

“Obama” phones & other welfare benefits we pay for

The I-Team obtained a document from the FCC showing that one program was littered with waste, fraud and abuse

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Cash, food, heat and furniture are just some of the things you can get if you're on public assistance or welfare.

In Massachusetts, a welfare recipient can receive more than \$42,000 a year, according to a [2013 Cato Institute study](#). That's more than \$24 an hour, well above the minimum wage, and all tax free. Those benefits come from a combination of federal and state programs.

Massachusetts provides cash assistance through an EBT card to welfare recipients; \$236-million was provided last year and the state refuses to track how it's spent.

Jeff McCue is in charge of the state's welfare program. He said, "We have to provide people with basic core benefits and it's our responsibility to be able to promote access, while being able to communicate and clearly fulfill our expectations to the taxpayers around our responsibility around program integrity."

Last year, \$518-million of our state taxes was spent on public assistance programs; six out of seven people in Massachusetts don't get a penny back from these programs.

Federal tax dollars pay for SNAP, or the Supplemental Nutrition Assistance Program; \$1.2-billion went to Massachusetts last year. That program is tracked and recipients can only buy certain items.

- **2017 Massachusetts Budget:**
- **Health and Human services 2017 budget:**
- **DTA, SNAP, Emergency aid, SSI Income statistics March 2017**
- **Social Security benefits in Massachusetts 2015**

About Department of Transitional Assistance

The mission of the Department of Transitional Assistance (DTA) is to assist and empower low-income individuals and families to meet their basic needs, improve their quality of life, and

achieve long-term economic self-sufficiency. Located within the Executive Office of Health and Human Services, the Department ensures that the emergency and transitional needs of the individuals and families of the Commonwealth are met through a combination of federal- and state-funded programs. Massachusetts has a comprehensive system of programs and supports to provide to individuals and families in need in order to achieve greater economic self-sufficiency.

What We Do

DTA serves one out of every eight people in the Commonwealth – including working families, children, elders, and people with disabilities.

What is Cash Assistance?

Cash assistance provides monetary support to low-income individuals and families to help them transition to economic self-sufficiency.

Transitional Aid to Families with Dependent Children (TAFDC)

A state and federally funded program which provides time limited cash assistance to families with children and certain pregnant women, with little or no assets or income. It is operated under the federal Temporary Assistance for Needy Families (TANF) block grant.

Many clients are required to participate in an employment, training or work activity as a part of their eligibility for this program. Participants can receive supportive services such as child care referrals, transportation reimbursement, Hi-SET vouchers.

Emergency Aid to the Elderly, Disabled, and Children (EAEDC)

DTA administers the Emergency Aid to the Elderly, Disabled, and Children (EAEDC) program, which is state funded and provides cash assistance to those in need to stabilize their lives. Applicants must meet one of the following criteria. The applicant must be:

- unable to work due to a physical or mental incapacity that has or will last at least 60 days; or
- be age 65 or older and waiting for Supplemental Security Income (SSI) payments to begin; or
- caring for a child living in the home and not related to the individual; or
- participating in a Massachusetts Rehabilitation Commission program; or
- required to be in the home to care for an incapacitated individual who would otherwise have to be institutionalized.

How Do I Apply?

TAFDC or EAEDC must be applied for in person. You can visit your local DTA office. If you need an accommodation, such as a home visit DTA can arrange to take your application at home.

For more information you can call the DTA Assistance Line 1-877-382-2363.

What about those so-called “Obama” phones?

When you hear "Obama" phones what do you think of?

“I think there's an opportunity to give the less fortunate, an opportunity to have a way of communication,” said Springfield’s Samuel Cardona.

The 22News I-Team went into the welfare office in Springfield to see how to get one of those so-called “Obama” phones, and they told us the state has nothing to do with it, just stand outside and wait. People working for a marketing company were outside trying to get people to sign up for those phones. The thing is, this has nothing to do with President Barack Obama, and we do pay for it through our own phone bills.

You’ll see a universal service fee on your bill. That goes to the Federal Communications Commission (FCC) who distributes that money to phone companies. Each company gets \$9.25 every month for each customer they sign up.

The I-Team obtained a document from the FCC showing that the program, called Lifeline, was littered with waste, fraud and abuse.

Wireless retailers were exploiting a loophole, saying they signed up more people than they did; “phantom subscribers”. One company exploited this loophole more than 446,000 times, at nearly \$10 a month; that’s a \$4-million of federal money for one company. The FCC told the I-Team they're cracking down on this.

The money to pay for housing, heating or utility assistance comes from our federal tax dollars through a variety of programs.

Each program has vastly different requirements to qualify, but to qualify for SNAP, here’s an example. A working single mother with a child can’t make more than \$21,000 (\$20,832) a year, or about \$20,000 less than what a welfare recipient could get if they cashed in on all available programs without working.

Back to that study, that said welfare recipients could get \$42,000 in benefits, Massachusetts was the 2nd highest state in the country, only behind Hawaii.

UNIVERSAL SERVICE FUND (Free Cell Phones)

Free phones are part of a larger program, the UNIVERSAL SERVICE FUND, which provides universal telecommunication programs to underserved individuals and communities: High Cost, Lifeline, Rural Health Care, and Schools and Libraries. The Universal Service Administrative Company, or USAC, administers the four programs and collects monies for the Universal Service Fund under the direction of the FCC. The FCC tracks contributions and disbursements.

The Lifeline program actually started in 1985, shortly after the breakup of AT&T. Originally, it was for landline use. Cellphones are now included, as many people choose to not have a

landline. Consumers can opt for either a cellphone or landline, but there is a limit of one service per household. The subsidy is \$9.25 a month, which the phone company receives from the fund. If the consumer wants to upgrade service, whether cell or landline, they must pay the difference over the \$9.25.

In order to be eligible, the consumer must provide verification that they receive DTA, SNAP, or MassHealth benefits. The phone company must then enter the information into a database that searches to make sure the consumer doesn't already have the phone service from a different source.

The FCC told 22News that in 2012 reforms to the Lifeline program were put into place when it was discovered that some phone companies were giving out phones without checking for eligibility. The reforms include the creation of the verification database, consumers have to use the phone within a certain amount of time or it will be shut off, only one service per household, and consumers must recertify annually. Phone companies are allowed to market the phone service outside of state welfare offices.

SafeLink (the Lifeline subsidiary of TRACFONE) representatives outside of the DTA offices in Springfield told 22News that the cell phone service they offer provides 350 minutes per month, with unlimited texting and 500 megabytes of data. When asked about how to apply, they provided the same information as the FCC.

The money trail goes like this: phone companies collect a Universal Service Fee, which they pay to the Universal Service Fund, administered by USAC. Phone companies that offer Lifeline phone service submit the number of customers using their service each month and are paid \$9.25 for each customer, per month. While the process is regulated by the FCC, it is not a government subsidized program.

Sprint's Statement on the LIFELINE Program:

Through our Assurance Wireless brand, Sprint is proud to participate in the federal Lifeline assistance program, which offers affordable voice and broadband service to eligible low-income individuals. We comply with FCC rules regarding eligibility, service standards, and program administration. Enrollment is available to individuals who qualify based on federal or state-specific eligibility criteria, and service requests are subject to review through the National Lifeline Accountability Database to help ensure that only one Lifeline benefit per household is provided.

WELFARE BENEFITS MAY 2017

According to USA.gov, most all benefits are processed through the states. The exception is most military benefits.

6.8 million people currently live in Massachusetts. DTA provides 1 of 7 Massachusetts residents with food and nutritional assistance, cash assistance, and employment supports.

Emergency Aid to the Elderly, Disabled and Children (EAEDC)

EAEDC provides cash benefits to individuals who are eligible because they are: a U.S. citizen or a legal immigrant, unable to work due to a physical or mental incapacity which has lasted or will last at least 60 days and meets the Department-established medical standards for disability, over 65 waiting for SSI payments to begin or if found ineligible for SSI (if all other EAEDC eligibility requirements are met), caring for a child living in the home and not related to the individual, participating in a Mass. Rehabilitation Commission program, or required in the home to care for an incapacitated individual who would have to be institutionalized if someone does not provide the care in the home.

MassHealth

In Massachusetts, Medicaid and the Children's Health Insurance Program (CHIP) are combined into one program called MassHealth. MassHealth members may be able to get doctors visits, prescription drugs, hospital stays, and many other important services at little or no cost.

Transitional Aid to Families with Dependent Children

TAFDC provides time-limited cash benefits to certain families with dependent children and pregnant women in the last 120 days of pregnancy. A recipient must meet income and asset limits, live in Massachusetts, be a U.S. citizen or a legal immigrant, and have a Social Security Number or have applied for a Social Security Number.

Last year, about 29 percent of households received Medicare benefits and 31.6 percent received Social Security, some of which is overlapped.

Meanwhile, about 32 million households, or 27.1 percent, benefited from at least one means-tested poverty program. The biggest benefits here were Medicaid (19.5 percent), food stamps (12.7 percent) and subsidized lunches (11.2 percent). Again, there's some overlap.

Smaller benefits include public housing (5 percent of households), unemployment (4 percent), and veterans' compensation (2.6 percent). Only 7 percent of households receive some sort of direct cash assistance, such as the TANF welfare program.

- **Furniture of Medical Equipment**
- **Durable Medical Equipment**

Heating Assistance Programs

LIHEAP:

Program description: Known commonly as Fuel Assistance, the Low Income Home Energy Assistance Program (LIHEAP) provides eligible households with help in paying a portion of winter heating bills.

For 2015-2016 winter:

164,756 eligible households were served.

Maximum Benefit:

Deliverable (oil, propane, kerosene, wood pellets) \$1050

Utility (natural gas and electricity) \$820

WAP (Program Year 2016 operates from April 1, 2016-March 31, 2017)

Program description: The Low Income Weatherization Assistance Program (WAP) provides eligible households with full-scale home energy efficiency services. The program is funded by an annual grant from the U.S. Department of Energy, and administered by a network of local agencies, in many areas the same agency that administers the Low Income Home Energy Assistance Program (LIHEAP or Fuel Assistance) program.

- 2016 Program is not complete until final reports are received at DHCD on May 12, 2017.
- \$6,058,804 in base PY 2016 funding from U.S. Department of Energy
- \$ 373,074 in approved multi-year carryover in PY 2016
- Total base and carryover funding for PY 2016 is: 6,431,878
- Production goal with carryover / 894 units
- Average cost per unit is \$4,725

HEARTWAP – funded with LIHEAP, and Program Year 2016 operates from October 1, 2015-September 30, 2016

Program description:

Heating Emergency Assistance Retrofit Task Weatherization Assistance Program (HEARTWAP) provides heating system repair and replacement services to low-income households. The program is administered by a network of local agencies, in most areas the same agency that administers the Low Income Home Energy Assistance Program (LIHEAP or Fuel Assistance) program.

- \$9.5 million provided in total funding from HHS-LIHEAP set-aside funds
- HEARTWAP PY 2016 numbers:
 - 10,151 Total households served
 - 1,813 heating systems replaced
 - 5,368 heating systems repaired
 - 4,801 CTEs conducted

- 566 oil tank replacements
- 250 oil line replacements

It is difficult to derive any type of average per unit. Repairs are less costly than replacements and the costs are all over the board depending on the type of heating system. HEARTWAP jobs are also heavily leveraged with utility funds.

The Supplemental Nutrition Assistance Program (SNAP)

The Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps, provides critical nutritional support to low-income households in the Commonwealth by helping families and individuals to buy healthy food. The program serves as the first line of defense against hunger.

SNAP benefits are federally funded and provide an economic benefit to the state. DTA issues more than \$115 million in SNAP benefits each month. This represents more than \$2 billion per year in local production, sales, and jobs for the Commonwealth, since each dollar in SNAP assistance generates nearly \$2 in economic activity for the state.

How Do I apply for SNAP?

For more information you can call the DTA Assistance Line 1-877-382-2363.

Who Can Get SNAP Benefits?

In order to get SNAP benefits you must be are low-income and a U.S. citizen or eligible legal non-citizens. Eligibility for SNAP benefits depends on the number of people in your household and the household's total income. Other expenses, such as dependent care costs, medical deductions, earned income deduction, child support and some shelter costs are also considered in determining your benefits.

Supplemental Security Income

Supplemental Security Income (SSI) is a cash assistance program administered by the Social Security Administration for elders (over age 65) and people with disabilities. The Department works with the Social Security Administration to assist elders and certain categories of long-term disabled residents to receive SSI benefits. Individuals receiving SSI are automatically eligible for MassHealth. DTA's Malden Centralized SSI Office administers Supplemental Nutrition Assistance Program (SNAP, formerly Food Stamps) benefits for SSI recipients.

For more information on SSI eligibility or to apply, contact the Social Security Administration at 1-800-772-1213.

Rental Subsidies

The Massachusetts Rental Voucher Program

Currently there are 8178 leased MRVP vouchers

Average subsidy \$882

Average tenant share \$356.00

There are also Section 8/Housing Choice vouchers that are federal housing vouchers, as well as vouchers that are aimed at individuals with disabilities as well as vouchers that are distributed through the department of mental health.

Department of Energy Resources

- The energy efficiency Three-Year Plans agreed to by the electric distribution companies and DOER provides funding for low-income ratepayers to support energy efficiency upgrade through the Low-Income Energy Affordability Network. (LEAN).
- MassCEC administers a DOER funded Mass Solar Loan program that offers low interest rate loans to low- and moderate-income homeowners to support the installation of solar on their properties.
- The Commonwealth's solar incentive program (Solar Massachusetts Renewable Target or SMART) includes additional incentives for low-income customers to install solar.
- In 2016, the Baker-Polito Administration announced a new initiative and \$15 million in funding to help low- and moderate-income Massachusetts residents access cost-saving, clean and efficient energy technologies. The Affordable Access to Clean and Efficient Energy Initiative focuses on coordinating the agencies that serve the energy and housing needs of the Commonwealth's low- and moderate-income residents and identify the most effective strategies to direct funding.

Massachusetts Department of Agricultural Resources

- The MA Emergency Food Assistance Program (MEFAP) provides food products for citizens of the Commonwealth in need. Through this Program, a consistent supply of quality, nutrient-rich foods and locally grown fresh produce is purchased by the state's four major food banks and distributed to 944 pantries, kitchens, shelters, and other emergency food providers.
- In FY2016 MEFAP funds provided more than 20 million healthy meals to our citizens in need.
- The Massachusetts Farmers' Market Nutrition Program provides elders, women and children in the Federal Supplemental Food Program for Women, Infants, and Children(WIC) or Senior Coupons with coupons for fresh fruits and vegetables redeemable at Farmers' Markets.
- In 2016, MDAR served 28,435 WIC participants with benefits that were redeemable at 230 farmers' markets across Massachusetts. Participants served included - 2,760 Pregnant Women; 2,804 Breastfeeding Women; 1,170 Postpartum Women; 2,923 Infants; 18,778 Children for a total of 28,435 WIC participants.

- During the same year 20,391 seniors were provided \$25 worth of coupons to spend on local, fresh fruits, vegetables and honey at participating farmers' markets. MDAR also served 2,630 senior as part of the Department's homebound program where local agencies deliver bags of produce to eligible seniors who are not able to make it to the farmers' market.
- The Departments of Transitional Assistance, Agricultural Resources and Public Health are collaborating on the **Healthy Incentive Program, (HIP)**. HIP will provide a 100 percent incentive – a dollar-for-dollar match – for each *SNAP* dollar spent on targeted fruits and vegetables purchased at farmers' markets, farm stands, mobile markets, and Community Supported Agriculture (CSA) programs statewide, until March, 2020.
- These incentives will be calculated and instantly applied to the SNAP recipient's EBT card.
- The maximum incentive that can be earned each month will be based on household size, i.e., 1-2 member households will be capped at \$40, households with 3-5 members at \$60, and households with 6 or more members at \$80.
- A gradual roll-out will begin on April 1 with retailers coming on board as the season progresses and farmstands and farmers markets open.

Massachusetts Clean Energy Center (MassCEC)

- Commonwealth Woodstove Change-Out program offers rebates to assist Massachusetts residents in replacing non-EPA-certified wood stoves with cleaner, more efficient EPA-certified wood or pellet stoves – this includes 500 rebates and over \$1 million in funding for residents of low or moderate-income.
- Clean Heating and Cooling– MassCEC offers rebates for residents of low and moderate-income to support the installation of renewable heating, hot water, and cooling technologies at homes across the Commonwealth. These technologies include air-source heat pumps, ground-source heat pumps and solar hot water and biomass heating.