

**Assembly Budget Committee Testimony  
New Jersey Department of Human Services  
Acting Commissioner Elizabeth Connolly  
May 16, 2016**

Good morning, Chairman Schaer and members of the Assembly Budget Committee. I'm here today to share and discuss with you the Department of Human Services' accomplishments and challenges from Fiscal Year 2016 and to look forward with you to the initiatives we have included for Fiscal Year 2017.

I come before you today having served as acting Commissioner for the department for just over a year. It continues to be an incredible honor. And, I'm fortunate to have a team of division directors and unit leaders with expertise, enthusiasm for their jobs and a diehard commitment to the people they serve, respectively and collectively. I would like to begin my testimony by looking back at some of the issues this committee had questions or concerns about last year.

I'll start with CASS, the integrated eligibility system this department initiated in an effort to consolidate social service application processing. The RFP was developed in 2006, (before there were iPhones or tablets) and after several years - through two Administrations - the development was slow but advancing. Then in March 2010, the Affordable Care Act was signed on the federal level. The regulatory and eligibility changes in that statute required major revisions to the system's operations and coding and ultimately brought progress to a stop. Several good faith attempts to stay the course failed and resulted in the termination of the contract with HP, the vendor. We subsequently contracted with an agency to do a functional and technical assessment to detail what could be salvaged from HP's incomplete product.

From the assessment, we concluded a couple of things: The rapidity with which technology advances doesn't lend itself to a long-term, all-inclusive project approach because it likely would be obsolete before it even gets launched. We also learned that with technology that exists today we can modularly build separate systems that work independently and can be modified independently, but can communicate and interact with each other. In short time, we've made modular advances that have facilitated enhanced online capabilities, allowed for faster application processing and reduced the foot traffic in the county welfare agencies and boards of social services, which has resulted in a better customer service experience for the residents we serve.

For example, our Medicaid division has developed a consumer portal that allows residents to begin and save applications, check on application status, and review their Medicaid account. On

the social services side, document imaging has allowed for the electronic storage of documents making storage and retrieval easier for both the consumer and worker.

In a related matter, last year we discussed backlogs in Medicaid and timeliness issues with SNAP (formerly called Food Stamps) application processing. I am happy to report that solutions implemented over the past year, including the above-mentioned innovations, have eliminated the NJ FamilyCare application backlog and our SNAP timeliness now stands at 95% - that's up from 72%. This developing framework already is improving access and outcomes for residents and it remains flexible to upgrades and enhancements as technology advances in ways we cannot even imagine, sitting here today.

This brings me to some of our current work.

As many of you know, in December, the department sent notices to certain recipients of SNAP advising them of the federal government rules that require Able Bodied Adults without Dependents – ABAWDs – to be involved in a work activity to remain eligible for full benefits. It's my understanding there is a bipartisan compromise reflected in the Governor's conditional veto of recent legislation on this matter. It is important to note though that concurrent with notification to clients about the change in federal rule, the department asked USDA for, and was granted, permission to more slowly phase in the ABAWD requirements. Now, clients in some of the higher volume SNAP counties will have through December to become engaged in a work activity that meets the federal requirements.

Regarding the temporary housing programs provided through time-limited pilot programs HAP/HHE for individuals in New Jersey's cash assistance programs – Temporary Assistance for Needy Families and General Assistance - or the federal Supplemental Security Income program, it's important for you to know that anyone impacted by the programs' termination currently is being served by an intensive case management program that is working to identify their barriers to permanent housing and finding solutions.

The Department of Community Affairs is the agency that focuses on long-term or permanent housing options. Just last month, I was with DCA Commissioner Chuck Richman when he announced that 400 rental vouchers will be allocated to chronically homeless households, many of whom are served through this department's programs and who have been caught in a cycle of short-term housing programs that have kept them from finding stability. These rental subsidies, coupled with DCA's recent release of 1,000 new Section 8 vouchers represents the most substantial push for permanent housing opportunities for low-income families in a generation. And over the past several months we have been working with DCA to set up a State Rental Assistance Program specifically for our SSI consumers who are in receipt of Emergency Assistance. Approximately 1% of all the state's SSI recipients also are recipients of emergency housing assistance. DHS' partnership with DCA will transition consumers into permanent,

affordable housing utilizing the funds previously used for emergency housing. This is a much more efficient and results-oriented investment for the state and is far more stabilizing and beneficial for the consumer.

Housing is just one area in which we have found interagency partnerships and collaborations to be valuable. Child care is another area in which we're collaborating with other state agencies to buoy the social support system. Generally speaking, DHS' involvement in child care is limited to providing vouchers to eligible, low-income families, allowing them to find and maintain employment they might otherwise be unable to pursue due to the cost of full-time care. But, the federal Race to the Top – Early Learning Challenge grant was awarded to New Jersey for its proposal to improve learning quality and service coordination for infants, young children and their families. Together, the departments of education, children and families, health and human services are advancing this critical goal, the center of which is Grow NJ Kids. This initiative is designed to create universal standards of quality for child care and early education programs throughout the state. There are currently 680 programs participating in Grow NJ Kids and just a few weeks ago, I had the pleasure of visiting, touring and congratulating the first child care agency to be rated: the Clinton Hill Community and Early Childhood Center, in Newark. Collectively, four state agencies are redefining quality and learning for the next generation of students in New Jersey.

And, as announced by Governor Christie during his State of the State and Budget Addresses, DHS is partnering with the Department of Corrections to create the state's first substance use disorder treatment facility for prisoners. In the fiscal year 2017 budget, \$2 Million is being invested to re-open the Mid-State Correctional Facility so that we can help prisoners on the path to recovery, which ultimately will: reduce recidivism rates due to addiction-related crimes, and; ready prisoners for release and sustained recovery. This approach will change fundamentally how New Jersey treats addiction in incarcerated individuals.

Another critical initiative for FY'17 includes the state and Medicaid reimbursement rate increase to behavioral health providers because access to quality and appropriate care is a priority for this Administration. Governor Christie's proposed budget includes \$127 million to support providers' efforts to hire more staff and to develop new or expanded treatment space to accommodate the need.

Over the past year many of you and your colleagues have reached out to me on behalf of your constituents. We thank you for your continued advocacy on their behalf and for your attention and interest in this department's work. Thank you.