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Hawaii's poor, disabled facing 33% cut in benefit

Further reductions possible unless program enrollment drops, state official warns

*By Mary Vorsino
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Four months into the fiscal year, the state is cutting the monthly cash benefit to 5,055 poor, temporarily disabled people by a third — to \$300 — so the program won't run out of money before June.

Lillian Koller, director of the state Department of Human Services, said the cut is necessary because more people are enrolling in the program at a time when less money for benefits is available.

If cuts aren't made now, she said, deeper ones would be needed in the future.

"We have to drop it now," she said, adding that more cuts are possible if enrollment doesn't decrease.

The cut was effective Sunday, when the maximum payment per person dropped by \$150.

Advocates say the benefit isn't much, but it can make the difference between someone remaining in their home or becoming homeless. They also worry that the decrease signals other state-funded assistance programs could be next.

Koller said no other benefit cuts are planned.

The program being cut, called general assistance, helps people without dependent children who are unable to work because of a temporary disability. Those getting the benefit must have little or no income, not qualify for any other assistance and temporarily be unable to work. Many go into the program while awaiting appeals for federal disability payments, which can take about 18 months.

The monthly cash assistance can be used for household expenses, such as food and housing. It can also help someone afford medications or hygiene products.

"It's a lifeline," said Alex Santiago, executive director of PHOCUSED — for Protecting Hawaii's Ohana, Children, Underserved, Elderly and Disabled — a consortium of health and human services nonprofits. He and others said the assistance cut will cause a significant hardship for a segment of the population least able to cope with it.

The general assistance program got a \$21.3 million block grant from the Legislature this fiscal year.

That's down from about \$21.9 million last fiscal year.

Meanwhile, Koller said, enrollment in the program is increasing.

Enrollment is up by 27 percent from 2007, when 3,955 people were in the program.

Koller said that amid the economic downturn, her department has seen a big spike in applications for assistance programs, though the actual number of people receiving benefits has — generally — not gone up by as much because of tough requirements, such as very low income or little or no savings.

Koller added that recent increases in the amount people can get in food stamps will soften the blow of the new decrease to cash assistance. She also said the department is trying to work quickly to get those receiving general assistance onto federal disability payments, which are higher than what the state offers.

Previously, the general assistance benefit was cut in April when the Department of Human Services slashed the benefit in half for the last three months of the fiscal year that ended in June.

A legislative briefing on the new cut to the program is planned for today.

State Rep. John Mizuno, House Human Services Committee chairman, called the decrease drastic.

"These are the people who are the most needy in our population," said Mizuno, D-30th (Kamehameha Heights, Kalihi Valley, Fort Shafter). "It could cost them their housing. It could devastate them."

Additional Facts

General assistance briefing

When: 10 a.m. today

Where: State Capitol, Room 329

What: Legislators will get information on cut to general assistance. No time will be set aside for public testimony.

For more information: 586-6130