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Program to Assess
Changing Social
Policies

Income Support and Social Services for Low-Income People in Florida

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ince the early 1990s, Florida has placed increasing priority on moving toward devolving responsibility for the administration and delivery of income support and social services. This has involved moving from a system where fiscal, policy, administration, and management decisions were controlled within The the central state agency responsidegree and ble for these types of programs and services to one that scope of in-state gives local-level agency devolution [in Florida] offices and communireached a new level with the ty-based boards far greater flexibility enactment and subsequent and decisionmaking implementation of workforce responsibility. Although development and welfare there is little political support within the state for reform legislation expanding safety net income supin 1996. port programs per se, there is much support for initiatives designed to provide opportunities for individuals to achieve independence from public assistance and economic success. Increased emphasis on the need to devolve and strengthen programmatic efforts designed to support financial independence is particularly reflected in the areas of welfare reform and workforce development, two areas in which the state enacted important legis-

State Characteristics

lation in 1996.

With slightly more than 14 million inhabitants in 1995, Florida is the fourth most populous

state in the nation (table 1). Florida's population is growing considerably faster than the nation's. The state ranks first in the country in the proportion of its population over age 65, and its elderly population is also one of the fastest growing in the country. Despite the comparatively high and growing numbers of elderly people in Florida, the median age of state residents is 37.6 and the number of children has grown significantly since 1990. The state has a large Hispanic population, constituting 16.5 percent of the population. Immigrants also make up a significant part of the population -about 10 percent of the total state population in 1996. Florida's economy is healthy and growing at a faster rate than the U.S. economy, but it also had a slightly higher poverty rate than the nation (16 percent versus 14 percent) in 1995 as well as a higher percentage of children in poverty (26 percent versus 22 percent).

Florida's population growth has occurred against the backdrop of a long history of fiscal conservatism and low social spending. In the 1990s, the increase in its youngest and oldest age groups has placed enormous strains on Florida's family and health services, educational system, and criminal justice system. However, the state's ability to respond to the increasing level of need among its population is constrained by the prevailing general antitax environment and self-imposed constraints on the use of available revenues. Historically, policymaking in Florida has

Table 1 State Characteristics, 1995

4,103	
1 103	
t,103	260,202
4.6%	26.8%
6.5%	10.7%
5.4%	12.5%
0.0%	6.4%
1.4%	36.4%
9.5%	5.6%
64	59
65.8	66.7
5.7%	32.6%
79%	76%
3.061	\$23,208
<i>'</i>	21.2%
	14.3%
	5.4%
	63.2%
	16.0%
	23.1%
4.2%	14.7%
0.1%	35.7%
4.2%	13.8%
1.8%	38.1%
4.6%	16.1%
0.1%	40.3%
6.5%	13.9%
5.9%	21.7%
3,250	\$37,109
1.5%	10.0%
ocrat	
	65.8 5.7%

Source: Complete list of sources is available in *Income Support and Social Services for Low-Income People in Florida* (The Urban Institute, 1998).

been dominated by the legislature; the governor has a relatively weak role. Despite this, the late Governor Lawton Chiles was viewed as an active governor who placed high priority on children's issues—particularly child and maternal health—during his two-term tenure.

Setting the Social Policy Context

Social welfare policy developments in Florida reflect three basic themes: (1) general reservations about the ability of public agencies to administer programs efficiently; (2) the belief that public agencies should not have sole control over decisionmaking regarding the design, management, and delivery of services and that a locally based response to community needs is called for; and (3) a conviction that services and programs should be coordinated and integrated, reflect the needs of local communities, and be held accountable for their performance.

These three themes are exemplified throughout major policies and programs for low-income families. They are particularly pronounced in major welfare reform and workforce development laws enacted in 1996. In each of these areas, the state legislature mandated changes that transferred some responsibilities traditionally accorded state agencies to public-private boards; gave localities greater flexibility to design, coordinate, and manage integrated workforce development and welfare-to-work systems; and mandated the use of performance-based outcome standards.

Basic Income Support and WAGES Welfare Reform

Consistent with the budgetary and philosophical context that shapes Florida's social welfare policy, Florida typically does not provide state funding for income support and social services much beyond the minimum amount necessary to receive federal funds, and it spends less than many other states on these areas (table 2). For example, in 1995 the state spent only 60 percent of the national average on AFDC benefits and only 40 percent of the national average on foster care. The average Aid to Families with Dependent Children (AFDC) monthly benefit per family was \$277 in 1995, well below the nationwide average of \$381 and among the bottom third of all states. There is no statewide General Assistance program for the indigent, although counties can choose to provide some type of assistance out of their own revenues.

Florida's income support system has undergone significant change as a result of the enactment of comprehensive state welfare reform legislation in June 1996. The Work and Gain Economic Self-Sufficiency (WAGES) Act made several significant changes to the existing welfare system. Key features of WAGES include a tiered time limit on cash receipt on the total time a person may receive assistance that is shorter than the five-year federal maximum, strict participation mandates and sanctions, up-front diversion assistance, a family cap, children's immunization and school attendance requirements, financial work incentives, transitional services, and one-stop service delivery. The WAGES legislation also sought to devolve responsibility for welfare-towork services by creating several local, public-private WAGES boards and one statewide WAGES board. These boards carry out many of the welfare-to-work program policymaking, funding decisions, and administrative responsibilities that traditionally have been done by public agencies. WAGES was phased in during the latter part of 1996 and over the course of 1997, making this a period of significant change and transition for Florida's income support system.

As in most other states, the average monthly number of AFDC/Temporary Assistance for Needy Families (TANF) families in Florida grew rapidly in the early 1990s and then began to decline after 1993. Between January 1993 and January 1996, the number of AFDC families receiving cash assistance declined by 16 percent in Florida, compared with 7 percent nationally. The AFDC/TANF caseload has dropped dramatically since 1996: between January 1996 and March 1998, the caseload dropped by 49 percent, compared with 30 percent for the nation. Thus, Florida has experienced continuous and aboveaverage cash assistance caseload declines since 1993, a trend that has become even more marked during the current strong state economy and since the implementation of statewide welfare reform.

Programs That Promote Financial Independence

In addition to efforts to promote self-sufficiency under the WAGES program, there are other types of programs designed to promote financial independence, both for welfare recipients and for other low-income individuals. These include a range of employment and training services, subsidized child care, child support collection efforts, and health insurance coverage.

Employment and Training

Although Florida has long had a multitude of employment and training programs, the state has more recently turned its attention to developing an integrated and comprehensive work-force development system. As a first step, the state legislature in 1994 created the Jobs and Employment Partnership (JEP), a nonprofit public-private board whose mission is to expand economic development activities and upgrade the skills of all workers in the state. Executive orders by the governor in 1995 and 1996 were then subsequently enhanced and ratified by key workforce development legislation—the Florida Workforce Act of 1996.

The new workforce development system contain four key elements: welfare-to-work programs, one-stop career centers, school-to-work programs, and high-skill/high-wage jobs programs. These four components encompass a range of initiatives and programs that were already in place and at varying stages of development in the state but had never been linked together under a formal and explicitly defined "workforce development" umbrella. Regional Workforce Development Boards were established to carry out local oversight, planning, and policy development for all state-funded and federally funded workforce programs within a geographic

Local WAGES Coalitions and Regional Workforce Development Boards have the same geographic service boundaries and must coordinate with each other. Many areas have chosen to blend the membership of these two types of boards in order to increase coordination between welfare reform and workforce development efforts. Overall, however, welfare recipients are a key target population but not the primary focus of the state's workforce development system.

Subsidized Child Care and Early Childhood Education

In order for families to work and be self-sufficient, they must be able to obtain and afford child care. Welfare reform stimulated a dramatic increase in child care funding in Florida, first for welfare recipients and more recently for the low-income working poor. The state appropriated \$372 million in fiscal year (FY) 1997–98 for subsidized child care, an increase of slightly more than \$100 million from the previous year and \$175

Table 2 Social Welfare Spending in Federal Programs for Families with Children in Florida, FY 1995

	\$ in millions			Total Spending per Poor Family	
Program	Federal	State/ Local	Total	Florida	United States
Income Security AFDC Benefits AFDC Administration SSI for Children EITC, Federal	\$430.0 76.5 — 1,638.2	\$333.9 76.5 —	\$763.8 153.0 274.6 1,638.2	\$513 103 184 1,100	\$851 136 184 1,010
Food Security Food Stamps for Households with Children Child Nutrition	1,030.9 447.2	_ _	1,030.9 447.2	692 300	711 344
Education and Training JOBS JTPA	19.1 98.2	12.7	31.8 98.2	21 66	59 73
Child Care/Development AFDC At-Risk CCDBG, Head Start	29.0 14.1 171.7	22.5 10.9	51.4 25.0 171.7	35 17 115	61 20 151
Child Support Enforcement	70.6	35.4	106.0	71	115
Child Welfare Protection/FamPres Foster Care Adoption Assistance	19.4 69.4 16.8	6.5 62.0 13.3	25.8 131.4 30.2	17 88 20	22 222 29
IV-A Emergency Assistance	29.2	29.2	58.3	39	124
Health Medicaid, children only	917.6	712.8	1,630.5	1,095	984

Source: Complete list of sources is available in Income Support and Social Services for Low-Income People in Florida (The Urban Institute, 1999)

million more than was spent on subsidized child care in FY 1995-96. Welfare recipients, as opposed to low-income working families, received a disproportionate share of this additional funding. Since then, the state has increased child care funding (in FY 1998-99) for lowincome working families by 55 percent-a funding increase that marks a significant investment in additional state revenue dollars for child care, a break from past state spending patterns in this area, and an opportunity to close the long-standing gap between child care funding for welfare families and lowincome families.

Florida has spent many years working to create a seamless system of child care that overcomes the traditional patchwork system that resulted from so many different child care programs and funding streams. All child care funding streams are administered by 25 child care coordinating agencies at the local level. All but one of these coordinating agencies also serve as child care resource and referral agencies, and 11 are also Head Start grantees. To further facilitate the ability of local child care coordinating agencies to administer a seamless system of child care, Florida uses uniform payment rates, sliding fee scales, and a standardized application.

In addition to subsidized child care assistance, Florida has a state-funded prekindergarten early childhood program. In recent years, early childhood education has received increasing atten-

tion and priority within the state in response to brain research related to young children's development and the state's top education objective to increase school readiness. In addition, welfare reform has added a new sense of awareness about the need to build and expand upon existing efforts to make early childhood education programs more accessible to working parents and achieve greater coordination between early childhood education programs and subsidized child care.

Child Support

Unlike most states, the Department of Revenue (DOR) administers the Child Support Enforcement program in Florida. Since DOR assumed this responsibility in 1994, efforts have increased to strengthen and streamline the system's capability to establish, enforce, and collect child support obligations and to increase public awareness through public education campaigns and high-profile enforcement initiatives. Since 1994, collections have increased by nearly \$200 million (from \$387 million in state fiscal year [SFY] 1993-94 to \$585 million in SFY 1997-98) and worker productivity, measured in terms of annual collections per worker, is reported to have increased by approximately 20 percent. These positive outcomes have generated much support for the decision to place child support enforcement under the DOR and run the program "like a business."

Medicaid and Other Health Insurance

As in other states, Medicaid in Florida is the predominant stateadministered health care program for low-income individuals, accounting for 16.5 percent of total state spending in 1995. The only other state program providing assistance to low-income, otherwise uninsured families is the Healthy Kids Program. Florida's Medicaid program provides coverage to all families receiving cash assistance, to nonwelfare families with incomes below 28 percent of the federal poverty level, and to pregnant women and infants up to 185 percent of the federal poverty level. In general, however, Florida is less generous in its eligibility standards for Medicaid than the average state. In 1994, 39.6 percent of the population with incomes below 150 percent of the federal poverty level had Medicaid coverage, compared with 51 percent nationally, putting Florida in the bottom 10 states in percentage of total low-income population covered.

Lack of health insurance is a major problem in Florida. The state has one of the highest uninsured rates in the country—19.2 percent of the nonelderly population was uninsured in 1994–95, compared with 15.5 percent for the nation as a whole. The Healthy Kids Program, which won national awards for innovation in government and remained a top priority with the late Governor Chiles, represents the state's effort to expand health insurance coverage for children. It is a school enroll-

ment-based insurance program that provides comprehensive health insurance coverage to school-age children and their younger siblings. In addition to expanding Medicaid eligibility and the Healthy Kids program in 1997, the state's 1998–99 budget approved the creation of Florida Kid Care, earmarking \$245 million to allow coverage of 265,000 additional children in families earning at or below 200 percent of the federal poverty level.

Teen Pregnancy Prevention

Teen births accounted for 13.4 percent of all births in Florida in 1996. Emphasis on teen pregnancy prevention has increased during the 1990s in the state, and several teen pregnancy prevention initiatives and strategies are currently in place. The WAGES welfare reform law, which devotes an entire section to teen pregnancy prevention issues, increases the potential to leverage funding and expand prevention efforts in this area. The Department of Health is responsible for most teen pregnancy prevention services. In addition, 30 local Healthy Start Coalitionscomposed of social service providers, representatives from public health departments, private providers, school district personnel, advocates, and private-sector representatives—actively work on creating and sustaining community-based, coordinated teen pregnancy prevention systems.

The predominant characteristics of teen pregnancy prevention efforts in Florida are (1) increased collaboration and integration of service efforts at the local level and greater diversity in community groups that work on family planning and teen pregnancy prevention issues; (2) development of comprehensive school health projects that successfully integrate sex education and counseling on the full range of family planning services; (3) a growth in abstinence-based programs; and (4) increased awareness about the need to include males in teen pregnancy prevention and teen parenting programs.

Last-Resort Safety Net Programs

Welfare reform program changes may motivate and help some families to

find jobs and attain financial independence, but it is also important to recognize that some new rules could make matters worse for some families. Child welfare and emergency services are part of the state's last-resort safety net for families facing internal strife or the loss of basic requirements such as food and shelter.

Child Welfare

Child welfare in Florida is the responsibility of the Department of Children and Families (DCF). In 1996, the state's child welfare service delivery efforts focused on reducing the need for foster care by providing prevention services to families with children at risk of abuse and neglect; keeping families in crisis together through family preservation services; facilitating adoption as soon as possible in cases where reunification is not feasible; and serving families through a less adversarial approach to abuse and neglect investigation. Unlike most states, Florida has maintained its commitment to family preservation services even in the face of negative media attention prompted by child deaths. Although Florida's child welfare costs have continued to rise, the state has been able to rely on improved maximization of federal funds to cover these increased costs.

Homeless and Emergency Services

According to the annual report on "Homeless Conditions in Florida" that DCF is required to submit to the governor and the legislature, there were about 55,000 homeless persons in Florida on any given day in 1996-97. The state provides a small amount of funding (\$200,000) for local homeless coalitions. Florida has 20 such grassroots organizations, which together have as members more than 1,200 community agencies, churches, units of government, and other interested parties. Established in 1988, the local homeless coalitions are responsible for planning and coordinating services, promoting public awareness of the needs of the homeless, providing information and referrals, gathering data on homelessness, and seeking resources. Nonprofit agencies are the primary providers of a wide range of emergency and homeless

services, although the capacity to do so varies by community. Dade County is unique among Florida's counties in having a 1 percent food and beverage tax to fund homeless services (85 percent of revenues) and domestic violence programs (15 percent of revenues).

Implications of Federal Welfare Reform Legislation

Because Florida had already passed its own welfare reform legislationwhich laid out a detailed blueprint for reform—just before the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, most of the specific mandates and options included in PRWORA did not require further statelevel policy changes (table 3). Because so few modifications to WAGES were necessary to come into compliance with PRWORA, the state officially implemented its TANF program (i.e., WAGES) on October 1, 1996, the earliest allowable implementation date.

PRWORA's restrictions on immigrant eligibility for public assistance represent a key aspect of federal welfare reform that had not been part of the state's WAGES welfare reform plan. PRWORA barred most legal immigrants from receiving food stamp and Supplemental Security Income (SSI) benefits and gave states the option to provide TANF and Medicaid (nonemergency services) to immigrants residing in the United States as of August 22, 1996. New immigrants—those arriving after August 22, 1996—are barred from TANF and Medicaid for their first five years in the country. Since PRWORA was enacted in August 1996, Congress has taken successive actions to mitigate the impact of these bars and restore eligibility for most, but not all, legal immigrants. Despite state and federal actions to restore benefits, these provisions have caused confusion in the immigrant community and demanded significant attention on the part of government officials, agency staff, and community-based agencies and advocates.

With the fourth-largest noncitizen population in the nation, Florida incurs serious human and economic costs as a result of restrictions on immigrant eligibility for assistance, and the state took a number of steps to soften the blow of the welfare reform's provisions affecting immigrants. Like most states, Florida has opted to continue to provide TANF and Medicaid to current immigrants but has not chosen to use state funds to provide TANF or Medicaid assistance to new immigrants affected by the fiveyear bar on TANF and Medicaid eligibility. The state also created the Legal Immigrant Temporary Bridge program, a \$23 million state-funded program that provided the equivalent benefit to immigrants no longer eligible for food stamps. Following the recent federal food stamp restorations, the Bridge program was terminated.

Two key features of federal welfare reform-additional resources and additional state flexibility-have had a significant positive impact on Florida's ability to implement its WAGES welfare reform initiative. As a result of the adoption of a block grant financing structure (and dramatic caseload reductions), Florida has received far more federal dollars than it would have without federal welfare reform. This has provided the state with the resources needed to implement innovative changes in its welfare reform system faster and more comprehensively than would otherwise have been possible. The state has used the bulk of its TANF "windfall" to fund WAGES work activities and other support services, including a substantial expansion in child care assistance.

Translating the goals and provisions of WAGES into an operational reality presents a wide array of significant implementation challenges. As of early 1997, WAGES was still in the very early stages of implementation and issues surrounding setting up the new administrative structure and defining relationships among key organizations predominated. Many key implementation issues relating to how the mix of services available through WAGES would actually be delivered had yet to be addressed. Since then, local WAGES coalitions have engaged in designing service delivery plans and contracting with service providers to carry out a wide range of WAGES services.

Florida's welfare reform initiative is an evolving process. In 1998, for example, the state legislature took the important step of further broadening the role of the state WAGES coalition and the local WAGES coalitions to include the full continuum of services provided under the WAGES program, with the exception of eligibility determination. Declining caseloads coupled with the state's relatively short time limit have also led to increased efforts at the state and local levels to deploy services and strategies that address the needs of harder-to-serve welfare recipients with multiple barriers to employment.

Since the early 1990s, Florida has placed increasing emphasis on moving toward devolving responsibility for service delivery and administration in the areas examined in this report. The degree and scope of in-state devolution reached a new level with the enactment and subsequent implementation of the workforce development and welfare reform legislation in 1996. Florida's version of in-state devolution seeks to bring together a wide range of actors (e.g., various public agencies, nonprofit community-based organizations, and employers) in the belief that collaborative, community-based partnerships are in the best position to deliver services in ways that are most useful and appropriate to the needs of their own communities. The newly created public-private, community-based WAGES boards are the most innovative example of how the state has attempted to devolve and broaden responsibility for program design and service delivery. Of particular note is the mandatory inclusion of a strong employer presence on the boards, a new role for the employer community that brings a different perspective and range of expertise to the traditional welfare-to-work landscape. With its commitment to in-state devolution, Florida clearly provides an interesting case for assessing the new federalism.

Table 3 Florida's TANF Program				
Eligibility	Income eligibility for a recipient family of three with no unearned income and no child care expenses is \$810/month; asset limit is \$2,000.			
Diversion Assistance	Provides up to two months of cash payments.			
Time Limits	Two out of five years with an exemption for those who suffer general hardship or other personal barriers to employment; or four years with no exemptions.			
Earnings Disregards	Disregards \$200 and 50 percent of the remainder.			
Work Requirements	Adults must participate in work activities within two years of benefit receipt; those with children under three months are exempt.			
Work Sanctions	For first instance of noncompliance, benefits are terminated until recipients come into compliance; for continued noncompliance or second instance of noncompliance, termination of benefit for no less than three months.			
Benefit Level	\$303/month maximum for a single parent with two children and no income.			

Source: L. Jerome Gallagher, Megan Gallagher, Kevin Perese, Susan Schreiber, and Keith Watson. One Year after Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997. The Urban Institute, Assessing the New Federalism Occasional Paper Number 6, June 1998, various tables.

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Funders

The project has received funding from The Annie E. Casey Foundation, the W.K. Kellogg Foundation, The Robert Wood Johnson Foundation. The Henry J. Kaiser Family Foundation, The Ford Foundation, The John D. and Catherine T. MacArthur Foundation, the Charles Stewart Mott Foundation, The David and Lucile Packard Foundation, The Mc-Knight Foundation, The Commonwealth Fund, the Stuart Foundation, the Weingart Foundation, The Fund for New Jersey, The Lynde and Harry Bradley Foundation, the Joyce Foundation, and The Rockefeller Foundation.

This series is a product of *Assessing the New Federalism*, a multiyear project to monitor and assess the devolution of social programs from the federal to the state and local levels. Alan Weil is the project director. The project analyzes changes in income support, social services, and health programs. In collaboration with Child Trends, the project studies child and family well-being.

There are two *Highlights* for each state. The *Highlights* that focus on health cover Medicaid, other public insurance programs, the health care marketplace, and the role of public providers. The income support and social services *Highlights* look at basic income support programs, employment and training programs, child care, child support enforcement, and the last-resort safety net. The *Highlights* capture policies in place and planned in 1996 and early 1997. To receive full-length reports on which the *Highlights* are based, contact the Urban Institute.

Publisher: The Urban Institute, 2100 M Street, N.W., Washington, D.C. 20037

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