

# State of Maine 131st Maine Senate Senate Republican Office

# PRESS BRIEFING – WELFARE REFORM/WORKFORCE DEVELOPMENT FEBRUARY 7, 2023 WELCOME CENTER/PRESS ROOM AFTER SESSION (approximately 12:30 p.m.)

What: Welfare Issues and Reform Policy Initiatives

Who: Senators Trey Stewart, Lisa Keim, Eric Brakey, Matt Pouliot, James Libby

#### Policy Goals covered in today's briefing:

Residency Requirements, Work Requirements and Time Limits Avoiding Welfare Cliffs – Transitioning People to Independence Accountability within the Welfare System

Introduction (Sen. Stewart)

Background (Sen. Brakey)

In 2015, the LePage Administration stopped issuing waiver requests to the federal government to suspend Supplemental Nutrition Assistance Program (SNAP) for those ablebodied adults without kids (ABAWD). Within the course of a year, those affected by the change saw their individual incomes increase on average by over 100 percent.

By the time that Medicare (MaineCare) expanded in 2019, Maine's unemployment rate was 2.6% and the labor force participation rate was 62.5%. Today, those figures stand at 3.8% and 57.9% respectively, the latter of which is now lower than the 58.1% record low seen at the height of the Mills Administration's government-forced shutdown in April 2020.

Both metrics are faring worse than the U.S. averages of 3.5% and 62.3% respectively.

At the beginning of the MaineCare expansion's tracking in April 2019, those aged 19-29 without children who represent the core demographic of those entering career employment totaled 4,239. Today that figure stands at 33,482, or nearly 30 percent of all adults in that age range in Maine. Childless adults also represent a greater share of all those receiving expanded MaineCare benefits, rising from 52.67% in 2019 to 54.31% today.

In all, nearly 100,000 people have enrolled in MaineCare under the expansion since it was implemented and more than one in four residents in Maine are receiving MaineCare benefits. This has likely led to conditions of underemployment.

#### **Expansion Snapshot**

The visualization below reflects the number of people currently enrolled in expansion coverage, as of the date selected.

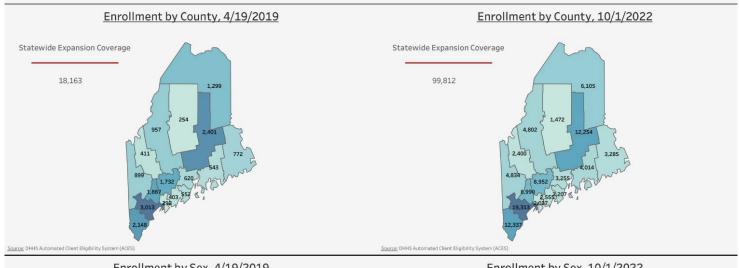
#### **Expansion Snapshot**

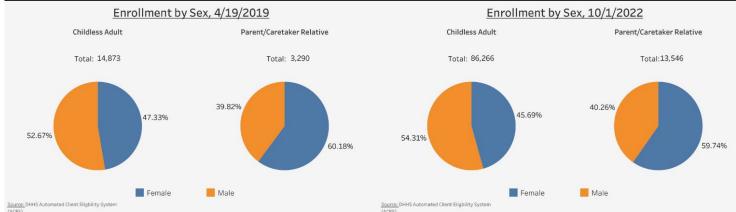
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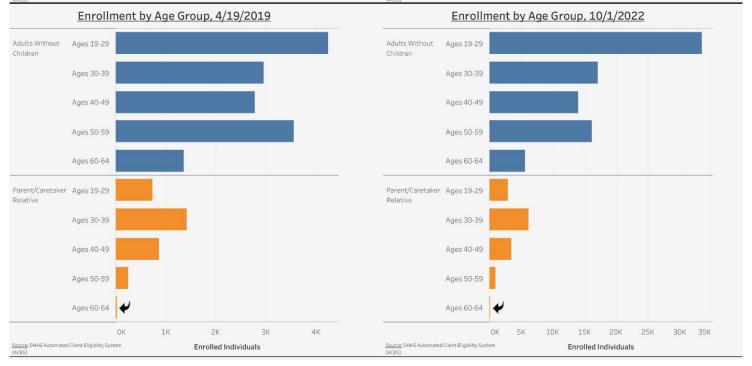
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4/19/2019 10/1/2022



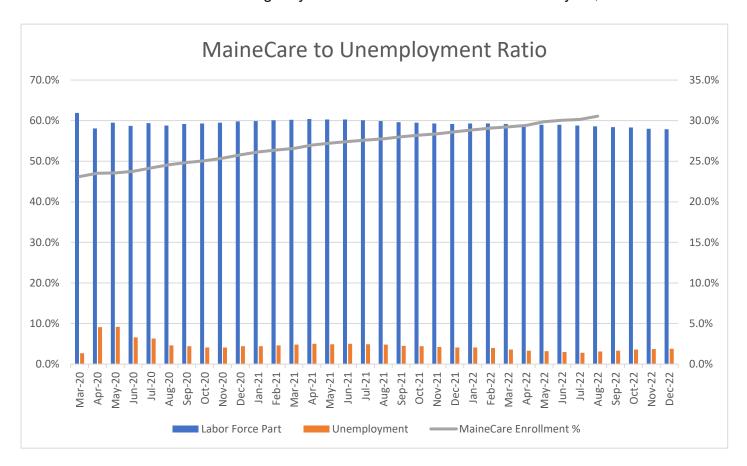




In January 2020, the federal government declared a COVID-19 Public Health Emergency (PHE). The emergency declaration required states to adjust certain eligibility rules for people covered by Medicaid to ensure continued coverage in exchange for enhanced federal funding. On May 1, 2023, those adjusted eligibility rules will end.

Under the PHE, most Mainers have been allowed to keep their MaineCare coverage even if they did not renew, did not respond to requests for information or no longer qualified for coverage because of changes like increased income. With no income verification and automatic continuous enrollment, this interfered with the program's normal life cycle and artificially expanded the program instead of naturally reducing it by attrition.

The interference of the natural lifecycle has now risked benefit cliffs for those who may no longer qualify and are above income limitations. For SNAP recipients, this will happen sooner since SNAP participants in Maine have received a temporary increase to their household benefit and the additional emergency SNAP benefit will end as of February 28, 2023.



## Residency Requirements, Work Requirements and Time Limits (Sens. Brakey, Stewart)

Policy: To provide limits for those who qualify for general assistance and guardrails of when they are eligible for benefits.

Solutions to explore:

- Establish minimum residency requirements for both Maine and the municipality of record where benefits are being sought
- Minimum work requirements for those in MaineCare/Medicaid
- Set maximum benefits to encourage labor participation

#### Legislation:

- An Act to Establish Work Requirements on Welfare Benefits for Able-Bodied Adults without Dependents (Brakey)
- An Act To Establish a 180-day State Residency Requirement for General Assistance Programs (Brakey)
- An Act To Establish a 45-Day Municipal Residency Requirements for General Assistance Programs (Brakey)
- An Act to Incorporate Time Limits on Temporary Assistance for Needy Families Programs into General Assistance Programs (Brakey)
- An Act To Create a 9-month Time Limit on General Assistance Benefits for Ablebodied Adults Without Dependents (Brakey)
- An Act To Increase Reimbursement Under the General Assistance Program (Moore)
- An Act Regarding Medicaid Work Requirements (Stewart)
- An Act Regarding Work Requirements for Able-bodied Adults Without Dependents and No-good-cause Exemptions (Stewart)

#### Avoiding Welfare Cliffs – Transitioning People to Independence (Sen. Brakey)

Policy: Encourage work requirements sooner, set limits and duration of benefits and scale benefits to current situations instead of a one-size-fits-all approach, i.e., a safety net instead of a hammock.

#### Solutions to explore:

- Require education in lieu of work search using the Community College System
- Index unemployment benefits to economic conditions and reduce duration
- Make work search requirements more robust in unemployment
- Prohibit "ghosting" of scheduled interviews or offers
- Encourage the hiring of disadvantaged individuals
- Explore child care support to help those in transition

## Legislation:

- An Act to Increase Access to Child Care (Brakey)
- An Act to Empower Patients and Eliminate Welfare Cliffs in the MaineCare Program (Brakey)
- An Act to Reduce Welfare Cliffs in the TANF Program by Reducing Benefits Commensurate with a Recipient's Salary (Brakey)
- An Act to Authorize Potential Employers to Report Failure to Appear for a Job Interview to the State (Brakey)

- An Act to Require a Person Receiving Unemployment Benefits to Attend Scheduled Interviews to Fulfill the Work Search Requirement (Guerin)
- An Act Regarding Unemployment Insurance and Job Searches (Stewart)

#### Accountability Within the Welfare System (Sens. Brakey, Stewart)

Policy: Encourage transparency and accountability within the general assistance and welfare systems and restrict Maine benefits to Maine uses.

#### Solutions to explore:

- Require education in lieu of work search using the Community College System
- Index unemployment benefits to economic conditions and reduce duration
- Make work search requirements more robust in unemployment
- Prohibit "ghosting" of scheduled interviews or offers
- Encourage the hiring of disadvantaged individuals
- Explore child care support to help those in transition

#### Legislation:

- An Act to Establish Work Requirements on Welfare Benefits for Able-Bodied Adults without Dependents (Brakey)
- An Act To Prohibit the Use of Electronic Benefits Transfer System Cards for Cash Withdrawals (Brakey)
- An Act to Prohibit the Use of General Assistance as a Replacement for Available Resources (Brakey)
- An Act To Require That Maine Welfare Benefits Be Used in Certain Areas (Brakey)
- An Act to Adjust Auditing for Work Search Requirements (Stewart)
- An Act to Require a Person Receiving Unemployment Benefits to Attend Scheduled Interviews to Fulfill the Work Search Requirement (Guerin)
- An Act to Index Unemployment Insurance Benefits to Economic Conditions (Stewart)
- An Act Regarding Unemployment Insurance and Job Searches (Stewart)

#### Closing remarks, Q/A (Sen. Stewart)