

Welfare Reform in Motion...

It is self-evident that the best welfare reform is to keep people from needing welfare in the first place. That means directing services to the young people most at risk of becoming welfare recipients.... It also should be a national priority to help the hundreds of thousands of Americans who have moved off public assistance continue to succeed. — **Mayor Michael R. Bloomberg**
May 15, 2002



The City of New York

Foreword

There is no domestic policy that is more complex, more politically charged and more important to the future of this country than social welfare. New York City has been the crucible for the implementation of federal social welfare legislation since the federal government mandated public assistance programs for the first time through the 1935 Social Security Act.

Whether it is the size of the City, the diversity of its population, the density of its neighborhoods, or the added fiscal burden put on the City by New York State's cost-sharing mandates, the City has had a unique challenge to develop programs that would meet the needs of its most vulnerable populations.

At the time when Verna Eggleston was appointed by Mayor Michael Bloomberg and began her tenure as Commissioner of the New York City Human Resources Administration (HRA) in January 2002, the unemployment rate had jumped from 5.7% in January 2001 to 7.5% in January 2002 – from December 2000 to June 2003 New York City had lost 240,000 jobs. Still traumatized by the September 11th terrorist attack, we began the new year and the new administration in the midst of a national recession. This was a critical moment in New York City's history.

The City's new HRA Commissioner had to face the enormous challenge by addressing the problem of displaced workers and their families; not just by ensuring that they received entitled benefits, but also by helping them back into the workforce. Over 400,000 people had been enrolled in disaster Medicaid post 9/11. With a 45% staff vacancy rate in the Medicaid department, each person who received emergency public health insurance was interviewed for eligibility and certified for ongoing care. A crisis of enormous proportions was averted.

The Commissioner was a policy visionary, a manager with decades of experience in operations at HRA and in the non-profit agencies that serve the City's welfare population. The Commissioner successfully led the City through this precarious period, preventing the crisis that all the pundits were predicting. She understood that the success of the Bloomberg administration would depend on her capacity to develop and implement humane and effective policy for the City's dislocated workers, as well as the working poor, chronically unemployed and those who would never work.

Commissioner Eggleston created special programs to address the needs of those workers and their families victimized by 9/11 and the economic recession, but that was only the beginning of her work. Commissioner Eggleston was also a bold innovator. Under her leadership, HRA is a national model for implementing TANF reform. The Commissioner's approach has been unique. She looked at her agency's work from the perspective of a manager and a visionary. She understood that real reform can't just be about changing rules, but must also be about changing practice

and placing greater focus on the agency's mission of moving people to their maximum levels of self sufficiency. This cultural change occurred in the largest social services agency in the country – HRA has 16,000 employees and serves 3 million clients through its diverse services and programs.

Commissioner Eggleston's approach has echoed Mayor Bloomberg, "if you can't measure it you can't manage it." This has applied to both clients and contractors. She has successfully used data to develop both policy and programs. For the new HRA, under Eggleston's leadership – services can no longer be a revolving door for clients. She has committed her agency to providing sustainable employment, not just reducing the rolls. Contractors can't simply place clients in employment they must ensure that they stay employed. She has materially expanded the availability of support services like food stamps and Medicaid, to keep New Yorkers in the workforce. In collaboration with the Health and Hospital Corporation, a Medicaid office has been placed in every public hospital, and some private hospitals, in New York City. Today, people can also access food stamps in these offices, as well.

The hallmarks of Commissioner Eggleston's policy innovations have been flexibility in service delivery and addressing the complex barriers to employment, especially for the long-term public assistance recipients. The signature program of the Commissioner's first term has been WeCARE. Through research and evaluation the Commissioner determined that the large majority of those individuals who continued to receive public assistance for more than five years had considerable medical and mental health barriers to work. Extraordinary amounts of money were being spent on these clients and they were not getting healthier or any closer to self-sufficiency. In a brief conversation the Commissioner explained her strategy to me. She said, "We will talk to the clients and find out from them what they think they can do and we will work with them so they can achieve their own goals of work and wellness." WeCARE has been expanded from its original pilot, built on the Commissioner's original insight that services must be customized so that each individual can reach his or her highest level of self-sufficiency.

New York City has always been a challenge to the rest of America, always foreshadowing social and economic trends and showing the nation its extraordinary strengths and its tragic weaknesses. The work of New York City's Human Resources Administration under Commissioner Verna Eggleston shows New York City government at its best. The lessons in this volume are important for anyone interested in improving the lives of the poor in this nation.

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