

Prompt Payment of Assistance

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Among the 1950 amendments to the public assistance titles of the Social Security Act are provisions that clarify and greatly strengthen a claimant's right—always assumed though not until now expressed in the law—to apply for and, if eligible, to receive aid with reasonable promptness. The article discusses some of the difficulties encountered by the States in achieving promptness and the way some of these difficulties have been overcome by States in Region IX.¹

PEOPLE in need who seek public help to meet that need should— if they are eligible—receive payment promptly. No one can properly question such a principle, and no one does; yet today, 15 years after the passage of the Social Security Act, policies and procedures to achieve this principle are not fully in operation.

In the early days, delays were inevitable. The Federal-State assistance programs were established during the depression of the thirties when need was especially acute. In almost every community, there was a backlog of potential applications that became pending applications as soon as the local public assistance agencies opened their doors. Many local agencies were new, and few were adequately equipped and staffed to handle applications speedily. Lack of funds also handicapped many agencies, and "waiting lists" of pending applications piled up.

Although these early conditions affecting prompt action have largely disappeared, long delays are still far too common. The Bureau of Public Assistance has been concerned for some time about the continuance of delays and has frequently called the attention of State agencies to the need for greater promptness. The States, too, were aware of the problem and how it had arisen. They had used a

justifiable caution in setting up payment procedures, realizing that the emphasis must be placed on the process of determining eligibility if the aim of the programs—aid to the genuinely needy—was to be achieved. As a result, the entire process had become hedged around with detailed procedures, and a pattern that seemed impossible to break was set up. Congress became concerned about the lack of promptness in making payments to eligible claimants and in 1950 amended the Social Security Act to clarify the right to apply and to receive prompt action, including payment if the claimant is eligible.

Certain reasons underlie the continued failure to accomplish prompt payment of assistance in the Federal-State programs. For one thing, there has been an inclination to think of the categorical assistance programs as long-time security programs rather than assistance programs designed to meet emergent and immediate need. As a result, in many States the concept developed that a person cannot be found eligible and payment made without a detailed and time-consuming investigation. It was believed that, once the person was placed on the rolls, he probably would never leave them until some factor of eligibility other than need rendered him ineligible.

Coupled with this attitude has sometimes been the belief that many individuals applying for assistance under the Federal-State programs do not need immediate help because they have, either in cash or in kind, some reserves that can be used while their cases are being processed. In addition, the argument has frequently been put forth that, where there are no such

reserves and need is urgent, the general assistance program can give interim assistance. The validity of these and other similar concepts and attitudes needs to be examined carefully.

One cause for the development of methods since found to be unproductive was an early and rather widespread misconception of the nature of public assistance administration. Because the determination of eligibility is the basis for authorizing individual payments, the process was regarded as primarily fiscal. Its review was therefore assigned to auditors rather than to persons with the technical skills required to make a sound appraisal of social work processes. The Federal Government had some share in promoting this early misconception and the resulting unsatisfactory methods. State personnel who were working in the programs in their beginning will recall the close scrutiny to which each individual case was subjected by Federal and State auditors and the questions raised if procedures had not been followed exactly.

As the nature of the process became better understood, however, means were found for a more constructive appraisal of cases and administrative practices; it began to be recognized that eligibility can be accurately established without time-consuming processes, irrelevant references, and multitudinous documentary evidence.

The use of general assistance or other funds for interim assistance is an extra drain on State and/or local funds that would be unnecessary if eligibility under the Federal-State programs were more promptly determined. This additional drain often so depletes the funds that people whose needs can be met only through general assistance are deprived of adequate help.

Background

In September 1946 the State administrators met in Washington to consider, with the Social Security Administration, steps that might be taken to improve the administration

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¹ A note on page 12 shows how a State agency in another region speeded up payments by improving fiscal procedures.

of the public assistance programs through the use of the additional Federal funds that Congress provided in that year. At that meeting, State and Federal officials recognized the existence of weaknesses in the application process. It was evident that one objective for the future must be the analysis and strengthening of the process so that anyone who wished to do so would be assured of the opportunity to apply for assistance and, if eligible, to receive assistance promptly.

Congress appreciated the merits of this principle and, when it amended the Social Security Act in 1950, added a provision requiring that assistance be given with "reasonable promptness to all eligible individuals." In using the wording "reasonable promptness," rather than more definitive language, Congress recognized that the States would encounter problems and would need to make some changes in their policies and procedures before they could reach the stated objective — prompt payment in all eligible cases.

The Social Security Administration, in implementing the congressional provision after discussions with State administrators, decided that a period of not more than 30 days for completing the application process in uncomplicated cases would be in keeping with the congressional intent. The Administration further decided that, when a State found a longer period necessary, the reasons should be fully explained and supported. The Administration also asked that a statement be submitted to indicate when the State proposed to complete the action that would assure adherence to a standard of 30 days or less in all but a few exceptional cases.

State Problems

The attempt to achieve prompt payments poses problems that are individual to each State. Hampering legislative provisions—especially those that prescribe in detail the content of the application form or establish complicated procedures for processing the application and authorizing payment—generally present the greatest difficulty. Established State fiscal policies, procedures, and controls that are beyond the jurisdiction of the public assistance agency may be of

particular significance in some States. An example is the legal requirement that compels the public assistance agency to depend upon another government agency to prepare the assistance check. Cumbersome organizational and administrative structure within the public assistance agency itself plays an important part in many instances, though defects of structure may be easier to correct than the legal regulations.

Unnecessary and unproductive procedures in determining eligibility also slow down the processing of applications. In some local jurisdictions the workers carry unreasonably large caseloads because of lack of administrative funds or because of difficulties in recruiting personnel. In some situations, too, there is a firmly held but unexplored conviction expressed in the attitude — "We have been doing it this way for years, and we must continue to do it this way if we are to meet our legal and fiscal obligations."

These problems are, without question, real; but with initiative, imagination, and an understanding of the objective they can be eliminated or reduced. The possibility of such progress is proved by the recent accomplishments of many States. Once having attacked the problems with facts based on studies of where delays occur, agencies are finding it easier than they at first thought to speed up their processes and to assure payment, in the majority of cases, in much less time than was previously required.

State Legislative Activity

In Region IX, during the 1951 legislative sessions, two States—Montana and Wyoming—looked at the problem of removing from the law cumbersome and detailed procedures. Preparation for legislation required considerable preliminary work by the State agency in reviewing its administrative methods and discussing the problems entailed with legislative members to determine the feasibility and acceptability of change. In Montana, it also involved discussions with the county commissioners, who constitute the local welfare boards, to determine if changes could be made without depriving local officials of the basic

authority and responsibility they exercise for the programs within their jurisdictions.

The Montana law required action by the county board and the signature of the chairman and one other member of the board to approve all applications for assistance. Since most of these boards meet only once a month, the agency viewed the requirement as a possible delaying factor, and it proceeded, after clearance with the county commissioners, to seek modification of the provision. The legislature did in some parts of the law remove the reference to the specific signatures required on an application, but in others it did not remove the requirement for action and signatures by the county board. The agency has therefore decided that it will rely, for the time being, on a requirement that county boards either meet oftener than once a month to approve applications or that they delegate to the county director the authority to act for the board. It has also established a process for making payment three times each month (the first, the tenth, and the fifteenth). On the basis of these changes the agency has fixed a standard of 30 days from the date of request for assistance to either the date of payment or notice of ineligibility.

In Wyoming, the legislature, at the agency's request, deleted a statutory provision requiring State approval of authorizations of awards. The agency, however, is not moving to eliminate the State approval process until it has carefully considered the possible effects—especially on the allocation of funds to counties. Deletion of the provision from the law, however, has left the agency free to develop more flexible procedures when they are necessary to make further progress. In the meantime the State has established a second pay date within the month; with this new arrangement it expects, in most cases, to be able to send the applicant the first check or notice of ineligibility within 30 days from the date of the request for assistance.

Procedural Methods

Several years before the 1950 amendment calling for reasonable

promptness, Idaho analyzed its forms and procedures that were being used in determining eligibility and authorizing payment. As a result of this evaluation, the State today has only four forms that must be used in every case to determine eligibility and process a payment. About the same time, Idaho began to include in its definition of an application all requests for assistance. This action not only gave further protection to the rights of individuals, but it also gave the agency a true picture of its workload and a factual basis for determining the exact time required to process an application. Experience has shown that the lapse of time between the date of request and the date of "formal application" is of real significance in many instances, and Idaho early learned the facts on this aspect of the operation.

Operating patterns that are well established are hard to change, especially when the job tenure of an individual employee may be affected. The Montana agency, however, which had been preparing assistance warrants in the State office by typewriter, changed to business-machine equipment. The change resulted in a saving of money and time and in the establishment of a later "cut-off date" for processing checks in new cases.

Through the use of business-machine equipment and with administrative processes based on a law that does not specify procedural details, Utah has been able to establish a continuous payroll plan. The accounting and statistical functions are completely centralized in the State office of the welfare department. Two report forms provide the basis for processing more than 90 percent of all assistance payments. These forms are the Certificate of Authorization and the Case Status Change or Closure. Regular checks are issued once a month, but a check may be obtained in between regular payroll dates by any county in the length of time it

takes for the request to go through the mails.

Under this plan a State study made in the summer of 1949² showed that, for 59 percent of all applications received (374 out of 631), payment was made within 10 days of the date of request, and that for slightly more than 93 percent, payment was made within 30 days of the date of request.

Fact Finding

Of basic importance is the fact-finding activity that must go on if an agency is to achieve the objective of reasonable promptness. Colorado has made a detailed analysis of the time required for the various steps of the application process, beginning with the date of request for assistance and carrying through to payment or other terminating action. In this way the Colorado agency has learned at what points undue delays occur.

Such studies not only confirm what has been suspected, but they also bring to light problems that were not known, as well as problems that are not directly related to the processing of applications. In one State, for example, a study of the application process in one of its counties revealed that the county director responsible for authorizing awards found it difficult to plan efficient use of her time. A "bottleneck" resulted that delayed the application process. Assistance from the State in planning better use of the director's time helped speed up the process in this county.

Of utmost importance is exploration by agency staff of current procedures and forms to determine if they are in fact necessary and serve a constructive purpose. In some instances the State law specifies that all State warrants must be issued by the State fiscal officer. Does the word "issued" mean that they must be processed in

the office of the fiscal officer, or does it merely mean that they must be issued over his signature? The writing of public assistance warrants in the State department that handles all State warrants may seriously handicap any effort to cut the time between application and payment.

Another problem of similar nature comes up when individual payments are posted to ledger accounts for each recipient. Is this process necessary for effective and efficient fiscal operations, or could the posting be limited to changes in an award? Are practices always considered from the standpoint of their essentiality and purpose?

Likewise, when several signatures are required to authorize an award, is there an evaluation of the reason for the signatures and a consideration of whether multiple signatures make the payment more "legal" than would a single signature? There are still instances where a certificate of eligibility is either forwarded to the State office for review or completed in the local office for review by the State field staff. Workers who have had experience with this type of form know that their preparation is time-consuming and involves a large amount of duplication of similar records, and that their value is questionable.

It is recognized that there are many other aspects to the problem of making payment with reasonable promptness. Each State has its own peculiarly difficult and challenging problems. Most of them, however, can be overcome or modified if sufficient interest, time, and patience in exploration and evaluation are directed at them.

Uppermost in thinking as this work proceeds should be the realization that the function of an assistance agency is to help needy people, and a needy person is helped best when the money he requires for the sustenance of himself and his family is promptly provided.

²"Processing Public Assistance Payments in Utah," *Public Welfare*, August-September 1950.