

MASSACHUSETTS FISCAL ALLIANCE



MEMO:

May 29, 2013

Senate Rejects Reforms that Audit Shows Are Needed

The State Auditor made public her office's audit of the Department of Transitional Assistance (DTA). The audit found several examples of welfare benefits being used illegally including shelling out at least \$2.4 million dollars to people using social security numbers of the deceased, another \$532,000 for deceased or already claimed dependents, no documentation for over 30,000 blank EBT cards, and over \$15 million that the DTA should have investigated.

"Dead in Mass. Got Millions in Welfare, Report Says"

Boston Globe, May 28, 2013

In addition, more than \$1 million dollars was in question where the DTA did not check social security numbers. This included when people used invalid social security numbers, used two social security numbers or when more than one person used the same social security number. The audit revealed that over 9,800 people had requested and received 10 or more EBT replacement cards since 2006, where one person was issued as many as 127 cards in the same period. Within the \$15.6 million flagged in suspicious transactions, there were EBT cards used as far away as Las Vegas, Alaska, Hawaii, Puerto Rico, and the U.S. Virgin Islands.

"Auditor: Welfare Dollars Went to Dead People"

Boston Herald, May 28, 2013

The audit's timing comes after last week's State Senate Budget debate where at least 10 amendments were offered to reform the state's welfare system and were rejected. Some of these reforms would have put in place safeguards to avoid situations found in the most recent DTA audit.

Amendment #116, Bureau of Program Integrity

Sponsor: Senators Tarr, Hedlund, Knapik and Ross

Status: Rejected by Voice Vote

This amendment called for the creation of a Bureau of Program Integrity within the Health and Human Services Department, to monitor the quality, efficiency and integrity of programs administered by the Executive Office of Health and Human services, such as EBT cards.

Amendment #118, Increasing Fraud Detection

Sponsor: Senators Tarr, Michael O. Moore, Hedlund, Knapik and Ross

Status: Rejected by Voice Vote

This amendment devoted \$100,000 more to increase efforts to identify and report fraud, waste and abuse in programs providing health care and other forms of public assistance.

Amendment #131, Government Efficiencies Commission

Sponsor: Senators Tarr, Jehlen, Hedlund, Knapik and Ross

Status: Rejected by Voice Vote

This amendment called for a special commission to study and make recommendations concerning functional overlaps and other redundancies among state agencies and opportunities to promote efficiency and accountability in state government.

Amendment #549, Fraud Notification

Sponsor: Senators Tarr, Michael O. Moore, Hedlund, Knapik and Ross

Status: No Vote

This amendment called for the fraud hotline number and department website to be prominently displayed on all newly issued electronic benefit transfer cards.

Amendment #573, Benefit Eligibility Reforms

Sponsor: Senators Tarr, Hedlund, Knapik and Ross

Status: Rejected by Voice Vote

This amendment called for the immediate termination of benefits to any recipient who has failed to notify the department of a change of address, and who the department has attempted to contact by mail, but the mail communication has been returned to the department as undeliverable because the recipient no longer resides at said address;

The immediate termination of benefits to any recipient who has failed to provide the department with a social security number within 3 months of application for assistance, unless said person has good cause not to provide a social security number as provided for by the Immigration Nationality Act.

Self-declarations by applicants or recipients shall be signed under the pains and penalties of perjury and shall not be accepted as the only verification that this person is eligible for benefits.

Amendment #583, Benefit Eligibility Verification Integrity

Sponsor: Senators Tarr, Hedlund and Knapik

Status: No Vote

This amendment calls for the Executive Office of Health and Human Services to establish and maintain a computerized income, asset, and identity eligibility verification system.

Amendment #585, DTA Eligibility Integrity

Sponsor: Senators Knapik, Tarr, Hedlund and Ross

Status: No Vote

This amendment calls for DTA to establish a mandatory re-enrollment period for all enrollees in the TAFDC benefits program, rather than being automatically re-enrolled.

Amendment #637, EBT Photo Identification

Sponsor: Senators Hedlund and Knapik

Status: Rejected by Roll Call Vote [RC #67](#): 8-Yeas 30-Nays. (YEAS votes include; Hedlund, Kennedy, Knapik, OConnor Ives, Ross, Rush, Tarr, Timilty)

This amendment require the use of photo identification on EBT cards for each eligible household member who is 18 years of age or older.

Amendment #638, Eligibility Requirements for Public Assistance

Sponsor: Senators Hedlund, Tarr and Knapik

Status: Rejected by Roll Call Vote [RC #68](#): 7-Yeas 31-Nays. (YEAS votes include; Hedlund, Knapik, OConnor Ives, Ross, Rush, Tarr, Timilty)

This amendment stated that no form of public assistance be granted to an individual **who has not presented a valid Social Security number that has been verified.**

Amendment #641, Reduce EBT Cash Access

Sponsor: Senators Hedlund and Tarr

Status: Rejected by Voice Vote

This amendment increased the fine for store owners who knowingly abuse the EBT system, call for online applications for businesses who wish to accept EBT cards, **only allow EBT cards to be used in Massachusetts and its immediate surrounding states**, makes simply stating you need assistance no longer considered verification that one is in need of assistance, and would create an online system to directly pay rent and utility bills online to reduce the need for cash.