even though I was sick and experienced sensations of panic, paralysis of muscles, complete lack of confidence and extreme insecurity, that if they would continue to help me I might be able to work knowing I had this "crutch" to lean on. I underwent a great deal of severe discomfort, mostly a strong urge to run out of the place where I was employed, lest I went crazy in front of everybody. I was able to stay on the job, making a few dollars a week and getting the supplement from Welfare. Suddenly, I received a notice in the mail that I had been declared eligible for work and my relief check would be discontinued. My first impulse was sheer panic! I felt if I did not have this assistance I could not make it on my own. I was horrified of having to commit myself to the State Hospital and did not know who to turn to. I decided to keep my part-time job and at least get by with the barest essentials. I went through the tortures of hell for a long period, but now I have gained enough strength to keep this job and try and make it on my own.

I feel it was so inhumane to merely send people a mimeographed letter telling them they were being cut off from assistance, without, at least, exploring the situation and then making a decision as to whether or not the person is or is not eligible for help. It seems obvious to me that under the new administration, the individual is not even being given any consideration. My files would merely indicate that I am a middle age woman who had a nervous condition and they decided I do not need any help. I am certain my Social Worker was not even consulted about my case as he was most sympathetic about people with nervous conditions. Unfortunately, people do not accept mental illness as a disease and if anyone claims to be mentally sick, the Welfare, completely ignorant of the facts, tells you, you look alright to us, there's no reason why you cannot work. Mental illness is such that only people in the field or another person who has suffered the agony of the disease could be aware of the experience and the hardships it creates.

I hold Social Workers in very high esteem, but as far as some of the cold hearted people who hold very authoritative offices; such as the new guy in Welfare, they are certainly not in sympathy with the human elements. I am certain he is receiving thousands of dollars a year for having taken my \$32.50 a week away from me!

Most respectfully yours,

A former recipient!
(#613)

"I am a hypertension patient and though I can do some work, I can't climb steps nor walk great distances and I have to do both to pick up a check at the Employment Office. Plus I am a woman who has always worked and I won't be insulted by city employees who don't know about me or my needs nor why I am in need." (#348)

Other clients were not able to go to the employment offices because they had to care for someone.

"I haven't left my father alone for over a year. He is 90 years old and not too well. I missed two checks." (#541)

"My husband is in the hospital dying with cancer of the lung and tumor of the brain. I must be with him every day. I go early in the day and stay with him late at night." (#52)

Administrative errors and problems accounted for many cases of people who did not receive their checks.

"I applied for checks at 255 Huntington Ave at the employment office four times, but no checks were there for me, although I was told and also sent there to pick up my checks. This occurred on four different dates. So far I have kept the appointed day but still haven't received any checks." (#80)

"On old age Assistance. Check sent to employment Office in error." (#295)

"Dear Sir: The reason I haven't picked up my welfare check is because I receive a letter in the mail saying that I needed sufficient identification (drivers Lic.) as to be able to pick up my check. I went up to the welfare office on Cummings Hgwy in Roslindale sq. and they told me I could pick up my check at the Hurley building in town. As to be safe I called the Hurley bldg and they told me that they no longer had possession of my check and that they didn't know whether or not it was mailed out to me. I then went back up to the welfare office and talked to another woman and she told me to wait and see if I received it in the mail, and it hasn't as of yet. I haven't had any money to live on and I'm behind two months on my rent and I just received my eviction notice in the mail." (#241)

"I did not receive my check on October 15 because my check got mixed up because I had to move. I did not know about the changing of rules and did not receive any letter. I am on the unemployment list. I have heart trouble." (#278)

"To whom it may concern: I am James Famosi, . . . , and I am answering your letter of Nov. 24, 1971 which I received on Dec. 10, 1971. I

will explain all the questions on this form. The U.S. Unemployment South Huntington Ave, Jamaica Plain, who interviewed me and read the medical report which stated I was unemployable. And their office consulted with the Welfare Social Worker. The Office told to take me off the list because I was unemployable. On Nov. 9, 1971, I went to the welfare offices and I spoke with my Social Worker. She told me the check will be delivered to my address with the increased pay because I am unemployable. I didn't get my check of the 15th of Nov. yet and the increase yet. I called several times about the Nov. 15th check and the increase. The Allston Small City Hall called 2 or 3 times for me for the check. They blamed each other. Also Dec. 8, 1971, I went to the State House Lieutenant Governor's Office and that office referred me to Mrs. _____ and I do believe she gave me the brushoff. Mrs. _____ is employed by the Attorney General's Office Social Aid. I still wait for the check, borrowed some money for the rent and I can't pay these people back. I told Mrs. _____ if I don't get any results about my back checks, I will go to the Governor to tell him my story about their delinquency. And she told me "don't threaten me." I told her I wasn't threatening anyone, I was just stating the true facts of the Welfare situation. I couldn't go to see the Governor because I haven't got the price of the carfare to go to Boston to the State House to see the Governor. And I hope your institute can do something about the matter." (#197)

Many persons on General Relief work and receive their Assistance checks in supplementation to their low wages. A large number of recipients who worked had difficulty getting their checks because the time designated by the D.E.S. for reporting conflicted with their work hours.

"I had to take off time from my job and I couldn't afford it." (#566)

Others who had been on Assistance because they were out of work reported that they had found work and had withdrawn from General Relief. Many recipients were also affected at this time by the extension of unemployment compensation and therefore did not think they were entitled to assistance payments for the period of the extension.

"I was called back to work on the 1st of October and didn't know if I was still entitled to the check." (#206)

"I have started to work on Sept. 17 - 1971. I have all ready send a note telling them I had started to work. I only needed the Relief check until I started to work. I am thankful I am working again." (#169)

"I removed myself from welfare (GR) the end of Sept. because I became eligible for the new extension of unemployment benefits." (#74)

One response indicated that the client took the initiative in moving off public assistance and getting a job.

"When I received the notice I immediately decided to find work instead of going to collect the check." (#166)

Many clients did not receive the notification to report to D.E.S. and had great difficulty rectifying the error.

"I didn't pick up my check because I didn't know that you had to pick them up. I was never notified of this. And if it wasn't for my landlord I don't know what I would have done, because I didn't have a job or any income, but she never asked me for any of the money that I owed her. I haven't received a check since September of this year. I don't know if I am still suppose to receive them or not. It's been so long, they probably have cut me off. Byt this I don't really know." (#159)

"Did not get no notification and suffer very bad with arthritis, and lung trouble. I just came from the hospital, 7 hours, five prescriptions, and 3 appointments for next week, different dates if I can keep them. The hospital also gave me another prescriptions for vitamins, I do try to eat good, drink milk and watch T.V. in the bed. I have a very bad skin problem, sores, infections, and scratching - ankles swell very bad." (#107)

Other clients had difficulty because they do not speak English or could not read the notification. Still others were unable to understand the procedures as the following responses illustrate:

"No understand english, also I am a sick layde with few operations and when I go places I need someone to go with me to interpret. I'm 54 years old. (#274)

"I do not speak English. Also H has to Depend to anybody who want to go places with me. because I dont kno write read or traveling." (#266)

"The reason why is because I cannot read or write. thats why I didn't show up. my mother wrote this letter." (#77)

"I didn't understand the procedure. I am suffering with arthritis in the arms and shoulders and the knees." (#79)

There were a broad range of problem areas not covered by Welfare Department, and D.E.S. guidelines. Many clients were involved in personal crisis and tragedy and were unable to cope with the new procedures.

"My husband was buried that day." (#58)

"Dear Sirs: I am writing for the party to whom you sent this letter. The man has a great alcoholic problem. He has been with me for 7 months and is completely away from any liquors. The only time he indulged was when he went after his first check." (#614)

In many instances it was found that clients felt that the cost of reporting to D.E.S. was not worth the small amount they had been receiving from the General Relief program. This supports the statistical finding that those who tended to be dropped were receiving smaller than average payments.

"I'm disabled and cannot pick up my check with a broken ankle and have always reported and have informed the local office. I receive five dollars and thirty cents a check and a cab costs more than a dollar. I am also sixty four years old." (#355)

"When they stop sending it to the House I felt that they had stop me from getting it. Now that I know where to go for it, it is to far to go for \$13.00 a month." (#64)

"Distance by cab from Roxbury to intown would eat up the ten dollar check. It wouldn't be worth the time or waste of money." (#284)

Some people who stated they were unable to work were intimidated by the new procedures and did not pick up their checks even when they were probably still entitled to them.

"I am unable to work because of my back. I have almost constant back ache due to sciatic nerve but the hospital (Carney) I went to wouldn't give me a letter stating I was unable - I knew if I went to pick up my check I would be required to take a job - whether or not I was able to keep it. Therefore I did not go." (#223)

CHAPTER IV *

REPORT ON RECIPIENTS WHO "FAILED TO REPORT" TO DES
FOR THE OCTOBER 15, 1971 GENERAL RELIEF
PAY PERIOD

What follows is a report on two studies of the 1,339 "Employable" persons from Boston and Lowell who failed to pick up their General Relief (GR) checks at the Division of Employment Security (DES) as scheduled on October 15, 1971. These studies were undertaken to determine exactly who these people were and why they failed to report to DES.

The first section discusses the information gathered during personal interviews with a random sample of recipients who failed to report to a DES office. The second section describes the results of a comparison of the same sample with the December 15 General Relief payroll at the Department of Public Welfare.

Interviews With Recipients Listed as "Failing to Report" to DES

The original goal of this survey was to find out why some General Relief recipients failed to report to a DES office to pick up their checks. Publicity surrounding the "18.6" failed-to-report rate¹ fueled the public assumption that these people were "welfare chiselers." In New York State, where a similar program was put into effect in August of 1971, a comparable "failed-to-report" rate was well noted by the media. Further investigation showed that the assumption of fraud in these cases was unfounded. Some recipients were ill and could not pick up their checks, others had erroneously been classified as employable and still others actually did report, but through clerical error

*The portion of the study was conducted by the United Community Services of Metropolitan Boston and written by Jean Driscoll and Michael Kerr

¹Boston Globe, November 6, 1971, p. 1.

their checks were not at the proper state employment center.²

To provide reliable information in this area for Massachusetts, a survey instrument (See Appendix) was built around the questions, "Did you go to the Division of Employment Security (Employment Office) to pick up your last check?" and "Why didn't you go there?"

As the questionnaire was developed, other survey goals emerged. For example, of those who did report to DES in October, 43.5% were found to be unemployable.³ If the client was then determined to be unemployable by the Welfare Department, it meant that the recipient could again receive his General Relief check in the mail and need not make the trip to DES. If such a large proportion of those who did report were unemployable, might not an equally large proportion of those who failed to report also be unemployable? Therefore, questions were added to the survey instrument about current employment, if any, previous employment, fluency in English and physical disabilities. Interviewers were also asked to give their general impressions of a respondent's potential employability.

Other general questions--age, sex, race, living arrangements, length of residence in Massachusetts and length of time receiving General Relief--were included to provide a framework for comparison of this sample with the total General Relief population.

Another major area of interest that developed in constructing the questionnaire was the administration of the new system. Concern arose as to whether or not people received notice of the new regulations, whether they understood the instructions, and whether there was any follow-up by the Department of Public Welfare when people failed to report to DES. Questions were included

²New York Times, October 4, 1971

³Boston Globe, November 6, 1971, p. 1

to provide data in these areas.

When the questionnaire was completed, interviewers were trained to administer it, and a random sample of recipients who failed to report was chosen from a list of recipients supplied by the Department of Public Welfare. Because of regulations, the Department was required to contact all potential interviewees before their names were given to us (contact was by letter). Those who failed to indicate an unwillingness to be interviewed by returning a postcard that was enclosed were included in the list of names supplied by the Department. For a complete description of Methodology, see the Appendix.

Since it was impossible to conduct personal interviews across the state, it was decided to limit the survey to two cities. Boston was chosen since it represents 41% of the General Relief caseload in the state.⁴ It was also decided to interview recipients in Lowell, which represents 3% of the General Relief caseload, but which has an unemployment rate much higher than the state average, and which is in much the same economic downturn as other mill towns which can no longer sustain their working population at previous levels. Since the number of persons in Lowell who failed to pick up their checks was small, it was decided to attempt to interview all of them instead of drawing a sample. Differences in responses between Boston and Lowell were insignificant for most variables, and will be mentioned only when they are significant.

Interviewing was conducted from December 23, 1971 to January 31, 1972. Following are the results of these interviews.

1. The Survey Population--A Comparison with General Relief Recipients Statewide

Were there differences between those who failed to report to DES and other General Relief recipients--differences in such variables as age, sex, living

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Annual Statistical Report Fiscal Year 1971, Massachusetts Department of Public Welfare, p. 24.

living arrangements, race, etc.? A comparison of the Department of Public Welfare's survey of General Relief recipients⁵ with this survey shows that in both instances, one-half of the recipients were over 40 years old and only 5% lived in public housing. The Department's survey indicated that about 6% of General Relief recipients spoke either no English, or just "some" English, while our survey showed a slightly higher percentage. Of those who were recorded as failing to report to DES, 9% had difficulty with or spoke no English.

In the state as a whole, there are more female than male General Relief recipients (54% female, 46% male). Those who failed to report were more likely to be males (55%) than females (45%). This most probably reflects the original determination of employability by the Welfare Department--females were probably less likely to be designated employable than males were.

Since the Welfare Department's survey was statewide, it is difficult to compare the variables of race and previous place of residence with this survey, which was only conducted in Boston and Lowell. For example, Boston accounts for the largest concentration of blacks in the state. This is reflected in our survey, in which 36% of the respondents were black. The Welfare Department's report would indicate that less than 20% of the General Relief recipients in the state were non-white. Since Boston is the state's major city, it would be natural too, that it would attract more people from out of state who wanted to take up residence here than would some other areas. Our survey showed that of those classified as failing to report to DES, almost two-thirds had lived in Massachusetts for 16 years or more (48% for all of their lives).

⁵

A Survey of General Assistance in Massachusetts, The Commonwealth of Massachusetts, Department of Public Welfare, Public Document 5698, June 1971.

Table 1 provides a breakdown of length of residence in Massachusetts.

Table 1

Length of Residence in Massachusetts

<u>Length of Residence</u>	<u>Per cent</u>
Whole life	48%
Less than 1 year	1
1-3 years	14
4-15 years	18
16 years or more	16
Not ascertained	3
	<u>100%</u>
	(N=96)

In regard to length of time the recipient has been receiving General Relief benefits, our survey showed that 16% had been receiving General Relief for less than three months. The survey by the Welfare Department showed that, statewide, 24% of recipients had been receiving General Relief for less than three months. The same percentages in both surveys had been receiving General Relief for three to six months (about 20%), six months to a year (about 21%), and 32% in the Welfare Department survey, and 36% in our survey had been receiving General Relief for a year or more.

The Welfare Department stated that individual adults "constituted nearly 70% of the cases, families with children 21% and married couples without children 8%.⁶ Our survey showed that for those who failed to report, 58% were individual adults, 29% were families with children and 13% were married couples without children.

In summary, it appears that those who were recorded as failing to report to a DES office in October from Boston and Lowell did not differ greatly from the General Relief recipients statewide. The differences that do exist may be

⁶
ibid., p. 40.

related to geography (our sample was in Boston and Lowell, the only sample we can compare it to is a statewide one) or the tendency to classify some recipients as more employable than others through review of records (men in general, for example, and married men in particular). There is no evidence to suggest that those who failed to report were young, healthy, single recipients who simply did not want to work.

2. Reasons for Failure to Report

Approximately 2100 persons across the state failed to pick up their General Relief checks for the October 15, 1971 pay period.⁷ Table 2 below provides a breakdown of responses to the question, "Why didn't you go there?" (to the Employment Office) for the recipients we interviewed.

Table 2
Responses to Questions Regarding Check Pick-up

<u>Response</u>	<u>Per cent</u>
Did report to DES (check not there, switched to another Welfare category, determined unemployable, etc.)	36%
Did not report because:	
Illness	25
Working	14
Did not know about new system	7
Assumed no longer eligible	4
No longer needed GR checks	3
Made other arrangements with Welfare	2
Other (no transportation money, forgot, already been there before, etc. Only 2 people said they did not report because they did not want to be interviewed for a job.)	9
	100%
	(N=96)

As the table shows, the major reasons for "failure to report" were error (the recipient did report and yet was not counted as reporting),

⁷
Boston Globe, November 6, 1971, p. 1.

illness, current employment, and lack of knowledge about the new procedure. It became quite obvious from the interviews that many recipients, some of whom had found jobs on their own or who no longer needed their General Relief checks for other reasons, were part of the "normal turnover rate." They would have been dropped from the Welfare rolls regardless of what kind of a check distribution system (mail or pick-up) was in effect.

Comparisons were made on a number of variables for three groups of respondents--1) those who did not pick up their checks because they were ill, 2) because they were working, and 3) because they did not know about the new system.

As might be expected, those who were working tended to be younger, have fewer visible handicaps, were much more likely to speak English fluently and were more likely to be white than those who were ill or who did not know about the new system. In short, those who were working were more "employable."

Those who reported that they were ill and therefore could not pick up their checks at DES were older than the other respondents interviewed (almost half were 51 years old or older), more than half had a visible handicap or disability as reported by the interviewer, and they were more likely than other respondents to be black. ⁸

Those who did not know about the new check pick-up system, and therefore did not report to DES were, as a group, more likely either not to speak English or to speak English with hesitation than were other respondents. Only five Spanish-speaking individuals were interviewed in this survey, but three of them did not know about the new system until our interviewers got there over two months after the program had gone into effect.

8

A survey of the Boston Metropolitan area in 1965 showed that non-whites were more likely to have one or more chronic health conditions than whites, and they were less likely to see a doctor regularly. (Unpublished statistical tables from the Community Research Project, co-sponsored by United Community Services, Combined Jewish Philanthropies and the U.S. Public Health Service.)

In summary, it seems evident that in Massachusetts, as in New York, the nearly 20% "failure-to-report" rate can be accounted for almost totally by clerical error, error on the part of the recipient (reporting a day late, for example), erroneous determination of employability (including classifying visibly handicapped individuals as employable), failure to make it possible for employed recipients to schedule check pick-up appointments, and the normal turnover rate. However, the normal turnover rate, which averages around 16% per month, does not seem to be responsible for the greatest proportion of the "failure-to-report" rate. The other variables cited seem to be more important determinants of the "failure-to-report."

3. Employability

All of those interviewed for this report had been classified as "employable" by the Department of Public Welfare. Analysis of the data collected indicates that much of this determination of employability was incorrect. Furthermore, a comparison of our sample with the December 15 and January 1, 1972 Welfare Department payrolls shows that 45% of our sample were re-evaluated by the Welfare Department and determined unemployable. Our data support this change in classification. For example, one-third of the respondents were 51 years old or older, 9% did not speak English fluently, and 38% had at least one visible handicap.

The visible handicaps noted by our interviewers are expressed in Table 3 below.

Table 3

<u>Presence of Visible Handicaps or Physical Disabilities</u>	
<u>Problem Area</u>	<u>Per cent</u>
Frail, feeble, senile, etc.	10
Difficulty walking	9
Alcoholic	4
Labored breathing	3
Hand or leg injury	3
Back or neck brace	2
Speech impediment	2
Other	2
More than one of the above	3
No visible handicap or disability	62
	<u>100%</u>
	(N=96)

All of these factors - health problems, age, language difficulties - tend to be barriers against employment, as does race, (41% were Black or Spanish-speaking), regardless of Equal Opportunity regulations. In addition, even though 91% of those interviewed had some work experience, the jobs they held were most likely to be low paying and unskilled, as Table 4 shows:

Table 4

Occupational Categories

<u>Occupations</u>	<u>Per cent</u>
Professional, technical	0
Managers, officials, proprietors	1
Clerical	7
Sales	2
Craftsmen, foreman	7
Operatives	16
Private household	2
Service	31
Laborers	23
Never worked	3
Not ascertained	8
	<u>100%</u>
	(N=96)

Over half of those interviewed had work experience in either service or laboring occupations (such things as janitors, attendants, porters, counter-workers and unskilled laborers).

Of course, there were some individuals who were "employable" and many of these people were working at the time of the interview.

The survey of General Relief recipients undertaken by the Welfare Department in 1971 ⁹ showed that 7% of adults in households receiving General Relief were employed. As was noted in Section 2, 14% of the respondents interviewed for the present study reported that it was because they were currently employed that they could not pick up their checks at DES. (Four per

⁹

A Survey of General Assistance in Massachusetts, op-cit., p.44.

cent had just found jobs, and the other 10% had been working for a longer period of time). By the time these individuals were interviewed, 30% were currently employed, almost three-fourths of them full-time. Respondents in Lowell seemed slightly more likely than other respondents to be working at the time of the interview even though Lowell's unemployment rate is higher than Boston's. (However, over half of those working in Lowell were employed as laborers). Again, however, well over half of those employed in Boston and Lowell were working in service or laboring occupations, although 20% did manage to secure clerical or sales positions.

For those not presently employed, 40% said they would work if they could find a job. A review of the questionnaires shows, however, that many of these people would have difficulty securing employment, especially since many of those not currently working have not worked for a number of years. About 20% of those not currently employed have not worked for 3 years or more.

Those who were not working, and who reported that they were unable to work were asked the reasons why they could not take jobs. Over two-thirds cited sickness or injury as the barrier to their employment.

In summary, it is apparent from our interviews that from 40% to 60% of the respondents were unemployable, especially in the prevailing labor market. Some of these people may have been marginally employable if appropriate jobs were available, but it would still probably be necessary to supplement their incomes with welfare payments. Those who seem to be most employable have apparently secured jobs on their own. It is obvious that a more careful determination of "employability" should have been made so that, for those who did report to DES, their time and the time of the DES interviewers would not have been wasted, and for those who did not report, the hardship imposed in

attempting to prove their unemployability and the concomitant red tape and waste of time, energy and money could have been avoided.

4. Administration of the New Check Pick-up System

A major concern in conducting this study was to determine whether or not failure to receive adequate notice of the new regulations or a misunderstanding of them on the part of recipients contributed to the "failure-to-report" rate. Respondents were asked whether they received the Welfare Department mailing on the new regulations and also to explain what the notice said (this enabled us to determine whether or not they understood it).

Twenty-seven per cent of those interviewed said they did not receive the Welfare Department notice to pick up their October 15th checks at a DES office. Most of these people, however, did find out about the new procedure from other people, from their caseworker, while at the Welfare Department to find out what happened to their checks -- although there were still some people who were unaware of the new procedure until our interviewers visited them. Some people found out about the procedure too late, missed picking up their checks at DES, and were included in the "failure-to-report" rate.

As mentioned in Section 2, 35% of those interviewed did go to DES to pick up their checks. We asked these people what happened at DES. For over 40% of them, their checks were not there. These mix-ups, caused, it is assumed, in some cases by clerical error and in others by misunderstanding on the recipients' part, resulted in unnecessary trips to the Welfare Department, missed checks that were not replaced and no doubt additional work by employees of DES and the Welfare Department in tracing the checks.

Follow-up by the Department of Public Welfare on those who failed to report to DES was spotty at best. Fifty-eight per cent of those interviewed

who did not go to DES had not been contacted by the Welfare Department by the time the interviews were conducted (late December-January), to determine why they failed to report. In an additional 13% of the cases, the recipients contacted the Welfare Department themselves. Respondents living in Lowell were more likely than respondents in Boston to have been contacted by the Welfare Department when they failed to pick up their checks.

In short, our interviews pointed to some definite problems in the administration of the new system, at least as far as notification and follow-up of recipients is concerned. It is fortunate that informal channels of communication do exist among some recipients, because it seems to be the only way many of them learned of the new regulations. Frequent changes of address by some recipients and problems in adequate mail delivery for this somewhat transient population all added to the confusion.

Comparison of Recipients Who Failed to Report With the General Relief Payrolls Two Months Later

1. Introduction

There are now two distinct lists of people getting General Relief; those considered "employable" who pick up their checks in person at DES, and those considered "unemployable" who receive their checks at home in the mail. The previous section dealt with the 1,339 people in Boston and Lowell considered "employable" on October 15, 1971, who did not show up at their local DES offices to claim their checks. Interviews were completed with 96 people between December 23, 1971 and January 31, 1972. The results of those interviews, as reported in the preceding section, are far from what newspaper headline writers had led us to believe might be true by concentrating on the "no shows" (those who failed to report): "Relief Recipients Fail to Collect

Checks; 20% didn't report in Mass', '220 on Relief Placed in Jobs; 20% fail to pick up Checks.'¹⁰ Suspicions of fraud and ineligibility are simply not supported by the data.

While conducting the interviewing, we also decided to compare the sample with the December 15, 1971 General Relief payroll. By this time, we assumed, the classification, bureaucratic and human difficulties, which, as our interviews were revealing, caused considerable confusion and suffering through October and November, would have been solved. We wanted to know how many people from our sample were still receiving General Relief two months later and whether they were classified as "employable" or "unemployable". In short, did the Department find that these people were fraudulent or ineligible and drop them from the rolls, or were they found to be like the rest of the General Relief population, still dependent, for some legitimate reason beyond their control, upon outside assistance?

2. Predictions

Before the General Relief work-registration program went into effect, 16% of the General Relief population "turned over," that is, went off the rolls, each month. Since it has been shown that as of December 7, 1971, only a small number of people had found jobs (2.4% of those who reported in October) since the program started, we did not expect the turnover rate to be substantially affected by the program.¹¹ By November 5, 1971, 43.5% of the "employable" recipients who actually appeared to pick up their checks were listed as "unemployable" by DES and sent back to the Welfare Department.¹² (A discussion of the differences between the Welfare Department's and DES' definition of

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Boston Globe, December 8, 1971, p.6. and Herald Traveler, December 8, p. 3, respectively.

¹¹

Herald Traveler, December 12, 1971, p. 3

¹²

Boston Globe, November 6, 1971, p. 1.

"employable" can be found later in this report). If, as we believe from our interviews, that the "no-shows" were not significantly different from the rest of the General Relief population, we would expect by December 15, 1971 to find a turnover rate of approximately 16% a month in our sample. We would also predict that at least 43.5%, if not more, of those from our sample still on General Relief would now be listed as "unemployable." This section reports on the results of our comparison of the December 15, 1971 and October 15, 1971 General Relief payrolls. Our predictions turn out to be amazingly accurate.

We also decided to make a similar comparison for those who refused to be interviewed for this study. Would there be any difference between this group and our random sample? We should point out that only about 14% of those contacted by mail refused to be interviewed and sent back the postcards enclosed. This is a smaller percentage than the 28% who refused to be interviewed in a study of the impact of the Flat Grant on AFDC recipients last year when ineligibility, willingness to work and fraud were not issues in the survey. ¹³

3. Methodology

There was some difficulty with the Welfare Department Computer Center in carrying out this task. Instead of the December 15, 1971 "unemployable" and "employable" payrolls we ended up with the December 15, 1971 "employable" payroll and the January 1, 1972 "unemployable" payroll. The two-week difference is not critical. However, we were concerned, because the General Relief population is highly mobile, and the longer we waited, fewer individuals, even if still eligible and receiving aid, would still be living in the areas we were working with, Boston and Lowell.

13

Statistical data from The Flat Grant: Impact on Recipients, Research Department, United Community Services, June 1971, p. 2.

The list received from the Welfare Department was also incomplete. We expected to see between 15,000 and 16,000 names. We received only 8,850. Unfortunately, the Department was unable to determine why the list was short or to recompute it from the tapes at the time. (The Computer Center usually took from two to three weeks to respond to a request). A decision was made, therefore, to work with what we already had. After some painstaking calculations it was determined that this list contained no other surprises. All the letters of the alphabet and all the areas of Boston and Lowell were included. It had the right distribution of male and female first names and Spanish surnames. Even the percentage of employables was about what we expected, 27%. We decided, then, to multiply all of the figures resulting from the payroll comparison by a factor of 1.75--enough to bring the total up to the expected number of 15,500.¹⁴ All figures in the following paragraphs reflect this adjustment.

4. Results

Of the 271 people in our random sample, 114 were listed as "employable" and still picking their checks up at DES. Ninety-five had been reclassified as "unemployable" and were again receiving their checks in the mail. Thus, a total of 209 people, or 77%, were still on General Relief. A normal turnover rate of 16% for two months would have left 191 people, or 71%. As predicted, there was no significant difference between our sample of "no-shows" and the rest of the General Relief population. Also, we predicted that at least 43.5% would have been reclassified as unemployable. Of those in our sample still on General Relief, 45% were considered "unemployable" at the time the payroll comparison was made.

¹⁴

The latest Welfare Department figures, September 1971, show that 15,303 people were receiving General Relief in Boston. An additional 2-300 would then be expected in Lowell. It is assumed that these figures would not have changed substantially by the end of December.

Of the 218 refusals--those who refused to be interviewed for this study by returning the postcards enclosed for that purpose, 179 (82%) were still receiving General Relief. Eighty-six people (48% of the 179) were still listed as 'employable' and 93 people (52%) had been reclassified and listed as 'unemployable.' With a normal turnover rate, we would have expected 154, or 71% to still be on the rolls. Our comparison shows that even more people are still on the rolls.

Therefore, it seems apparent that the Welfare Department, after review, has not cut off the large majority of people who failed to report to DES and has, obviously, determined that their reasons for failure to report were legitimate.

APPENDIX TO CHAPTER IV

METHODOLOGY FOR CLIENT INTERVIEWS AND PAYROLL COMPARISON

I. For Personal Interviews

The sample of people to be interviewed for this survey was drawn from a list of General Relief recipients, classified as "employable", who failed to pick up their October 15, 1971 General Relief checks at their assigned Division of Employment Security (DES) office, according to the Department of Public Welfare. The cities of Boston and Lowell were chosen for this survey. (The reasons for this decision are included in the text of the report.)

The list of recipients who "failed to report" was provided to us by the Department of Public Welfare. Before it was released to us, the Department was, by law, obliged to secure at least tacit approval from those to be interviewed. To accomplish this, a letter was sent by Public Welfare Commissioner Minter to all of those in Boston and Lowell who failed to report at their assigned DES office to pick up their October 15 check. (It was originally planned to conduct interviews in Lawrence, too, but the number of recipients who failed to report was so small, Lawrence was not included.) A postcard was enclosed for use by those who did not wish to be interviewed. By signing and returning this card, the recipient was removed from the list before the Department of Public Welfare provided it to us. Two hundred eighteen individuals returned these cards to the Welfare Department.

The remaining names and addresses (1,121) became the basis for selecting our sample. A random sample of 244 residents of Boston was chosen from the Boston list. Since the list of recipients in Lowell who failed to report contained only 27 names, it was decided to attempt to interview all of these people instead of drawing a sample from them.

This report is based on 96 completed interviews with 80 people in Boston and 16 in Lowell. Incomplete interviews were primarily due to three factors: 1. interviewers could not locate the individuals at home, even after repeated tries at different times of the day or evening (60 interviews), 2. persons were contacted but did not wish to be interviewed (14 interviews), 3. individuals were no longer at the address provided to us by the Welfare Department (87 interviews). Fourteen other interviews were not completed for other reasons (people in the hospital, etc.).

II. For Payroll Comparison

For the second section of the report on those who failed to report, we compared the names from our sample (the 271 people in Boston and Lowell)

with the December 15, 1971 "employable" and the January 1, 1972 "unemployable" General Relief payrolls to determine their status two months after they "failed to report". (The General Relief payroll at the Welfare Department is now divided into two parts--Employables and Unemployables.)

The results of this comparison are reported in the second section of the report.

CHAPTER V

GENERAL RELIEF CLIENTS WHO FOUND EMPLOYMENT

The ultimate goal of the GR-DES program is to restore "employable" General Relief recipients to self-support. Since the new procedure began on October 15, 1971, 524 recipients have found employment as of December 31, 1971. On the average 105 recipients were placed each pay period, which represents only 1.4% of "employable" recipients who reported to D.E.S., and only 2.2% of those recipients that D.E.S. actually found referable. The following table is a breakdown of this data by pay period.

TABLE 1

BREAKDOWN OF EMPLOYABLE AND REFERRABLE GENERAL RELIEF CLIENTS WHO FOUND EMPLOYMENT

Pay Period	No. of Clients Found Employable By DPW Who Reported to D.E.S.	No. of Clients Found Referrable By D.E.S. Who Reported to D.E.S.	No. of Clients Who Found Employment	% of Em- ployment	% of Re- ferrables
10-15-71 to 10-29-71	9016	5087	86	.95	1.69
11-1-71 to 11-12-71	8024	6002	138	1.72	2.29
11-15-71 to 11-29-71	6894	4242	111	1.61	2.62
12-1-71 to 12-14-71	6640	4066	116	1.74	2.85
12-15-71 to 12-31-71	6674	4420	73	1.09	1.66
			N= 524 Ave= 105	1.42 Ave.	2.22 Ave.

SOURCE: Department of Public Welfare and Division of Employment Security joint press release

The poor employment situation in the state, particularly for those General Relief clients with few skills, poor employment records, and poor health, may be a strong contributing factor to so few job placements.

Of those who found employment, 36.8% came from the Greater Boston area. High unemployment areas such as Lynn, Lowell, New Bedford and Springfield account for less than 30% of the total job placements. The breakdown by area in the State of Massachusetts, is summarized in Table II.

TABLE II
GEOGRAPHICAL DISTRIBUTION OF THOSE GENERAL RELIEF CLIENTS WHO FOUND
EMPLOYMENT BETWEEN OCTOBER 15, 1971 AND FEBRUARY 1972

	<u>Percent of Total</u>	<u>Number</u>
Greater Boston Area	36.8%	252
Rest of Massachusetts:		
Lynn/Peabody	7.9	54
Lowell/Lawrence	5.0	34
New Bedford/Fall River	5.7	39
Springfield/Chicopee	10.7	73
All other cities and towns	<u>33.9</u>	<u>232</u>
Total	<u>100%</u>	<u>684</u>

As part of the study to measure the effectiveness of the GR-DES Program, SWRRI conducted a survey from the 684 recipients who obtained employment. A total of 43 clients who found employment were surveyed through personal and telephone interviews. To add representativeness to the sample, sub-samples from the Lynn, Lowell, New Bedford, and Springfield areas were selected in addition to the Boston area sample. Of the 43 clients surveyed, 25 case study interviews were conducted to obtain a qualitative picture of the clients' work and welfare history, present job characteristics, and their job-finding habits.

Based on the survey, the following conclusions may be drawn regarding those GR clients who found employment.

1. Most clients who obtained employment through the GR-DES program would have found a job regardless of the mandatory nature of the new system.

2. Most who obtained employment were already looking for a job. Their experiences on welfare were generally short-lived. General Relief assistance was another form of unemployment compensation to many in this group.

3. These clients, the working poor, are still living in poverty. Their jobs, though providing more income than what they received while on welfare, still do not adequately provide a decent living wage. This problem is particularly acute for those with families.

4. For the group of clients who found employment, being required to "sign up for work" did not serve as an incentive to work; rather, D.E.S., in some instances, attempted to provide service to clients who regularly found employment on their own initiative.

Of the 43 people surveyed, 25 said they had obtained employment without the aid of D.E.S. According to their statements, all 43 did in fact sign up for work at D.E.S., but only 16 received employment through D.E.S.; 2 claimed they did not get a job. Therefore, out of the 41 clients who said they had obtained employment, only 39% actually received employment through D.E.S. Projecting this figure to the entire population of 684 who got jobs, approximately 267 people would be expected to have been placed by D.E.S. This last figure must be qualified by the fact that our sample, not randomly selected, represents almost 7% of those finding employment in the state. Projections on this basis, therefore, may be subject to error, but the findings and projections do suggest a very probable pattern to the job-finding process. Table III summarizes the findings for the Boston area and the rest of the state.

TABLE III

PERCENTAGE BREAKDOWN OF THOSE GR CLIENTS WHO OBTAINED EMPLOYMENT THROUGH D.E.S. AND THROUGH OWN INITIATIVE IN GREATER BOSTON AND REST OF MASSACHUSETTS SINCE OCTOBER 15, 1971

N=41 Those Who Obtained Employment				
Area	Through D.E.S.	Through Own Initiative	Total	
Greater Boston	29.6% (8)	70.4 (19)	100	(27)
Rest of State	57.1 $\frac{(8)}{(16)}$	42.9 $\frac{(6)}{(25)}$	100	$\frac{(14)}{N=41}$

Not all of those 684 clients who found employment are currently employed. One would expect that many would be unemployed again as the program begins its fifth month, and especially as unemployment levels remain high. In our case studies of 25 persons, we found that 8 were unemployed, with 3 of the 8 back on relief again. These results are summarized in Table IV.

TABLE IV

PRESENT STATUS OF GR RECIPIENTS WHO HAVE OBTAINED EMPLOYMENT SINCE OCTOBER 15, 1971

N=25				
Area	Employed	Unemployed		Total
		On Relief	Not On Relief	
Greater Boston	8	1	1	10
Rest of State	9	2	4	15
Total	17	3	5	25

As mentioned, our sample was not randomly selected, but a general pattern is developing whereby employed clients are once again becoming unemployed, and, in some instances, going back on relief.

By February 1972, within a few months, 3 clients out of 25 who found employment had gone back on relief, or 12%.

Prior to finding employment, most of the clients were on General Relief for a short time. In our sample of 25, 16 were willing to give information regarding their welfare history. Again these results are tentative, but they do point to a work and welfare pattern. Most respondents, eleven, had been receiving assistance less than 4 months. Only 3 of the 16 had been receiving aid more than six months. The data is presented in Table V.

TABLE V
AMOUNT OF TIME SPENT ON GENERAL RELIEF PRIOR TO OBTAINING EMPLOYMENT
N=16

<u>Months</u>	<u>Number of Clients</u>
Less than 1 month	1
1 - 3 months	10
4 - 6 months	2
over 6 months	3

Getting off the welfare rolls and obtaining a job does not necessarily guarantee that a client will escape poverty. Our sample revealed that, although the respondents are making more money now while working than when they were receiving relief, they are still not earning enough to get out of poverty. Though many were reluctant to give financial information, the median weekly salary for 16 of the clients who found employment was \$80. Table VI presents a distribution of weekly salaries.

TABLE VI
DISTRIBUTION OF WEEKLY SALARIES OF CLIENTS WHO OBTAINED EMPLOYMENT

<u>Weekly Salary Range</u>	<u>Number</u>
Under \$65	0
\$66 to \$80	6
\$81 to \$95	4
\$96 to \$110	1
\$111 to \$125	2
Over \$125	3
	<u>16</u>
Total	16

Most of the clients in our sample are clustered in the \$65 to \$95 range. Those making more than \$95 are male heads of household with a family. To give a better idea of the relationship between family size, salary and welfare amount, the following table was constructed.

TABLE VII
RELATIONSHIP BETWEEN FAMILY SIZE, WAGE, AMOUNT OF RELIEF

N=16

Family Size	Monthly Amount of Relief Before Employment	Amount of Monthly Salary from Employment
1	\$130	\$288
1	137	340
1	(vendor)	320
1	144	NA
1	144	256
2	160	320
2	145	456
2	185	NA
3	200	360
3	180	296
3	160	328
3	- NA	200
4	200	- NA
5	NA	368
8	440	600
11	436	460

The 25 cases studied illustrate a variety of relationships of these former clients to both the welfare and the employment components of the GR-DES system. Some were found to be quite independent in their job seeking efforts as in the case of one woman who through her own efforts, obtained employment as a hospital housekeeper at \$1.85 per hour. Feeling there were "no other opportunities available," she made the decision to "do it myself." Having had previous experience in this type of work, this former client was able to apply for, and obtain a job at a local hospital. Commenting on welfare regulation which require her to sign up for D.E.S.

service, she felt that the system as a whole was ineffective and "just more talk."

Some former recipients were found to combine D.E.S. aid with their own efforts in looking for employment. One disabled recipient had worked as a security guard and D.E.S. referred him to such a position. However, upon arriving at the place of employment he found that the job had been given to someone else. The responsibilities of 9 dependent children pushed this man to continue to seek and eventually find work on his own, as a grounds keeper under Emergency Employment Act. His yearly salary to support 11 people is just over \$5000. His attitude toward the new GR-DES system is fairly typical: "It's a good idea; it gives a man an opportunity to work if he wants to."

Another family man, a supporter of 3 children, had formerly worked in textile mills in New Bedford as a "slasher." Because of the rather poor employment situation in New Bedford, this type of specialized work became harder to secure. D.E.S. was able to place this man at such a job, but he was soon laid off again. Two weeks later he was rehired, but this time on his own initiative.

There are those recipients with equally specialized skills and employment background who may have a difficult time securing employment on their own. One Spanish speaking client did obtain her job through a local D.E.S. office in Boston. She now inspects razor blades, which is similar to the work she did before going on welfare after a recent change of location. She obtained her last job through D.E.S. and felt that it would be easier to use this service again.

Some former recipients are not as fortunate in their job-seeking efforts, whether aided by D.E.S., or not. One man was hampered by the seasonal

nature of his trade as a painter, and by the fact that his employer of 5 years does not offer unemployment benefits. D.E.S. was able to find him a painting job; however, the company never showed up at the designated meeting place, and the painter only received \$12 of the \$20 he was supposed to make for the day's work. He then found his own job, but illness (he has tuberculosis) forced him back to public assistance in the form of food orders. He expects to begin work again in March, when his regular seasonal employer hopefully will rehire him. His reaction to the welfare personnel was "they're really nice there."

These cases suggest that people appear to use D.E.S. services according to previous experience in employment-seeking. That is, if they are used to using such services, they will continue to do so. If, on the other hand, they are prone to looking "on my own," which is typical, this pattern will prevail. There are also clients who are able to incorporate D.E.S. services as another source of job opportunity information. The mandatory nature of the GR-DES system, therefore, appears to have relatively small influence on the way in which former GR clients make use of the D.E.S. services offered.

Of those former clients surveyed, it appears that GR has been used, in many cases, as another source of unemployment insurance for people who were generally employed, but who find themselves, for a variety of reasons, between jobs. Since the results of this study apply just to those clients who obtained employment, additional research is needed to determine whether the work and welfare patterns, employment history, and job-finding habits of clients who found employment would be similar to those of clients who did not obtain employment through the GR-DES system.

CHAPTER VI

MANAGEABILITY AND ADMINISTRATIVE PROBLEMS

This chapter is an attempt to deal with the Commissioner's third question: "To what extent was the administration of the program problematic, unmanageable, or expensive?" The findings are based on field visits to selected Welfare Service Offices and to the Project GR-DES office at 43 Hawkins St., Boston.

Findings on Manageability

Although some of the problems in the administration of the new GR procedure are doubtless attributable to the fact that the system has been in effect only a short time, six major problem areas were discovered from field visits. Each problem area represents the most striking and significant deficiencies in the administration which cannot be written off as temporary aberrations due to the transition. The six problem areas are:

1. Overloading of GR staff in WSO's
2. Incompatibility of DPW and DES operationalization of employability
3. Problems arising from change in GR payroll procedure-- from local Finance Units to a central computer for the state
4. Inadequate information and training in new payroll procedures for WSO payroll clerks
5. Insufficient staffing, equipping, and procedures at the new Project GR-DES office
6. Low staff morale resulting from the way in which changes in GR were implemented

1. Overloading of GR Staff in WSO's

We found workers and payroll clerks of WSO's hard pressed to fit in the additional tasks necessitated by the new procedures for GR. Whereas before GR had been a low priority program which required little time on the part of the staff - priorities going to federal category programs,

especially AFDC - the new GR procedures suddenly thrust GR to center stage. Workers had to take time from federal categories to review their GR caseload, to make necessary determinations of employment capabilities of recipients (fill out Form GR-DES 1), keep up-to-date on Form 8660's returned daily from DES, follow up on clients who didn't pick up checks or follow up with the Project Office for checks not received.

Many workers claimed that whereas before GR had taken a few hours of their time a week, it now required twice to three times as much attention. Many worked overtime during the first month. Some came in on their own time or stayed later to keep up with the paperwork, in order not to detract time during the work day from seeing clients, making home visits, troubleshooting problems with checks, and doing work for the other categories. Many said they felt more like clerks than social workers as so much of the time demanded by the new procedures involved filling out forms, especially the 8660's from DES. They felt especially desk-bound as a change in AFDC had come through at the same time as the new GR procedure, requiring additional time to re-compute the budgets for the AFDC clients in their caseload.

WSO's with specialized GR units were especially hard hit as they are usually large offices where the caseload is heavy and the staff severely shorthanded. Prior to the change many were doing little more than providing "over-the-counter service" to the GR clients who walked in the door. In many cases they had to bring in staff from other units or find temporary help to manage the initial review to determine which category - employable or non-employable - in which to place their GR cases. In one office the GR caseload dropped from over 700 to under 500 during this review process by simply closing out cases who left the rolls long ago but the undermanned

staff had not gotten to review the files previously. (Payroll clerks were also hard-hit by the change. This problem will be discussed in item #4 below)

2. Incompatibility of DPW and DES Operationalization of Employability

One of the most difficult and time consuming problems in the new procedure for all parties--social workers, employment counselors, and clients-- is the basic conflict between the operating procedures with regard to employability of the two agencies participating in the program. DPW operates as if a GR recipient is employable unless specifically exempted (refer to State Letter 283). The six categories of exemptions listed in the State Letter provided the grounds for deeming a recipient non-employable. In order to classify a client as non-employable the social worker had to fill out Form GR-DES 1 - stating the reasons for the exemptions and verifying it. A worker is thus under severe pressure to place a recipient in the employable category unless he can produce written verification to the contrary in the recipient's file (i.e., in most cases, a doctor's letter). Then, and only then, is the recipient placed in the non-employable category.

However, DES operated on the opposite set of assumptions. Despite written instructions to the contrary, we found in practice that DES staff operate from the premise that a client is considered employable only if he is potentially employable, i.e., has work related characteristics - age, sex, previous work experience, education - which make it likely for him to be placed in a job or in a training program. Employment counselors at DES are under pressure to deem employable only those GR recipients who are likely to be placed and to deem non-employable those with little chance of placement. This approach serves two purposes for DES staff. First it conserves

staff time - the employment counselor does not have to continually see clients who are not likely to get jobs. Secondly, it produces good monthly reports - the rate of placements per number of active cases is not depressed by a large pool of clients who are not likely to get jobs.

The result of these conflicting agency positions is that many GR recipients find themselves constantly shuttled back and forth between the WSO and DES office. The worker classifies the client as employable and sends him to DES. At DES the employment counselor interviews the recipient, finds him or her not likely to be employed and sends the Form 8660 back - checked #9, non-employable. The worker must then follow up - find out why the recipient was marked non-employable and try to get verification in order to fit the recipient into one of the exemptions for non-employability. The recipient often does not qualify for an exemption and is sent back to DES where the process is repeated.

We further discovered that these and other problems in the relations between the local WSO and DES offices were more or less difficult depending on the quality of previous relations between the two offices prior to new regulations. Where two offices were in close proximity, e.g., WSO and DES offices in the same city or town -- and had worked together before, i.e., workers had taken the previous department requirement that GR recipients visit DES once a month as a beginning point for working with the local DES staff to find the recipient a job -- both were better able to manage the conflicts arising from opposing agency purposes with regard to the new procedure. Further, the free flow of information between worker and DES staff prior to the new regulations facilitated communications under the new system. Information about a client which was valuable in placing him in a job was

not provided for in the new procedure. The Form 8660 proved inefficient for exchanging the type of information needed by either the social worker or DES staff.

The example given by a worker at one WSO we visited illustrates the problem: A GR recipient with no physical disability showed up at the DES office hunched over a cane. Through previous contact with the DES staff, the worker was able to correct this false impression and to get the recipient placed. In the same office we also found a number of cases of recipients who could not fit any of the exemptions, e.g., widows in their late 50's or early 60's without previous work experience. Both the worker and DES staff realized these people were "socially" non-employable, but were unable to deal realistically due to the requirements of the DPW State Letter to classify the recipient as employable.

3. Problems Arising From Change in GR Payroll Procedure - From Local Finance Units to a Central Computer for the State

The portion of the new GR procedures which was most likely to occur yet was so ill prepared for was the change in the method of dispersing the GR payroll from the local Finance Units to the Data Processing Center in the Boston Finance Unit at 43 Hawkins Street.

One of the chief difficulties with this new procedure -- which was repeatedly brought out in our interviews with the staff of WSO's -- was that processing GR under the old system through the Finance Units allowed the kind of flexibility and personal contact which enhanced the aims of the program, strengthened worker-client relations, and seemed most appropriate to the kind of population which GR serviced. As WSO staff described it, GR functions as a residual category for those in need who are not eligible for other cate-

gories or other programs, e.g., widows and widowers prior to age where they are eligible for OAA or Social Security, families not eligible for AFDC where the breadwinner is unemployed temporarily, unskilled laborers who are not covered by workman's compensation.

GR as dispersed through the Finance Units where a few WSO's are in close proximity to the Finance Unit (in some instances in the same building) permitted the worker to get cash quickly into the hands of a recipient, who in many cases needed help immediately. Through the Finance Unit's the regular payroll lead time was under a week. In emergencies the workers could often get a check out of the Finance Unit the same day by personally going to the Finance Unit and walking the authorization through. Among many of the staff at the WSO's visited, there was a noticeable preference for a return to the Finance Units in order to recoup this kind of flexibility now lost with the statewide computer payroll.

In contrast, the payroll procedure under the new GR system seems to offer the least flexibility and responsiveness to clients who need it the most. The payroll lead time has jumped from a few days to over two weeks. We found that in many cases due to the long lead time and errors in preparing the payroll both in WSO's and at Data Control it took workers up to 3 or 4 payroll periods to get recipients a computer payroll check.

In the meantime while waiting for the first computer check the procedure of relying on vendor payments has proved to be unsatisfactory. For recipients there was no cash for non-food or rent items. It was proving difficult to arrange for certain types of bills, e.g., utilities. From the Department's perspective the vendor system was proving costly as well as difficult to monitor. In some WSO's the vendor payroll appeared to be soaring under the new GR procedure.

Further, the fact that recipients were not able to get computer checks for two to three pay periods meant that workers were not able to comply with the Department's regulation that a person eligible for aid receive the full amount he or she was eligible for from the date of application. Vendor payments inevitably fell short of the full grant. Computer checks were not retroactive as had been the case for GR under the Finance Units and is still the case for federal categories.

The problems discussed below in the staffing, equipping, and operating of the Project GR-DES Office aggravated what for many WSO staff was an already intolerable situation. Lack of telephone lines and trained personnel made it difficult, if not impossible, for workers to follow up errors in the computer payroll, or for staff to get information about how to fill out the new forms in order to avoid errors in future payrolls.

The biggest headache for WSO staffs in the new computerized GR payroll was the procedure for releasing to the recipient checks returned from DES to Data Control for not being picked up. We found numerous cases where workers received the Form 8660 from DES but were delayed in getting in touch with the recipient. By the time the completed Form 8660 and Form GR-DES 4 was returned to Data Control that check had already been re-deposited. In other cases the worker completed the forms promptly, but still could not get the check released to the recipient.

While some of these problems may be due to the transition to the centralized computer payroll, many of them indicate the need for additional procedures within the new system. Ways of restoring flexibility and speed in responding to client needs should be developed.

4. Inadequate Information On and Training in New Payroll Procedures for WSO Payroll Clerks

As mentioned above we discovered on field visits that payroll clerks in the WSO's were confused by the change to the new GR payroll procedure. Prior to the new system, preparation of GR payroll was relatively simple and consumed little of the clerk's time. All that was involved in getting out the payroll was the completion of one form - Form A-R-1. The sum of the adds and deletes to GR was added to the amount of the previous payroll to get the payroll for the current period. Under the new procedure the number of forms has quadrupled - Form GR-DES-2 - the GR payroll, Form GR-DES 2A - the payroll update, Form GR-DES 2B - the computation and reconciliation form, and Form GR-DES 3 - the pull list, one for the employment payroll and one for the non-employable payroll. The initial GR payroll was filled out on Form GR-DES 2 and included in addition to recipients' names as before - recipient's social security number, address, amount, date of birth, sex. The action code - add/delete/change - was especially confusing to clerks not familiar with computer programming. They could not understand the difference between adds, deletes, and changes, or the reason that in order to change from employable to non-employable or vice versa they had to delete from one and add to other, where previously they simply would add or delete.

In order to figure out this complicated new procedure, the clerks could rely only on the general program guidelines in State Letter 283 and the briefest instructions on the new forms. They received no explanation of the steps to follow in filling out the forms nor explanation of the rationale behind them.

5. Insufficient Staffing, Equipping, and Procedures at the New Project GR-DES Office

On visiting the Project GR-DES Office at 43 Hawkins Street we discovered that many of the problems discovered in the WSO's were due to the fact that the change in the GR work requirement was coupled with a somewhat unsatisfactory transfer of the GR payroll from the local Finance Units to the Department's Computer Center in Boston. The brief lead time mandated by the Legislature's statutory change in GR did not allow time or resources for putting together the operation at 43 Hawkins Street to handle efficiently the GR payroll of the whole state.

The first and most obvious deficiency was the absence of separate telephone lines to the Project Office. Workers following up errors or staff calling for information about the new procedures had one telephone extension through the switchboard at 43 Hawkins Street. In the early weeks of the program workers literally could not get through for days.

A further source of difficulty was that the only additional staff available to set up the new office were 15 clerks who were hired as 30 day temporary employees. They had neither the necessary skills nor the tenure to enable proper training in putting together a payroll or troubleshooting errors. (Initially, there were not even enough desks for these temporary staff.) As a result no procedures were developed for handling the queries coming in from the WSO's. The staff of the WSO's reported that when they were finally able to get through to the Project Office, the person on the other end of the line did not know what they were asking about or how to find it; or if they did know something the WSO staff were not assured that they would follow up or be able to get in touch with the same person

on a return call.

At the time of our visit - in mid-December - to the Project Office, considerable improvements had been made in correcting these deficiencies. The new director - since mid-November - had attempted to routinize procedures to log in and follow up promptly "problems" coming in from the WSO's, to get additional phones, desks, and more permanent and experienced personnel, and to cut down on the lead time for the GR payroll. These reported improvements corroborated with our experience of our later field visits in which interviewers reported some improvement in access and responsiveness at Data Control in recent weeks.

One problem originating in the Project Office, but not due to their own deficiencies, is the lack of fit between the number of employable and non-employable payrolls per pay period. There are currently four employable and two non-employable payrolls per month which Data Control must process. The reason for the additional employable payrolls is the DES procedure of distributing checks by social security number. This results in the employable payroll being split into two Groups, A and B. As a result of this non-comparability between the employable and non-employable payrolls, it is difficult to transfer recipients easily from one to the other. For this reason a change in category frequently results in the recipient missing out on one computer check.

6. Low Staff Morale and Negative Attitude Toward State DPW Over the Way in Which the GR Changes Were Implemented

Visits to WSO's generally revealed that most staff were sympathetic to the changes in GR but were negative toward their own Department which had carried out the Legislative mandate. In some cases workers had been

assisting GR recipients to find work prior to the new program. Many workers felt that those GR recipients who could work ought not to live off welfare or that many of their GR recipients were genuinely interested in getting off welfare into a job. Thus, the availability of DES services under the new program was a benefit to some workers and recipients. The staff was generally sympathetic to the predicament of the Department in having to make such drastic changes in such a short time due to the nature of the mandate from the Legislature.

The feeling of resentment and hostility toward the DPW must be traced to a number of causes. Much of the workers displeasure was directed at the loss of discretion instead of rigid guidelines, some argued, would have been a valid use of professional judgement given the mixed bag of clients who compose the GR population; this was somewhat substantiated by the difficulties that developed for DES in not knowing what to do with those GR recipients who were obviously not employable but who could not qualify for the non-employable payroll under current exemptions. In addition, there was some lingering hostility among some of the older staff against state take over of welfare. Further some remarked about the incompetence of the "bosses" and their lack of sensitivity to the staff's real problems, a common complaint in large bureaucratic organizations, especially governmental.

However, the more serious problem which was uncovered concerned DPW communications. Many staff voiced the criticism that they first heard about the program through the newspaper and that they continued to learn more about it - changes, progress reports and other day to day feedback on the program - through the newspapers not through the Department. A reading of the State Letters on the subject, the occasional memos from Data Control, and the few

articles in the monthly in-house newsletter of the Departments, tends to corroborate these feelings. The insufficient flow of information from the top to the bottom produced not only the feeling among lower echelons of being left out, but resulted in inefficiencies due to the shortage of basic information on how to operate the new procedures, e.g. payroll clerks lacked instructions on filling out the new GR payroll forms.

In addition, the criticism was made that the staff most affected by the change in GR procedures were not involved in the planning and implementation of the changes. The new procedures were developed by the central office and presented as a fait accompli to the regional and local office with little apparent consideration for the likely impact of these changes on the front line staff. In addition, few, if any, orientation sessions for GR staff were held prior to the change. The recently inaugurated training sessions conducted by Data Control for GR payroll clerks came only after voluminous criticism of obvious inadequacies of the new procedures and after the question of credibility of the central staff was raised. The general feeling among many of the staff might be summarized as follows: The WSO workers were the ones who had to bear the brunt of the problems brought about by changes in welfare policy, yet their interests were not considered in shaping department policy. The central office was caught between economy minded Legislators looking for votes back home and militant welfare recipients. In the process they left the local workers in the Department to fend for themselves, as they attempted to mediate between the two groups as well as maintain their own positions.

Recommendations on Problems in Manageability

In order to deal with some of the problems of manageability, the following recommendations are presented for consideration by the Department:

1. Discussions between DPW and DES about the possibility of eliminating the duplicate employable payroll-Group A and Group B payroll should be initiated in order to simplify the operation of the computer center and eliminate many of the problems now occurring in changing a recipient from an employable payroll to a non-employable one.

2. To reduce confusion and time now spent negotiating employability between DPW and DES the Department should adopt one of these two courses of action: either a) reverse present policy to conform with the current DES operational definition - i.e., consider a recipient employable only if able and likely to be placed; or b) broaden the definition of "non-employability" to include the large number of GR recipients who are "socially" employable. This could be accomplished through a number of means: 1) by expanding the medical category to include emotional and other non-physical reasons for exemption, 2) by using the DES determination of non-employability as functional verification thereof, 3) by giving workers limited discretion to certify clients non-employable for special causes, and 4) by setting up additional categories of GR recipients who would be considered non-employable, e.g., widows between 58 and 62 with no previous work experience.

3. Workers should be granted limited authority to hold checks for employable clients who are not able to make their DES pick up appointment. For example, a worker could be allowed to authorize DES to keep the check an extra day before returning it, so the client could get in to pick it up. Or alternatively he could be authorized to have the check forwarded directly to the WSO or to the client if "good cause" was determined. In addition, the client should be permitted to change his pick up time to suit his schedule rather than the arbitrary method of assigning appointments by social

security number, which obviously bears no relation to the recipients availability or access to transportation.

4. The time needed to put together the GR payroll should be reduced to 5 working days, thus permitting the WSO's 7 days lead time for preparing their GR payroll, which corresponds more closely to previous procedures and allows greater responsiveness to changing client circumstances.

5. As soon as #4 is completed and the necessary staff is available, an emergency payroll should be initiated to handle clients prior to going on regular GR payroll (currently 3 days for client to get a check in the Boston Finance Unit where the emergency payroll is now in use). This would eliminate the vendor system which is presently inadequate to meet clients needs and costly for the Department.

6. In order to improve staff morale, the needs of staff and potential impacts of changes thereon should be given higher priority in planning and implementing changes made in the future. The Department should be working towards an operating style which seeks to involve staff in these changes, rather than presenting them to the staff as completed and unalterable. Such options as the following might be appropriate depending on the nature of the change: a) Supplement the State Letters with concise but informative background pieces to be sent ahead of time to staff involved in different programs--to keep them abreast of current programs in which they are involved and to prepare them for changes, b) increase the role of the regional staff in working with WSO staff in preparing for changes as well as serving as feedback units to the departments central staff, and c) under appropriate conditions include other staff levels in the planning process through task forces or committees drawn from local staff who would be involved in the

changes. This last approach would increase information flow as well as participation and feedback. This would not only lead to greater "productivity" and less of the counter productive energy we discovered resulting from a failure to consider these issues, but also to better inputs to central planning--information on the state of the organization and ideas for improvement therein.

These additional recommendations are aimed at a more immediate improvement:

1. The installation of a separate telephone line for the Project GR-DES office might avoid the bottleneck at the 43 Hawkins St. switchboard which currently cripples access and information flow between the WSO's and Data Control. It would be preferable for increased efficiency to have a separate number for each region with one person handling all the calls from the WSO's in that region. This would serve two purposes--the WSO staff would get to know one person they could rely on and the Data Control clerk could have a manageable number of WSO's to become familiar with.

2. The present temporary personnel should be replaced with experienced clerks who can be trained in procedures for preparing the GR payroll and handling queries from the WSO's.

3. A brief informal memo should be sent to WSO payroll clerks which will inform them on how the new computerized payroll works, what steps they must follow, what function each of the forms serves, and a simplified explanation of how the new procedures are related to the demands of a computer operation. In addition, the Director of Data Control should continue, and accelerate if possible, the meetings with payroll clerks to familiarize them with the new system and answer their questions.

4. The number of days the Project Office holds checks returned by DES should be extended to allow workers enough time a) to receive Form 8660, b) to contact the client, and c) to return Form GR-DES 4 to the Project Office. This change would eliminate some of the problems of recipients not getting computer checks and thus having to rely on the vendor system.

In addition, the operational decision by the Department of Public Welfare to consider clients "employable" unless they could be determined to be "unemployable" inflated the number who had to report to D.E.S., many of whom were subsequently determined to be unemployable. This involved additional costs to DPW, to D.E.S., and to those clients who were unable to report due to illness and other reasons. Further, it placed the burden on the clients to prove to the Department that they were in fact unemployable and had good cause for not reporting to D.E.S. This resulted in suffering for hundreds of clients and additional problems for the social workers to remedy incorrect classifications and check cancellations.

The Department could have operated on the opposite assumption that clients were unemployable unless determined to be employable. Those who were seeking employment and were obviously employable could have been classified initially and then on the basis of a case-by-case intensive review, those who were found to be employable in the remainder of the caseload could have been so classified. This would have involved fewer errors which resulted in client hardships and meant lower costs in following up incorrect classifications. Further, it would have permitted a phasing in of the program which would have allowed the Department time for training and revision of procedures where problems arose.

CHAPTER VII

TWO APPROXIMATIONS OF THE POSSIBLE PAYROLL REDUCTION IN GENERAL RELIEF

An assessment of the reduction in GR payroll due to this program is difficult to determine. The difference between the payroll in September, the month before the program began, and December, the third month of the program, was only a savings of \$48,929. However, this could have been due to many other factors as well. The fact that the number of cases involved dropped significantly and that the average payment went from \$112.86 to \$140.70 would indicate that those who were receiving the lower payments tended to leave General Relief, possibly as a result of the increased difficulties and personal costs of staying in the program due to the new procedure.

Approximation Based on Questionnaire Survey

In December approximately 1737 persons did not pick up their checks at D.E.S. which represents about 20% of those who were notified to report. For purposes of computing an estimate of the possible reduction due to the new GR-DES program, the results of the mail questionnaire were used to arrive at the possible number of cases which would have been closed for the lack of good cause under the new procedures. The number was then added to the number of persons who probably received employment due to the program. Of the 189 persons who got jobs in December 1971, we made the liberal assumption that 50% of these found jobs through D.E.S., although data from our survey indicate that less than 40% found employment in this manner. Using different assumptions about the likelihood of cases being closed, we were able to generate low, probable and high ranges of estimates of reduction in the payroll. All

of these estimates may still be high because they were not adjusted for the normal turnover in the GR program, which certainly accounted for many of the closed cases.

The high range was computed by subtracting from 1737 the percentage that was likely to have not picked up checks for good cause due to 1) illness, 2) being needed in the home to care for someone, 3) having been reclassified, 4) being the subject of administrative error, or 5) being too old. This would leave 24% who might have been closed or 417 persons. Adding the 95 persons who may have found jobs through D.E.S., 512 persons might have been dropped. This figure is then multiplied by \$141., the average payment per case in December, to arrive at the extreme estimate in this range of \$72,192. Since we are reasonably certain that those who left the rolls were the cases receiving lower payments, a more reasonable lower end of the range was estimated using the average payment per case in September, 1971 of \$113. This figure was \$57,856.

The low range was computed by subtracting the same categories as in the high range but adding those who did not know about picking up their checks, and probably had good cause, namely another 11%. This would mean that 226 persons would be closed for not picking up their checks or 321 closings, adding those who found employment through D.E.S. This would result in a high estimate of \$45,261 and a low estimate of \$36,273 for the month.

Using the probable case closings computed from the questionnaire, we used the 19.5% figure to create a probable range. The clients who were probably closed then is 339, and, again adding the 95 persons who got jobs due to the program, 434 may have been closed. This would mean that the high estimate in the probable range is \$61,194 and the lower reasonable estimate is \$49,042. Given that those who tended to leave the General Relief program tended to re-

ceive the lower payments, the best estimate by this method of approximation is a payroll reduction of \$49,000, without allowing for turnover.

TABLE I

ESTIMATES OF THE POSSIBLE REDUCTION IN THE GENERAL RELIEF
PAYROLL DUE TO THE GR-DES PROGRAM

	<u>Lower Estimate</u>	<u>Higher Estimate</u>
HIGH RANGE	\$58,000	\$72,000
LOW RANGE	\$36,000	\$45,000
PROBABLE RANGE	\$49,000	\$61,000

Actual Reduction in the Payroll between September, 1971 and December, 1971 was \$48,929.

Approximation Base on a Statistical Analysis of Trends

In order to procure an independent estimate of potential reduction in the GR payroll from the new General Relief work registration requirement, long-term and short-term trends in caseloads and total payments were studied intensively. The problem is to segregate the effect of the new law from other trends in the General Relief statistics. Once separated from other effects, the potential reduction can be measured and subsequently compared with estimated costs.

Statistics on the number of General Relief recipients in Massachusetts and total dollar payments (excluding vendor payments) were gathered from the Social Security Bulletin. In order to study the long-term trend, monthly statistics extending back more than ten years to January 1961 were analyzed. Plotting the data from this date to December 1971 indicated the overall long-term trend in both GR payments and total caseload. From 1961 to the latter half of 1966 both the caseload and total payments remained fairly constant. Beginning in 1967, however, the number of recipients and total outlays under-

went a phenomonal increase which continued until the beginning of 1971.

During 1971 the caseload leveled off and then fell precipitously. This latest decline began in May and continued to the end of the year. Payments also began to decline at a rapid rate after May 1971. However, unlike changes in the caseload, the decline in total payments leveled off in the last quarter of the year. The largest decline in payments thus came before the imposition of the new work requirement program. Figure 1 indicates the dollar payment outlays and the size of the caseload from January 1970 through December 1971.

This trend can be illustrated in greater detail. Between January 1966 and January 1967, total outlays for General Relief rose by 30.4 percent. The following year was marked by a huge increase in total payment; in the one year period covering January 1969-70, payments nearly doubled, increasing by 92.5%, the rate of increases in outlays then slowed. In the one year period ending in January 1971, total payments increased by only 26.9 %. The September 1970 to September 1971 increase was even less (4.6%) and the December 1970 to December 1971 period showed an actual decline by 2.3%.

Focusing on the calendar year 1971, we find that payments first increased by 20.9% in the first quarter, but then fell continuously during the rest of the year. In the second quarter payments fell by 10.6%. The third quarter witnessed a further decline of 8.1%. Finally, in the last quarter total outlays continued to fall, but at a much slower pace. Total payments were reduced by 1.6% from September to December 1971. This was the period during which the new work requirement first took effect.

The number of recipients followed a similar pattern but with much greater variability. In the first quarter of 1971 the number of recipients increased by only 5.2% compared with a 20.9% increase in payments. During the rest of

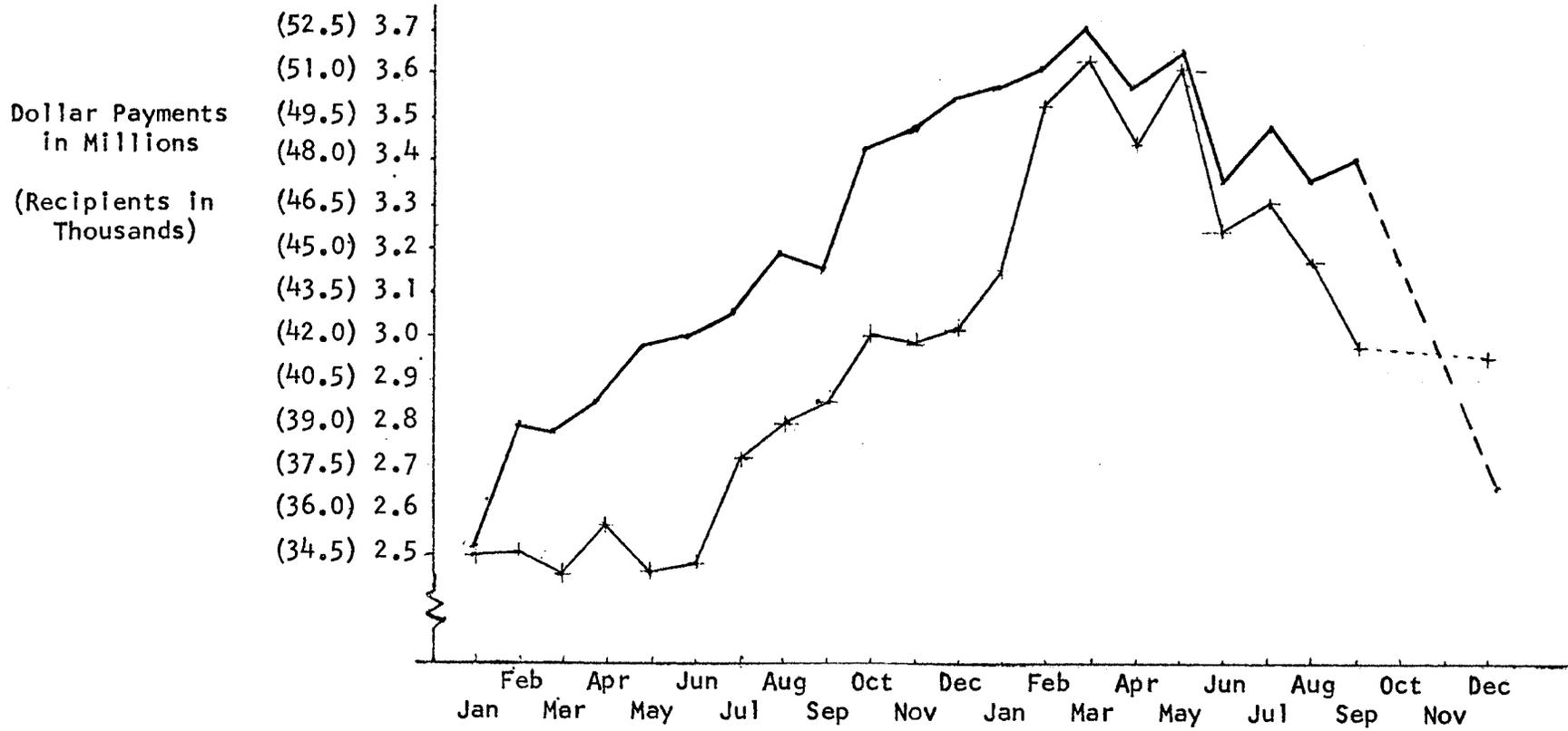


Fig. 1 Total Recipients (upper line)
Total Payments (Excluding Vendor Payments)
January, 1970 to September, 1971

year the number fell continuously, but in this case the largest reduction came in the last quarter, after imposition of the new legislation. The second, third, and fourth quarter decreases were 12.2%, 3.2%, and 21.1% respectively. Hence we find a large reduction in the number of recipients after September 1971, but only a small reduction in actual payments. Obviously the General Relief recipients who left the welfare rolls after September 1971 were receiving only token payments. In effect those who were marginal to the welfare system were eliminated from welfare after imposition of the new law. This resulted in only a minor reduction in payments.

Analyzing the Trend

Standard regression techniques were used to obtain estimates for both the long-term trend and short-term cyclical pattern in the number of recipients and total cash outlay. The long-term trend indicates the average expected change in recipients and total payments assuming that the most recent period mirrors the experience of the past eleven year. The short-term trend focuses on the most recent period before the new law went into effect and estimates the change based on this experience. The long-term trend is the 'telescopic' view of the situation while the short-term trend is the more 'microscopic.'

1. The long-term

All estimates were based on a simple logarithmic relationship of the form:

$$\ln P_T = a_1 + b_1 T + u_1$$

$$\ln R_T = a_2 + b_2 T + u_2$$

where $\ln P_t$ is the natural logarithm for total dollar payments and $\ln R_t$ is the natural log of the number of total recipients. A log linear rather than simple linear form was indicated by examination of a plot of the raw data. The t-ratios and R^2 s used to test the significance of the equations substantiated

the use of this statistical form.

Using the 129 monthly data points from January 1961 to September 1971, the following equations were obtained:

$$\ln P_T = 12.6554 + .0155T \quad (i)$$

(20.98)

$$\ln R_T = 9.3826 + .0084T \quad (ii)$$

(14.35)

The R^2 for (i) was .7743 and for (ii) .6155 indicating that 77.4% and 61.6% of the total variance in the two equations was "explained" by these regressions. The estimates generated by these equations indicated that, as an upper bound, one could have expected an increase in total payments of \$106,500 if the 11 year trend had continued for the October-December 1971 period. In this period, however, there was an actual decline of \$48,900. Thus there was an apparent net reduction of \$155,400 in total monthly payments. Similarly, the estimate of the increase in recipients was 1,000 when there was an actual decline of 10,100 reported by the Department of Public Welfare. This would indicate an apparent reduction in the number of GR recipients after September 1971 of 11,100.

From the initial analysis of the trend over the past eleven year, however, it is clear that the rate of increase in both recipients and payments slowed in 1970 and finally began to decline in the second quarter of 1971. This indicated a sharp break in the normal trend. Extrapolating over the eleven year period consequently overestimates the effect of the new work requirement by a large margin. New equations were therefore fitted for nine, fifteen, and twenty-four month period preceding October 1971 in order to better estimate the expected trend in the period under investigation

2. The short-term

The log linear relationship for this short-term analysis was assumed to be the same for the nine, fifteen, and twenty-four month periods as for the

long-term. The fitted equations for the twenty-four month period are:

$$\ln P_T = 14.5748 + \frac{.0223T}{(8.49)} \quad (\text{iii})$$

$$\ln R_T = 10.4218 + \frac{.0199T}{(8.18)} \quad (\text{iv})$$

These results indicate that in the two year period before the imposition of the work requirement the trend that existed in the long run was still in effect. The main difference was a generally larger monthly increase in both payments and recipients.

The regressions using the nine and fifteen month periods, however, resulted in very different equations. For fifteen months:

$$\ln P_T = 14.8654 + \frac{.0124T}{(2.73)} \quad (\text{v})$$

$$\ln R_T = 10.7291 + \frac{.0056T}{(1.70)} \quad (\text{vi})$$

and for nine months:

$$\ln P_T = 15.0881 - \frac{.0131T}{(1.72)} \quad (\text{vii})$$

$$\ln R_T = 10.8099 - \frac{.0036T}{(.505)} \quad (\text{viii})$$

For (vi), (vii), and (viii) the t-ratio for the coefficient on time was less than "t-critical" indicating that these slopes were not significantly different from zero at the .01 significance level. The R^2 for the four were: (v) .3148, (vi) .1183, (vii) .1962, and (viii) .1026. Thus for the nine and fifteen month periods preceding the new law, the number of recipients and total payments remained largely constant, neither increasing or declining.

Interpreting the nine and fifteen month trend equations coupled with the percentage data cited earlier indicates that the total payments and the number of recipients had leveled off and was possibly even declining prior to October 1971. Using these results one would have expected no increase in the number of recipients or total payments from October to December 1971 even if the new work

requirements had not gone into effect. This is the most accurate estimate we have of the expected trend excluding the effect of the new law. It is even conceivable, however, that the decline in payments noted during the October-December 1971 period would have occurred in the absence of the new regulations indicating no reduction whatsoever in total payments from the program.

The analysis points in one direction. The overall reduction in GR payments due to the new work requirement was probably no more than \$48,900 per month (i.e. the difference between a constant trend and the actual reported fall in total payments) At the extreme, assuming a most improbable return to the eleven year trend, the reduction could have been \$155,400. A decline in the rate of increase of recipients and payments began prior to October 1971, as early as mid 1970, which culminated in an actual decline in payments as early as June 1971. The number of recipients fell by a much larger percent than did the dollar payments in the last quarter of 1971 which suggests that the primary effect of the new program was only to eliminate the marginal recipient, those who were receiving only small supplements to regular income. If there was any payroll savings as a result of the new program, this reduction took the form of eliminating the marginal recipient from General Relief.

CHAPTER VIII

THE COST OF THE GR-DES PROGRAM

The intent of the new legislative provision was to assist and encourage employable clients to register, to be referred to and to be placed in employment, thereby reducing the rolls and realizing a savings to the state. These new procedures also meant numerous additional tasks which could only be performed by shifting time off of other welfare and employment programs and by the addition eventually of some new staff. The shift in time was generally taken from federally funded public assistance programs in the Welfare Department and meant that adequate services could not be provided in many cases. Additional costs were also incurred in the dispersal of maintenance vendor payments, in the central offices, and in the Employment Security Offices.

Administrative Costs in DPW

The purpose of this part of the GR-DES study was to compare the differential administrative cost of the GR program before and after implementation of the new procedures. Since no additional administrative funds were allocated for program implementation and operation, additional costs could not be determined by budget increases.

Therefore, another means was devised for arriving at the cost of this new program.

Using the idea of maintenance of effort as a primary principle a "task flow chart" was developed and pretested on social workers in one small Welfare Service Office (WSO). The aim was to identify the range of tasks

required to process a GR applicant/recipient before and after the new procedures. The time spent pursuing each task was then quantified and weighted by the salary level of the staff involved. This allowed us to assign dollar weights to each task of the new procedures.

The items used in the questionnaire schedule were selected from the comments of experiences consistently reported during the interviews with (WSO) Directors, social workers and clerical and fiscal personnel. Questionnaires were distributed from the Commissioner's office to each of the 154 WSO's. Seventy-seven WSO's (50%) returned the questionnaires with a range from 1 to 22 personnel responses per WSO.

1. Time Transference

All DPW personnel whose responsibilities included processing of GR cases were asked to estimate the number of hours and percentage of time expended per case category (AFDC, OAA, DA, MA and GR) before implementation of the GR-DES program. They were then asked to estimate the amount of increased time to GR cases and decreased time from other case categories.

The average GR caseload of social workers (from our sample) who have GR cases assigned to them as part or all of their load is 32. The average expenditure of time (prior to the new GR system) per social worker (that service GR cases) per payroll period (2 weeks) is 17.5 hours. While we found no evidence, either from our investigation or from DPW monthly statistical reports, that the GR rolls had increased, an additional time expenditure of 8 hours per social worker per two week period was reported by those with integrated case loads.

These eight additional hours per worker represents the amount of time that social workers (whose caseloads are integrated) are taking from other

public assistance categories to meet the requirements of the new GR-DES program. The cost being shifted from federal public assistance categories to service the General Relief population is \$42.08 per two week period per worker, (again, this figure is only applicable to DPW personnel that assist in the processing of GR cases). Each GR case costs an average of \$1.10 of worker time per two week period taken from other categories to process under the procedures of the new GR program. The total cost of worker time transferred from federal public assistance categories to the GR category was approximately \$47,960.00 for November 1971 and approximately \$45,980.00 for December 1971.

To illustrate the impact of this time transference; the average total caseload (all categories) of social workers (having any GR cases in their caseloads) is 149. Of these 149 cases an average of 32 are in the GR category, leaving 117 in the non GR category. Average time allocated to GR cases prior to the new system was 17.5 hours. It has been necessary for social workers to increase their time to GR by almost 50% (8 hours) over time previously spent processing GR cases (prior to the new system), bringing the average time expenditure per social worker to 25.5 hours per two week period. The remaining 49.5 hours (per two week period) is left for servicing cases in other public assistance categories. Therefore, 34% of the social worker's time is allocated to 21.5% of his total caseload under the new system as compared with 23.3% time being devoted to 21.5% on the old system.

2. Additional Tasks and Time Expenditure

Prior to the new GR procedure social workers did not tend to refer employable GR recipients to the DES for job registration. Under the new

procedure three clients per worker per two week period, have been referred back from DES. The cost of coordinating these clients and procedurally-related matters with DES personnel is \$.32 per case.

Four additional tasks, (inherent in the new procedure) none of which were required under the old system, were identified during our site visits. They are (1) determination of non-employability of GR clients, (2) following up clients who did not pick up their check from the DES offices, (3) handling client problems related to the new GR procedure, and (4) other. This last miscellaneous category would include (according to our data) tasks relating to new forms, clarification of unclear procedural instructions and efforts to trace welfare payments through central data processing.

It became obvious in the coding phase of the study that many DPW personnel had overestimated additional time expended on GR after implementation of the new program. All responses that exceeded the total number of working hours per two week period, where no overtime was indicated, were excluded from the computation. Therefore, our estimates of cost per task were far more conservative than actually reported by the staff.

Each task was computed separately by arriving at the hourly wage rate per worker reporting and the number of additional hours expended on GR. The cost of social workers assisting clients in determining their non-employability was \$.38 per case. The cost of social workers following up clients who did not pick up their checks from the DES offices to determine current status was \$.26 per case. The cost of social workers responding to clients' problems related to the new procedure was \$.75 per case. The cost of time expended on "other" tasks of the new procedure was \$.30 per GR recipient. These costs were obtained from computations of individual hourly wage rates and hours expended performing each task.

The total additional cost incurred by the local DPW offices due to the GR-DES program is \$1.69 per GR case per two week period. (based on a survey of over 1,700 cases) The assumption in reporting this \$1.69 bi-weekly per case cost figure is that DPW personnel were working at relatively full capacity (time-wise) prior to initiation of the GR-DES program. Indeed there is reason to believe from our data that DPW personnel were over-extended in terms of caseload size, of time for minimally required services, and of worker time available to reassess cases in each pay period. This was certainly apparent in the larger WSO's.

For the months of November and December 1971, DPW statistics reported that there were 21,800 and 20,900 GR recipients respectively. The additional cost in the local DPW offices of the new GR-DES program was approximately \$73,684.00 for November, and approximately \$70,642.00 for December.

Of the 20,902 GR recipients reported for December 1971, 12,039 were certified as non-employable. The remainder, or 8,873 (42%) were employable. Therefore, the \$70,642.00 additional cost for December represented the expenditure of processing 8,873, so that the additional monthly cost of each employable GR recipient under the new system is \$7.96 per case.

3. Project GR-DES Office Costs

Initially the Welfare Department allocated 15 slots for payroll clerks in addition to their regular staff working on this program. There are currently 9 slots allocated to this office. In the Project Office there is also one supervisor working quarter time and one auditor working full time. This means that the department is spending approximately \$4,500 on the staffing of this office, not counting the time of personnel from the central administration who are concerned with the operations of the program.

Division of Employment Security Costs

The Institute can only conjecture on the administrative costs of the DES part of the program. The general lack of cooperation from the Division at the time that data was being collected prevented any systematic estimate of DES costs.

Using the fact that client interviews are scheduled to last a half hour and multiplying this by the number of clients who reported to the DES offices in December 1971, there were approximately 6,650 hours in local staff time spent on the new program. In salary terms, this probably comes to something around \$20,000 per month for this portion of the DES administration. This would not include follow up on clients, supervision of workers, or central office costs.

Rise in Maintenance Vendor Payments

Field visits to several WSO's indicated that there was increasing use of the maintenance vendor payments since the implementation of the new procedures. This was necessitated by the increased time it takes to get clients on the computerized payroll and have them pick up their check at DES and by the need to provide people with some resources to tide them through the period when they may not have received checks to which they were entitled. This was true for those who were unable to get their checks at the DES offices but remained eligible for the program, because they had "good cause." This was observed in site visits to the Somerville WSO where the rise in the maintenance vendor payroll was dramatic and the Woburn WSO where the rise was gradual.

In terms of the state, the maintenance vendor payroll rose \$68,546 from October to November, from \$277,737 to \$346,283. This rise was sustained and slightly increased in December when the figure reached

\$365,724, or another increment of \$19, 441. The head of Research for the Welfare Department attributed much of this increase to the new procedures, as it exceeded the general trend in this payroll.

These figures are difficult to verify in terms of the exact reasons for the increment, but they do suggest that the program did have an affect. Further this rise in the vendor payroll more than offsets the reduction in the money payroll between September and December.

Costs Exceed Payroll Reduction

When the local administrative costs of approximately \$ 71,000 are added to the Project Office costs and the local DES costs and the central administration costs of both departments, the administration of the program alone probably runs well over \$100,000 per month. If the increased vendor maintenance payments are also figured into the equation, the costs run in excess of \$150,000 per month.

While it should be realized that some of these figures are estimates made upon incomplete data, they do give a reasonable approximation of the costs of the program as of December, 1971. They also far exceed the actual reduction of the General Relief money payroll which was only \$49,000 between September and December.

This study indicates that, even disregarding the excessive human costs of this program, the administrative costs alone exceed the possible reduction in the GR payroll.

APPENDIX A

COMMENTS FROM QUESTIONNAIRE ON MANAGEABILITY AND COST

1. Social worker on Project GR-DES team in urban WSO:

"I was present for two weeks at D.E.S. ... 90% of my time was in solving the problems of getting checks to the mentally deficient, the alcoholic, those employed full time and receiving supplemental checks from Welfare and in general, those who didn't belong at D.E.S. in the first place. ... The present paperwork system is workable only if GR-DES is handled by a special GR caseload worker. Basic idea and principle is very sound.

2. Social worker in town size WSO:

"In addition, D.E.S. agents should be contacted so that their ideas about the program, and, in particular, their standard for determining employability/non-employability of client can be made known. Communication is mandatory, both between WSO/CSC and Boston and local WSO's and their respective D.E.S. agencies."

3. Director of large urban WSO (not in Boston), commenting on staff overload due to new procedure:

"The two Adult Supervisors and Social Service Staff have devoted about 50% of their time, with considerable overtime - to reconcile errors and omissions and to authorize changes and adjustments."

4. A Social worker in another large urban WSO (not in Boston), writing on both sides of the questionnaire, poured out his/her frustrations with the new procedure, and in the process eloquently made most of the points made in our report. The following is a verbatim transcript of that indictment:

"Problems: 1. Difficulty of remailing checks to employable recipients who owing to illness or other difficulty could not pick up checks at D.E.S. 2. Difficulty in making rapid, effective changes which reflect the client's actual situation; e.g. address change, change of monies. 3. Unrealistic, and cruel, perhaps unconstitutional, use of vendor payments when difficulty arises in getting people checks. All workers or people dependent on other sources of income such as social security would be placed in a critical position, if there were no check on Friday, but only a vendor for food and shelter."

Unfortunately, it is difficult for the individual social worker to give any more than an approximate notion of time involving the new GR-DES program.

The most important factor, is moreover, not merely the staff's time involved but the very real problems this program has heaped on the shoulders of the recipients. Owing to human error, inadequate staff in Boston and a confused, at best, formulation of procedure and policy regarding the D.E.S. program, hundreds of people have been without cash for periods of one month or more. Further, although clients were given totally insufficient explanation of the program by the department, they were then accused of being "shiftless" ne'er do wells when they failed to pick up a check at the D.E.S. office.

The system, as it stands now, is almost without exception totally unworkable and a cruel joke on the clients - a return to the old system until such time as a proper, workable program has been carefully constructed, seems the only equitable solution."

5. Another worker, in same office, with similar comments:

"Less control of cases - before able to keep up with visits and personal contact with the clients - able to refer to as many places of employment or training programs and able to keep more accurate (record) of the results of these referrals."

6. Social worker in one of Boston WSO's, commenting on program:

"In times of rising unemployment, it is senseless to send clients to D.E.S. where about one half of 1% will be given jobs. It further complicates financial hardships to clients by not reimbursing them for transportation expenditures.

The concept of finding jobs for clients and getting them off welfare is fine. The present system only removes clients from the rolls by administrative and bureaucratic foulups, not by finding them jobs."

7. Social worker from urban WSO (outside Boston):

"Many clients on GR do not understand or are unable to cope with the new system for a variety of reasons."

(Above represents important factor discovered again and again in the field - character of GR population and complexity of the program.)

8. Social worker from urban WSO:

"The problem of increased time spent on the new GR program has allowed me to spend much less time on DA applications and re-examinations."

9. Social worker in same office:

"The new GR system does not allow the social worker enough authority over his cases. I find that D.E.S. tends to make everyone unemployable..."

10. Another social worker from same office:

"I have not seen an increase in employed clients, in my caseload, as a result of the new GR program."

11. A single case gives sense of human costs of program, reported by social worker in one of town size WSO's:

"Problems with Data Control cancelling a check because D.E.S. checked off a particular number on Form 8660 and Data Control did not issue check. This left client without a check when she went to D.E.S. and there was nothing for her. This was a real problem for client, especially at Christmas time. Total time spent by SW to find out why no check was issued, also to console client - 4 hours."

APPENDIX B
QUESTIONNAIRE FORMS

SOCIAL WELFARE REGIONAL RESEARCH INSTITUTE

CHECK ONE OR MORE REASONS

I DID NOT PICK UP MY CHECK BECAUSE:-----

1. I didn't know about it ()
2. I couldn't leave the house because I had to take care of someone in the house ()
3. It was too far to travel ()
4. I was too sick or disabled to go ()
5. I am working and did not have the time to go. --- check one: ()
 - a) full-time ()
 - b) part-time ()
6. I was not sure I was still entitled to the check. ---check reason: ()
 - a) I have other income
 - b) There are new Welfare rules which may make me not entitled ()
7. I did not want to go to the Employment Office because
 - a) I am already working ()
 - b) I cannot work ()
 - c) I am too old ()
 - d) I am disabled ()
 - e) I must care for someone in the house ()
8. Other reason or reasons for not picking up check ()

SOCIAL WELFARE REGIONAL RESEARCH INSTITUTE

This questionnaire is to be answered by social workers and clerical staff and personnel handling payrolls (dealing only with GR cases) in the Welfare Service Offices throughout the Commonwealth. We are interested in responses from personnel who participate in processing GR cases only.

Question 1 to be answered by social workers only.

1) What size is your caseload by category?

<u>Category</u>	<u>Number</u>
1. AFDC	_____
2. OAA	_____
3. DA	_____
4. MA	_____
5. GR	_____

2) Approximate the number of hours (and time percentage) per client payroll period (two weeks) that you devoted to each category prior to the new GR program. (1, 2, 3) Then estimate the amount of additional hours (and time percentage) per client payroll period since initiation of the new GR system of GR cases only. (4)

<u>1</u> <u>Category</u>	<u>2</u> <u>Estimated No. Hours old</u> <u>GR system (prior to Oct. 5, '71)</u>	<u>3</u> <u>%Time</u> <u>Devoted</u>	<u>4</u> <u>Increased</u> <u>Time</u>
1. AFDC	_____	_____	
2. OAA	_____	_____	
3. DA	_____	_____	Hrs. %
4. MA	_____	_____	
5. GR	_____	_____	_____

3) What is your civil service grade and step? _____
Please refer to the salary schedule 1971

4) How many cases has DES sent back to you (social worker) because they recertified them as unemployable (average 2 week client payroll period)? _____ Estimate amount of time spent in negotiating these matters with DES. _____

5) Estimate amounts of additional time expenditures for GR.

- A. determination of unemployability _____
- B. follow-up of clients not picking up checks _____
- C. handling client problems of new system _____
- D. other _____

Use back for other comments

UNITED COMMUNITY SERVICES

AND

SOCIAL WELFARE REGIONAL RESEARCH INSTITUTE

Questionnaire -- General Relief Survey

Address of Interview _____
(Street and Number) (City or Town)

Date _____

Name of Interviewer _____

My name is _____ and I'm helping the SOCIAL WELFARE REGIONAL RESEARCH INSTITUTE at BOSTON COLLEGE and UNITED COMMUNITY SERVICES to conduct an interview. We would like to ask you a few questions that will only take about ten minutes of your time. No names are used on our questionnaires.
First . . .

1. How many people live here with you? _____

Who are they? (INTERVIEWER: FOR ANY CHILDREN, ASK AGE)

Person (by relationship, i.e. wife, mother, son, etc.)	(Age for Children)
a.	
b.	
c.	
d.	
e.	
f.	

2. Did you receive a notice from the Welfare Department about picking up your relief check?

Yes What did the notice say? _____

No Do you know that people who are receiving General Relief payments and are determined to be employable must go to the Employment Office and pick up their checks?

Yes How do you know this? _____

No

3. Did you go to the Division of Employment Security (Employment Office) to pick up your last check:

Yes What happened there? _____

(SKIP TO Q. 6)

No Why didn't you go there?

- Didn't know about it
- Sick
- No money to get there
- Too far to travel
- Cannot work
- Did not want to be interviewed for a job
- Forgot
- No one to look after children
- Other (specify) _____

4. Did the Welfare Department contact you because you didn't go to the Employment Office?

Yes a. How? _____

b. What did they say? _____

c. Then what did you do? _____

No

5. Have you received a check even though you didn't go to DES?

Yes When? _____

(SKIP TO Q. 6)

No a. Have you contacted anyone at Welfare to try to get a check?

Yes Who did you contact? _____

What did they say? _____

No Why not? _____

b. How have you been paying for things without your General Relief check?

working (Skip to Q. 6a)

borrowing money

living on what I have now

other (specify) _____

6. Are you working now?

Yes a. What do you do? _____

b. Is that full-time or part-time?

- full-time
 part-time (Skip to Q. 10)

No

7. When did you last work? _____

8. What kind of work did you do? _____

9. Would you be able to go to work if you could find a job?

Yes

No Why not?

- sick
 too old
 no one to care for children
 no skills
 other (specify) _____

10. What are you going to do about money for supporting yourself?

11. How long have you lived in Massachusetts? _____

12. Where did you live before? _____

13. How long had (have) you been receiving General Relief? _____

14. How old are you? _____

- 3 -

INTERVIEWER: CHECK

15. Sex Male Female
16. Race White Black Other (specify) _____

17. Type of Housing
- Public
- Private
- Other (specify) _____
- _____

18. Does respondent speak English?
- Yes (fluently)
- Yes (with hesitation)
- No What does he/she speak? _____

19. Does respondent have any visible handicaps? Yes No
- Yes What? (specify) _____
- _____
- _____
- No

20. Give your general impression of the respondent - including his/her possible employability.
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

APPENDIX C
DEPARTMENTAL GR-DES FORMS

THE COMMONWEALTH OF MASSACHUSETTS
DIVISION OF EMPLOYMENT SECURITY

0005003

SERVICES TO GENERAL RELIEF RECIPIENTS

LAST NAME	FIRST	MIDDLE INIT.	S.S.A. NO.	REGISTRATION			WSO NO.
				NEW	SUBSQ.	RENEWAL	
INTERVIEWER'S SIGNATURE			DES NO.	DATE FORM COMPLETED			1. <input type="checkbox"/> GRANTEE 2. <input type="checkbox"/> NON-GRANTEE
				MONTH	DAY	YEAR	

- 1. DID NOT PICK UP CHECK WITHIN SPECIFIED TIME
- 2. PICKED UP CHECK AND REFUSED SERVICE
- 3. NO JOB OPENING
- 4. REFERRED TO JOB (Results Pending)
- 5. REFERRED - DID NOT REPORT FOR INTERVIEW
- 6. HIRED

- 9. UNEMPLOYABLE
- 10. REFERRED TO TRAINING
- 11. REFUSED TRAINING
- 12. FAILED TO REPORT FOR TRAINING
- 13. ENROLLED IN TRAINING

STARTING WORK _____
JOB TITLE _____
RATE OF PAY _____ per _____

REMARKS: _____

- 7. REFUSED JOB REFERRAL
- 8. NOT HIRED:
 - A. REFUSED JOB
 - B. REJECTED BY EMPLOYER
 - C. DID NOT REPORT TO JOB

DEPARTMENT OF PUBLIC WELFARE DATA CONTROL COPY

MASSACHUSETTS DEPARTMENT OF PUBLIC WELFARE
Determination of Employability

DATE _____

WELFARE OFFICE _____

NAME _____

SOCIAL SECURITY NUMBER _____

DATE OF BIRTH _____

GR CASE NO. _____

Is employable

Is unemployable

Reason given for unemployability:

Verified

1. Under 21 years of age and attending grade or high school full time

2. Full-time employment

3. Part-time employment within physical limitations

4. Mental incapacity _____
(describe)

5. Permanent physical incapacity _____

(describe)

6. Temporary physical incapacity _____

(describe and give expected duration)

7. Caring for children under high school age

8. Caring for incapacitated family member

Remarks _____

Social Worker

Supervisor

EMPLOYABLE

WSO #

FU #

DES #

new 3+3

ACTION CODE

PAGE ___ OF ___ PAGES

NON-EMPLOYABLE

ADD

DELETE

CHANGE

DATE OF PAYROLL

LINE	SOCIAL SECURITY NUMBER	NAME (LAST, FIRST)	ADDRESS STREET, CITY, ZIP)	PAYROLL AMOUNT	DATE OF BIRTH MM/DD/YY	RSN & SEX M/F	VER
01							
02							
03							
04							
05							
06							
07							
08							
09							
10							
11							
12							
13							
14							
15							
16							
17							
18							

- 66 -

The computerized copy of the Form 2 is to be used for verification of the previously submitted Form 2's, as well as supplying the BEGINNING BALANCE for the next General Relief Payroll.

Each WSO must verify that the updates (adds, deletions, and changes) that were submitted for the last payroll are reflected on the current Form 2. IF THEY ARE NOT THEY MUST BE RESUBMITTED as they were rejected for one of the following two reasons:

1. The updates were not received at project GR-DES 43 Hawkins Street by the cut-off day and time.
2. The updates were incomplete as to the required information for each action.

TYPES OF ACTION

All Form 2A's must show WSO, Finance Unit, and DES number as well as the action code, and employable non-employable status.

ADD - This action must be used exclusively for new and reapplications where the case name does not appear on the Form 2.

REQUIRED INFORMATION FOR ADDS

Social Security Number	Name	Street Address	City and Zip	Payment Amount

DELETE - This action must be used only when cases on the Form 2 are to be closed.

REQUIRED INFORMATION FOR DELETIONS

Social Security Number	Name	

CHANGE - This action must be used when making corrections that effect a case listed on the Form 2. (To suspend a case show the money field as zero. This will remain on the file for six months)

REQUIRED INFORMATION FOR CHANGES

Line 1.	Social Security Number	Name	Street Address	City and Zip	Payment Amount
Line 2.	Social Security Number	COMPLETE ONLY THE FIELDS YOU WISH TO CHANGE			

INSTRUCTIONS FOR FILLING OUT THE RECONCILIATION SHEET, FORM GR-DES-2B

- . The DATE OF THE PAYROLL is either the 1st or the 15th of the current month.
- . Indicate either EMPLOYABLE OR NON-EMPLOYABLE which ever is applicable.
- . A - Insert the date of the PREVIOUS PAYROLL and the TOTAL DOLLAR AMOUNT found on the bottom of the FORM GR-DES 2.
 - B - Add the dollar amount of NEW CASES (Applications and Reapplications)
 - C - Deduct the dollar amount of CLOSED CASES.
 - D - 1. Add the PAYROLL AMOUNT on the ODDLINES of FORM 2A - "CHANGES"
 - 2. Add the PAYROLL AMOUNT on the EVEN LINES of FORM 2A - "CHANGES"
 - 3. Add or Subtract the difference as shown in the following example:

	Social Security Number	Name		Payroll Amount
1.	██████████	Roberts, John	S W A V E	45.90
2.				58.60
3.	███ ███	Sampson, James		99.80
4.				58.60
5.	██████████	Tabbot, Paul		
6.		Tabbot, Pauline		

	OLD		NEW	
ADD LINE 1	\$45.90	ADD LINE 2	\$58.60	OLD \$145.70
LINE 3	<u>99.80</u>	LINE 4	<u>58.60</u>	NEW <u>117.20</u>
	145.70		117.20	(28.50)

PARENTHESES INDICATE THAT THE NET RESULT IS A REDUCTION, SINCE THE ORIGINAL AMOUNT WAS GREATER THAN THE NEW AMOUNT.