



CENTER FOR FAMILY POLICY AND PRACTICE

POLICY BRIEFING

December 2016/January 2017 — Vol. 16 — No. 8

IN THIS ISSUE:

- Republican Plans to Repeal ACA Would Leave One in Four Uninsured
- Annual Report on Child Support Collections Shows Declining Caseload and Reduced Funding for Enforcement Programs in States
- Cities Increasingly Criminalizing Homelessness
- State Policy and Practice
- Also of Note

Republican Plans to Repeal Affordable Care Act Would Leave One in Four Uninsured

A report from the Urban Institute compares the most likely Republican repeal of portions of the Affordable Care Act (the ACA, or Obamacare) to current healthcare coverage under the ACA.

Congress can change only parts of the ACA through the budget reconciliation process without needing to overcome a likely Senate filibuster, and it has made clear that it intends to do so, although there is at present no replacement plan. A partial repeal would affect provisions related to the budget, but other aspects of the ACA would be left in place. The provisions that would be repealed are the elimination of the Medicaid expansion, federal financial assistance for insurance Marketplace coverage, and the individual and employer mandates. Insurance market reforms (including the nongroup market's guaranteed issue, prohibition on preexisting condition exclusions, and essential health benefit requirements) would be left in place. The key implications of the proposed and likely repeal plan would be:

- The number of uninsured individuals in the country would more than double, from 28.9 million to 58.7 million in 2019.
- A full 22.5 million of the 29.8 million newly uninsured would be eliminated from coverage because of the elimination of premium tax credits, the Medicaid expansion, and the individual mandate. An additional 7.3 million people, most of whom would be elderly, would become uninsured because of the near collapse of the non-group insurance market.
- The drastic cuts to federal and state spending on healthcare of more than \$2 trillion between 2019 and 2028 would put increased financial pressure on governments and healthcare providers as they struggle to respond to much

higher levels of uncompensated care. An additional \$1.1 trillion in the provision of uncompensated care is predicted between 2019 and 2028.

- If Congress repeals the individual and employer mandate, many individuals would stop paying premiums, and insurers would suffer substantial financial losses (about \$3 billion); the number of uninsured would increase immediately by an estimated 4.3 million, and at least some insurers would leave the non-group market midyear, harming consumers financially.
- Without the individual mandate, many, if not most, insurers would no longer participate in the insurance marketplaces established by the ACA.
- Of the 29 million newly uninsured, 55 percent would be poor or nearly poor, with incomes under twice the federal poverty threshold. Repeal would remove some 13 million people from the Medicaid rolls.

The report from the Urban Institute is available at

<http://www.urban.org/research/publication/implications-partial-repeal-aca-through-reconciliation>

Annual Report on Child Support Collections Shows Declining Caseload and Reduced Funding for Enforcement Programs in States

The federal Office of Child Support Enforcement (OCSE) has issued its annual report on the

performance of the child support enforcement program, *The Story Behind the Numbers*. A sample of the information contained in the report:

- Between 1999 and 2013, the percent of custodial parents without a child support order who said that they did not have an order because the noncustodial parent could not afford to pay child support increased from 24 percent to 36 percent. This trend is consistent with data from the Census Bureau that shows the median earnings of male workers has declined since 1999.
- Since 2012, 100% of nonmarital children in the child support caseload have had paternity acknowledged or established. A slightly different measure, known as the statewide PEP, which compares the number of nonmarital children in the state for whom paternity was established or acknowledged to the number of children born to unmarried parents during the preceding fiscal year, has fallen in recent years because the number of nonmarital births has declined and the proportion of couples who are cohabiting and not entering the child support program has increased.
- Federal and state funding for the child support enforcement program increased dramatically after the enactment of welfare reform (PRWORA) in 1996, which ushered in significant child support reforms, including a requirement that a TANF recipient cooperate with child support enforcement and paternity establishment as a condition of receiving benefits. Welfare reform and its increased requirements on recipients contributed to a dramatic decline in the number of families receiving cash assistance. Since

2010, the child support caseload has declined by more than 1 million cases, mostly as a result of declining TANF caseloads.

- The reforms also enabled data exchanges that allowed for mass case processing and income withholding. Since 2007, total collections have consistently grown, mostly from increasing payroll withholding collections. UI collections have continued to decline and tax offset collections began to decline in FY 2013, cutting the total collections growth rate to around 1 percent per year. By 2015, despite lower caseloads, the child support program collected almost \$29 billion for families receiving child support services.
- Between FY 1996 and FY 2002, federal and state funding for child support enforcement increased, on average, 12 percent per year. Between FY 2002 and FY 2008, the child support enforcement program collections increased by 6 percent per year during, while annual increases in funding fell to an average 2 percent per year. The cost-effectiveness ratio increased from \$4.13 in FY 2002 to \$4.80 in FY 2008, a 16 percent increase in six years, largely due to automatic income withholding.
- In FY 2008, funding for child support enforcement peaked at \$5.9 billion. Since then, it has declined. In FY 2015, funding for the program was still \$100 million lower than in FY 2008. One factor is a dramatic decline in performance-based funding to states from the federal government, which means that states are much less incentivized to run a high-performing program or to invest their own funds in the program.

The report is available at

https://www.acf.hhs.gov/sites/default/files/programs/css/sbtn_csp_focused_on_performance.pdf

Cities Increasingly Criminalizing Homelessness

A new report from the National Law Center on Homelessness and Poverty, *Housing, Not Handcuffs: Ending the Criminalization of*

Homelessness in U.S. Cities, describes how behaviors that are as harmless and unavoidable as sitting down or sleeping are increasingly punished as crimes or civil infractions in communities across the country. The report provides an overview of criminalization measures in effect across the country and looks at trends in the criminalization of homelessness, based on an analysis of the laws in 187 cities that the Law Center has tracked since 2006. It contains a long list of important findings and recommendations, a sample of which are:

- The affordable housing gap has created a 7.2 million-unit shortage of affordable rental units available to the lowest income renters across the country. In addition, communities with shelter space often lack sufficient beds for all homeless individuals and families. This leaves them with no choice but to struggle for survival in public places.
- Despite this gap in both affordable housing and shelter space, many cities have increasingly chosen to criminally or civilly punish people living on the

street for daily activities necessary to survival. This criminalization is increasing across the country. Of the 187 cities measured by the Law Center, 33% of cities prohibit camping in public city-wide (such bans have increased 69% since 2006); 18% of cities prohibit sleeping in public city-wide (increased by 31% since 2006); 47% prohibit sitting and lying down in public (increased by 52% since 2006); and 39% of cities prohibit living in vehicles (an increase of 143% since 2006).

- Local governments have increasingly subjected homeless encampments to eviction with little or no notice. These homeless “sweeps” not only displace homeless people from public space, but often result in the loss or destruction of what few possessions they have, which can include include critical identification documents, protective tents, or even needed medical equipment. Local governments are also increasingly banishing homeless people from public places through the use of “move on” orders and trespass warnings, which can have the ultimate effect of their banishment from large swaths of public space, or from entire communities.

The report concludes that the criminalization of homelessness is the most expensive approach that local governments can take, and that it actually reduces the prospects for individuals to escape from homelessness and move into permanent housing. It recommends ending criminalization policies, strengthening housing protections and eliminating unjust evictions, and increasing access to and availability of affordable housing.

<https://www.nlchp.org/documents/Housing-Not-Handcuffs>

State Policy and Practice

- As part of a broader lawsuit filed in federal court in 2014, the Southern Poverty Law Center (SPLC) has started its trial in **Alabama**, which alleges that the state’s Department of Corrections is violating the US constitution’s ban on cruel and unusual punishment in its routine neglect of prisoner’s mental health and medical needs, even when these are life threatening. Alabama has the country’s most overcrowded prison system. An investigation by SPLC found that the facilities where mentally ill prisoners are housed are in decay, the system is understaffed and uses outdated psychotropic drugs, and that some prisoners with mental health problems are placed in solitary confinement and all but forgotten. Nonmedical treatment for the mentally ill is virtually non-existent in the state. Mental health care for Alabama prisoners is provided by a private, for-profit company, MHM Correctional Services.

The SPLC recommends that the state reduce its swollen prison population, caused by harsh sentencing policies that have given the state the third highest per-capita rate of incarceration in the country.

This phase of the trial is expected to last eight weeks. A separate trial on the medical issues is expected next year.

<https://www.splcenter.org/news/2016/12/05/splc-begins-trial-behalf-alabama-prisoners-mental-health-needs>

- The state of **Arizona** Department of Economic Security is experiencing a \$9 million shortfall in its child support division as a result of repeated limits to the receipt of TANF benefits, culminating in a one-year lifetime limit that was put in place by state lawmakers effective July 2016. This makes Arizona the state with the shortest TANF time limit in the country. When TANF rolls drop, child support collections, which are retained by the state in Arizona, also drop, because the caseload is based on the requirement that TANF recipients cooperate with child support enforcement to establish paternity and a child support order. Recipients must turn over the right to collected child support to the state, which retains payments as reimbursement for the cost of benefits. The \$9 million shortfall represents about 20 percent of the child support division's annual budget, according to DES. The 12-month time limit was expected to result in a savings to the state of \$9 million, but has instead led to just \$3.8 million in savings this fiscal year. Meanwhile, 1,400 families lost cash assistance benefits because of the time limit, as of September 30.
- In **Pennsylvania**, the Department of Human Services is reported to aggressively pursue the payment of child support from parents of juveniles detained for such behaviors as truancy and fighting, in order to repay the costs of confinement to the state. In addition to the child support charged to their parents, youth in the system are also directly assessed fees, sometimes totaling hundreds of dollars. Collecting child support is one way that juvenile-justice systems nationwide pass on their costs to families that are often already living in poverty.

In all states except Illinois, New Jersey, New York, and Utah, when juveniles are incarcerated, the state pursues repayment of the costs for detention from the parent. These charges may include child support payments to the state; charges for a child's custody, detention, confinement, or placement in a residential facility; and costs or fees for food, clothing, shelter, and supervision of the child.

Although the repayment of costs from families with little income is intended to defray the cost of confinement, the amount collected compared to the cost of pursuing the collection and the overall costs to the state of detention do not make it a feasible mechanism for covering these costs. In Pennsylvania, for example, DHS collected \$551,261 in 2015 from parents of kids in detention or delinquent placement, which represents just 1.1 percent of the \$50 million the state spent to detain the youth.

Parents and children are also not afforded a transparent system for negotiating payments, and when told of the costs for which they are responsible, are often not made aware of their right to negotiate these costs. An inability to pay can result in longer periods of detention and probation, higher costs, and increased likelihood of additional infractions.

<http://www.philly.com/philly/news/Phillys-working-poor-child-support-debtors-prison.html>

- A report from several advocacy groups and published by the Children’s Defense Fund looks at poverty in Mississippi and finds that there has been little to improve the lives of Mississippi’s poor in recent years. The state has the highest rate of poverty in the country. Among the report’s findings:
 - In 2015, 22.0 percent of Mississippians lived in poverty, roughly the same as 2014 when 21.5 percent of Mississippians were poor. Of the children in poverty in the state, 16.7% were non-Hispanic white, 36.9% were Hispanic, and 47.4% were African American.
 - Although Mississippi has the nation's highest poverty rate, only 8 in 100 Mississippians living below the poverty line actually receive assistance through TANF. And in 2015 alone, Mississippi refused to draw down \$35 million of the \$86 million TANF block grant funding available that year.
 - Monthly costs are higher in many ways for the poor than for families with more resources, with 47 percent of Mississippi households with incomes of less than \$20,000 a year spending more than half of their income on rent alone. Yet just one in four qualifying renters receives housing assistance due to limited government funding.
 - Food costs are higher because of a lack of mobility and discount retail businesses in poor communities.
 - More than 300,000 Mississippians live in deep poverty. These families are especially prone to costs such as late fees for unpaid rent and eventual evictions, leading to frequent moves, banning from affordable housing programs, and loss of possessions with evictions.
 - More than 22 percent of Mississippi households without children experienced food hardship in 2014-2015. Households with children in Mississippi fared worse: 25.1 percent suffered food hardship over the same period.
- In a scenario similar to that in Arizona (described above), **Kansas** is continuing to tighten its restrictions on welfare benefits for low-income families and to experience drastically reduced numbers of families receiving TANF benefits. The restrictions include a stricter, 24-month lifetime limit on benefits that will cause hundreds of families to lose their assistance on Jan. 1, 2017. When Kansas Governor Brownback took office in January 2011, almost 39,000 Kansans received TANF. By September 2016, that number had fallen nearly 70 percent, to

about 12,000: 3,000 adults and 9,000 children who represent about 0.4 percent of the state's population. The average TANF benefit for each family is about \$260 a month. The state estimates that as many as 424 families, including 763 children, will lose their benefits when the new limits start in January 2017.

- In **Michigan**, new video evidence of a woman's pleas for medical attention have resulted in a new investigation of the case of a 37-year-old woman was sentenced to 30 days in Macomb County Jail, Michigan, for falling behind on child support, and who died while in detention in 2013. Jennifer Meyers died of sepsis in prison 12 days into her 30-day sentence for nonpayment of child support. Defenders have obtained exclusive video statements from two women who were inside the jail and information from the people who found Meyers' body, stating that Meyers pleas were ignored by prison guards.

Also Of Note

- The Center on Budget and Policy Priorities (CBPP) has a range of resources collected on its website, called *Get it Back: Tax Credits for People Who Work*, that promote the Earned Income Tax Credit (EITC) and encourage organizations to learn more about it as a resource for their clients. The materials include a short video that clearly explains the value of the EITC for low-income households. The EITC is a tax credit that could provide significant relief for working families and individuals, but that goes unclaimed by one in five eligible workers. The website provides information on the benefits of the EITC, how to claim the credit, and EITC estimator. <http://www.eitcoutreach.org/learn/tax-credits/earned-income-tax-credit/>
- An obscure law, called the Congressional Review Act, that gives Congress 60 legislative days to review and override federal regulations, could provide a new administration with the power to instantly undo dozens of major regulations recently passed by the Obama administration. If the law is used to strike down a rule, the federal agency that issued it is barred from enacting similar regulations ever again in the future.

More than 150 rules adopted since May could be subject to repeal using this law, including a requirement that federal contractors provide paid sick leave for their workers; stricter consumer protections on prepaid debit cards; federal loan forgiveness for students at schools that shut down, along with many environmental mandates and rules.

The law poses such a threat to any regulations that Obama might otherwise put into place that it might slow the use of "midnight regulations," which administrations typically complete in their final days. This will likely lead to the necessity of strategizing whether to put out a new rule and hope it survives, or to hold off in order to preserve the chance of revisiting it in the future.

- Seven public health initiatives have been awarded the Robert Wood Johnson Foundation Culture of Health Prize for their innovative breakthroughs in public health. Among the prize recipients:
 - A patchwork of government and services across 24 municipalities just outside St. Louis, Missouri have come together to form “24:1,” to collaborate around a unified vision: strong communities, engaged families, and successful children.
 - A rural, sparsely populated area in Oregon, the Columbia Gorge, is addressing disparities in access to food and health services with an action plan for improvements.
 - In Louisville, Kentucky, the city’s arts, business, health, education, law enforcement, and social-service sectors have come together, sharing statistics and data to create tools to rectify health inequity, respond to neighborhood violence, and make the city’s impressive health resources available to everyone.
 - The Shoalwater Tribe, southwest of Seattle, promotes healthy behavior and active living, invests in the lives and well-being of its youth, and tends to all residents’ medical, dental, and mental health needs with its wellness center, taking a holistic approach to health.

- A recent investigation for JAMA Internal Medicine, a medical journal published by the American Medical Association, looked at the implementation of Florida’s “stand your ground” self-defense law to evaluate its impact on homicide and homicide by firearm between 2005 and 2014. The study found that, while prior to the law, the rate of homicide by firearm was decreasing slightly, after the law took effect there was an abrupt and sustained increase in both the monthly homicide rate (up by 24.4%) and the rate of homicide by firearm (up by 31/6%). The study concludes that the removal of restrictions on when and where individuals can use lethal force was associated with a significant increase in homicide and homicide by firearm in Florida.