

# FOCUSING ON FAMILIES IN WELFARE REFORM REAUTHORIZATION



## ADULTS WITH MENTAL HEALTH NEEDS & CHILDREN WITH SPECIAL NEEDS

### PREPARED BY

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## BRIEF ISSUE 4

# Time Limits

### Purpose of this Brief:

- *To highlight the ways in which families who are receiving welfare and who are faced with either mental health problems or with having a child with a disability are affected by time limits, including exemption and extension policies.*
- *To discuss how time limits impact these families and how flexibility in time limits can be used to help families on the road to independence.*

### Defining the Issue

#### Time Limits and the Law

Under the Personal Responsibility Work Opportunity and Reconciliation Act of 1996 (PRWORA), families generally cannot receive aid for longer than five cumulative years (or less, at state option). According to a report from the State Policy Documentation Project<sup>1</sup>, seven states have set shorter time periods:

- four at 24 months or less
- one at 36 months
- two at 48 months

Seven states report either no time limit or fixed-period time limits (e.g. 24 months in any 60 month period). There is concern that mothers who have mental health issues themselves or have children with disabilities may be more likely to reach time limits than other families, and especially if they are unable to work, they may

then experience a sudden decline in income as a result of reaching their time limits.<sup>2</sup>

#### Exemptions and Extensions

States are permitted to exempt up to 20% of their *current* caseload from time limits. As of October, 1999, 22 states reported offering an exemption from time limits for families caring for a household member with a disability.<sup>3</sup> As Brown explains, exemptions can operate in three ways:

- individuals can receive up-front or permanent exemptions
- exemptions can be granted once individuals reach their time limit
- the time limit can in effect be extended by stopping the time-limit clock when individuals are participating in approved activities (e.g. treatment or counseling)<sup>4</sup>.

Eighteen states (not necessarily the same states as the 22 mentioned above) reported offering extensions to families that reach the time limit but are caring for a family member with a disability.<sup>5</sup> However, of those states that do offer the exemption or the extension, it is not clear how they define the category of caring for a family member with a disability, how often that term actually refers to a child, or what percentage of that population is actually exempted or receives an extension.

Furthermore, even when exemptions exist, they are not necessarily reflected in implementation. The Massachusetts Law Reform Institute and the Family Economic Initiative conducted a study which followed the first 5,100 families to hit

their time limits in Massachusetts. They found that, though state law specifically exempts families in which a parent is caring for a child with a disability from time limits, work requirements, and having their grants cut, local Department of Transitional Assistance (DTA) offices were not identifying people who might be eligible for this exemption. Furthermore, though state law did not state it as such, local DTA offices were interpreting the exemption to mean that it only held if the parent was required to care for the child 24 hours a day.<sup>6</sup>

## Existing Strategies, Policies, and Programs

### 1 Stopping the clock during mental health assessments.

In Arkansas, all clients who indicate that they have a disability of any kind are referred to Arkansas Rehabilitation Services (ARS) for assessments. While the assessment is being conducted, the individual enters “deferred status.” Any month during which an individual is in deferred status is not counted against Arkansas’s 24-month time limit. Support services are provided for the individual to complete the assessment process. For example, if the individual needs transportation assistance or child care to attend the assessment, those are provided.

Once the assessment is completed, the individual either enters an education or training program and the time clock resumes, or if the assessment reveals that the individual is “too impaired” for ARS services, the time clock remains stopped and the client remains in deferred status. If the deferred individual chooses to participate in some way, supportive services are provided. For example, if a deferred individual chooses to

continue attending classes at the local Voc-Tech school, supportive services such as child care and transportation could be provided for her to attend classes, even though she is in deferred status and her time clock has stopped.

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While the Arkansas initiative is an excellent example for TANF recipients who self-identify as having a disability, it is important also to locate and assist those who do not self-identify. This will include many recipients with mental illness.

## Recommendations

### 1 “Revisit the federal time limit.”<sup>7</sup> This includes allowing extensions for valid reasons and providing services during extension periods.

There are multiple ways that the time limit provision could be amended without abandoning the notion that welfare receipt is not a lifetime entitlement. As Bernstein and Greenberg suggest, states should be able to provide extensions to families who cannot find or maintain work for valid reasons.<sup>7</sup> A purpose of these extensions would be to give the family extra time to work toward independence, and so it would be necessary to provide services during these time periods. For example, parents of children with complex medical needs who cannot find day care for their children could receive training in specialized care during an extension period. Upon completion of the training, they would be able to provide care for their own children and one or two others as well.

### 2 Allow states to exempt more than 20% of caseloads so that families with special challenges can be exempt, when and if appropriate.

States may exempt 20% of their current caseload from time limits. However, because caseloads have dropped so precipitously, “the exemption covers many fewer people than was envisioned when the law was passed...”<sup>8,p.19</sup> Van Lare and Kaplan suggest the possibility of taking advantage of some of the flexibility inherent in the Temporary Assistance to Needy Families (TANF) program to allow states to exempt more than twenty percent of their caseloads.<sup>9</sup> Many exemption categories, such as mental health problems, caring for a child with a disability, being a victim of domestic violence, etc. already exist in many states. Revisiting the 20% rate would ensure that all families affected by these issues are able to be exempted, when appropriate. As with extensions, it is imperative that these families still receive services during exemption periods.

### 3 Extend time limits for individuals who are receiving mental health treatment themselves or who have a child in treatment.

Individuals who are actively working on mental health issues may in fact be working toward the goal of self-sufficiency. Therefore, it may be reasonable to extend their time limits.<sup>10</sup>

### 4 Establish clear guidelines and procedures that will ensure that extensions and exemptions are being applied in a uniform fashion.

As described above, there is mounting evidence that extensions and exemptions are simply not being applied uniformly. There is a growing call for further clarification of guidelines in order to ensure that those

who are eligible for extensions and exemptions actually receive them.<sup>2,11</sup> As the study of long-term recipients in Utah concludes: "...neither local offices nor individual workers should bear the burden of deciding who is eligible for extension of the 3-year time limit."<sup>9,11,p.82</sup>

**5 Follow-up with clients throughout the time of welfare receipt, including immediately before and after they hit their time limits, and restore benefits as needed.**

The Utah study highlights the needs that some families have for long-term assistance. It recommends that employment counselors who are familiar with a family's situation should help prepare a maintenance plan.<sup>11</sup> Maintenance plans should consider all of the challenges that the family is confronting and address ways for the mother to still be able to meet her family challenges while also finding and/or maintaining employment.

<sup>1</sup>State Policy Documentation Project, a Joint Project of the Center on Budget Policies and Priorities and the Center for Law and Social Policy. (2000a). *State time limits on TANF cash assistance*. [On-line]. Available: <http://www.spdp.org/tanf/timelimits/tlovervw.pdf>

<sup>2</sup>Rosman, E.A. & Knitzer, J. (2001). Welfare reform: The special case of young children with disabilities and their families. *Infants and Young Children*, 13, 25-35.

<sup>3</sup>State Policy Documentation Project, a Joint Project of the Center on Budget Policies and Priorities and the Center for Law and Social Policy. (2000b). *Time limit exemptions*. [On-line]. Available: <http://www.spdp.org/tanf/timelimit.htm>

<sup>4</sup>Brown, A. (2001). *Beyond work first: How to help hard-to-employ individuals get jobs and succeed in the workforce*. New York: Manpower Demonstration Research Corporation. [On-line]. Available: <http://www.mdrc.org>

<sup>5</sup>State Policy Documentation Project, a Joint Project of the Center on Budget Policies and Priorities and the Center for Law and Social Policy. (2000c). *Time limit extension criteria*. [On-line]. Available: <http://www.spdp.org/tanf/timelimit.htm>

<sup>6</sup>Family Economic Initiative & Massachusetts Law Reform Institute Time Limit Documentation Project. (1999, February 9). *A closer look at the Massachusetts families hitting the TAFDC two-year clock*. Available by contacting the Massachusetts Law Reform Institute at (617) 357-0700 or 99 Chauncy Street, Boston, MA 02111

<sup>7</sup>Bernstein, J., & Greenberg, M. (2001). Reforming welfare reform. *The American Prospect*, 12 (1).

<sup>8</sup>Primus, W. (2001). What next for welfare reform?: A vision for assisting families. *Brookings Review: Welfare reform and beyond*, 19, 34-38.

<sup>9</sup>Van Lare, B.L., & Kaplan, A.G. (2001). Flexibility in program design. *TANF Reauthorization Resource Reauthorization Notes*, 1(1). [On-line]. Available: <http://www.welfareinfo.org/flexibilityprogramdesignreauthorization.htm>

<sup>10</sup>Derr, M.K., Hill, H., & Pavetti, L. (2000). *Addressing mental health problems among TANF recipients: A guide for program administrators*. Washington, D.C.: Mathematica Policy Research, Inc. [On-line]. Available: <http://www.mathematica-mpr.com>

<sup>11</sup>Social Research Institute. (1999). *Understanding families with multiple barriers to self sufficiency*. Salt Lake City, UT: Author. [On-line]. Available: <http://www.socwk.utah.edu/pdf/sri-final1.pdf>

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