

Data lacking on whether R.I. is a welfare draw

01:00 AM EST on Sunday, March 11, 2007

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Journal State House Bureau

PROVIDENCE — Is Rhode Island a welfare magnet, attracting residents from other states because of overly generous benefits?

That question is once again swirling around the State House as Governor Carcieri again proposes cuts to many human-service programs to help close the state's \$360-million budget deficit.

While arguments rage on both sides of the issue, there is very little information to prove or disprove that there is a large influx of the poor because of Rhode Island's welfare programs.

Even Carcieri, who has frequently said that he believes this state to be a welfare magnet, is basing his statements solely on a hunch.

"While there is anecdotal evidence, there is no hard data," acknowledges Carcieri's spokesman, Jeff Neal.

The Republican governor refused several requests to be interviewed for this story, leaving Neal to respond to his past comments to The Journal and other media in the state.

"The big problem here is that we simply do not collect the information necessary to determine if this is true or not," Neal said. "Rhode Island state government does not consistently determine if people applying for benefits are coming from out of state or even out of the country. As a result, we simply don't have the information necessary to understand if there is a problem."

Rhode Island is expected to spend an estimated \$589 million this year on cash assistance, child-care and RItE Care, the state's subsidized health-care program for poor children and their families. That's nearly 9 percent of the \$6.7-billion budget. With health-care costs climbing, welfare expenses are not likely to diminish anytime soon.

In his budget for the year starting July 1, Carcieri proposes to change the threshold for who can receive subsidized or free child-care. Currently, the program is open to families making up to 225 percent of the federal poverty level: \$38,633 for a family of three. Carcieri wants to change the cutoff to 150 percent of poverty, or \$25,755 for that same family. There are about 11,950 children in the program now. Carcieri's proposal would drop 3,800.

Last year, the governor convinced the General Assembly to close RItE Care off to the children of illegal immigrants. Carcieri is now proposing further cuts to that program. His budget counts heavily on the state's ability to remove 5,750 people from RItE

Care, saving another \$19.9 million. In January, there were 114,033 people enrolled in the program, about 1 in every 10 Rhode Islanders. He plans to make the reductions by conducting the more rigorous reviews of citizenship documents that federal law requires.

These programs do make up a significant part of the budget, but it is unclear how many people — if any — are coming to Rhode Island for the welfare system.

Currently, the only data the state collects is from people applying for cash assistance under the Family Independence Program, Rhode Island's version of welfare to work.

Applicants are asked if they have lived out of state in the last 90 days and, if so, where. Gary Alexander, acting director of the state Department of Human Services, said he doesn't have enough staff to verify whether the applicants are telling the truth. So Alexander said he is skeptical about the limited data collected. The state does not ask similar questions on applications for subsidized child-care or for RIte Care.

What that limited data does show is that people moving to Rhode Island from other states make up a very small percentage of cash-assistance recipients — about 5 to 7 percent of the overall welfare rolls.

For instance, in 2005, 663 of the 12,072 people on cash assistance had recently moved to Rhode Island from elsewhere.

"Based on that data, it looks like ... they're not coming in for cash payment. But this is only on one program, and it's self-reporting," Alexander said.

He added that "anecdotally, it appears to many people — including some people that work in our department — that some people are moving to Rhode Island for some benefits, most notably for health care."

The governor is "certainly ... willing to look into" requiring welfare applicants to provide more personal information, said Neal.

But for now, the governor is still convinced that people are moving here for these benefits.

"Governor Carcieri is concerned about the possibility that people are moving to Rhode Island because of our more generous benefit structure," Neal said. "Rhode Island offers more generous human-service benefits in a number of areas than do our neighboring states of Massachusetts and Connecticut and as well as most of the states throughout the country."

For instance, Rhode Island families in 2003 stayed on assistance longer than people in any other state, according to the federal Department of Health and Human Services. The national average was 21.9 months; Rhode Island families stayed on for 38.5 months. Connecticut residents spent, on average, 18.8 months on assistance; in Massachusetts, it was 10.4 months.

Additionally, Governing magazine recently ranked Rhode Island with the third highest welfare spending based on population — \$1,796 per capita.

When asked what the governor was basing his comments on about Rhode Island being a magnet, Neal said: “First there is anecdotal data that he has gathered by talking with state officials. Secondly, it stands to reason that individuals will make their way to the states that offer the most generous benefits. At the end of the day, however, we simply don’t have the data to prove one way or another.

“He has made it clear that that is his judgment based on the information that we have,” Neal added. “Unfortunately, the information that we have is incomplete.”

Kate Brewster, executive director of the Poverty Institute at Rhode Island College, said the governor’s statements are irresponsible if he doesn’t have the proof to back them up.

“I don’t know what the anecdotal evidence is, but nobody should be making repeated claims that they cannot back up with data and hard evidence,” she said.

She said the limited data “we do have refutes the myth that Rhode Island is a welfare magnet.”

Brewster said Rhode Island’s cash benefit — \$554 for a family of three — is lower than all other New England states except Connecticut, which pays \$542. Vermont leads the region, paying \$639 a month.

Granted, people can stay on the system longer in Rhode Island, but Brewster said there are other “common sense” factors that would lead a poor family to shy away from Rhode Island.

“The fact that we have some of the highest housing costs in the country would also lead one to believe that child-care and health insurance do not outweigh the tremendous housing expense people would face if they move here,” she said.

So where are these new applicants coming from?

The limited data collected from the state show that in 2006 nearly a quarter of all new applicants for cash assistance said they were from Puerto Rico — 186 out of 754 people who said that within the last 90 days they had moved to Rhode Island.

Massachusetts, New York and Florida were next on the list of places welfare recipients had recently lived, with 109, 83 and 76 applicants, respectively. Another 37 said they had lived in another country prior to coming to Rhode Island. (To get most benefits, a person has to be in the country legally.)

To complicate matters, the data the state has is based on the one program shrinking in size. Ten years ago, there were 61,770 people receiving cash assistance in Rhode Island. Today — after a series of changes in the program as part of the national welfare-reform movement — there are 33,000 Rhode Islanders receiving cash assistance.

During that period, the welfare spending has shifted toward more subsidized child-care and health care. In fiscal year 1997, 6,066 people were on the state's child-care rolls. Last year, that grew to 12,704. In that same period, spending on RIte Care nearly quadrupled.

Brewster said that if the governor is worried about the poor migrating to Rhode Island, his administration should get more information.

"If it's such a big concern," she said, "there should be an attempt to gather information so we can determine whether or not people are moving to Rhode Island and, until then, stop the rhetoric."

"The big problem here is that we simply do not collect the information necessary to determine if this is true or not." Jeff Neal governor's spokesman.