DEVELOPING A WORKABLE CROSS SYSTEMS WAIVER AUTHORITY: PERSPECTIVES OF THE WELPAN NETWORK

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The senior Midwestern welfare officials who constitute the Midwest Welfare Peer Assistance network (WELPAN) have explored workable solutions to the tensions between the way social assistance in the United States is structured at the federal level and the way state and local jurisdictions try to deliver effective and seamless services for several years now. In the current debate over reauthorizing TANF, they take no formal position on any specific proposal before Congress. As informed and experienced welfare administrators, however, they do argue that realizing the full potential of reform requires states to exercise substantial imagination and innovation to comprehensively meet the needs of challenged families and communities.

Members of the WELPAN network are aware that there is intense opposition to the so-called “superwaiver” proposal put forward by the administration and embodied in the House bill. Some concern is reasonable, reflecting legitimate anxiety about reconciling state accountability with greater flexibility. But they also believe that state stewardship over social welfare programs since 1996 has established a strong track record. Cash welfare caseloads are down, child and family poverty is down, labor force participation by women (particularly non-married women with children) is up, and most indicators of social health are moving in a positive direction. Certainly, the economy deserves credit. But so do ingenious and innovative TANF programs in many states.

Whether or not states continue to improve the well-being of low-income families depends, in part at least, on whether they can pursue flexible strategies, rather than merely execute highly prescriptive federal interventions targeted to narrowly defined populations. WELPAN hopes that the goal of developing some form of cross-systems flexibility is not abandoned in light of reasonable and legitimate concerns.

Salient Issues. In an effort to bridge the growing ideological divide, WELPAN addresses some of the concerns raised about expanded waiver authority. The list of concerns is not exhaustive, nor are the responses meant to be definitive. We hope, however, this is a beginning of a more serious dialogue.
Accountability Issues: There is a concern that the existing proposal grants broad discretion to the Executive Branches of government at the federal and state levels without sufficient safeguards that such flexibility would not be abused.

WELPAN believes that enhanced flexibility should be accompanied by corresponding and complementary increases in accountability for meeting program purposes. The granting of any cross-system waiver must specify an independent evaluation, based upon clear, specific goals and measurable objectives. While such an evaluation does not necessarily mean a conventional experiment, the analytic methods should conform to generally accepted scientific standards.

Supplantation Issues: There is a concern that states will introduce changes specifically designed to underserve low-income families and shift the savings to other public purposes.

WELPAN believes that approved waivers should contain provisions, negotiated between the federal and state governments, which guarantee some form of maintenance of effort spending across affected programs and specify that any state, federal, or local cost savings will be reinvested toward the purposes of the program. The House Bill prohibits interprogram resource shifts because of the concern that savings from underserving some groups might be shifted to other programs and groups. WELPAN believes that some interprogram flexibility in how savings are reinvested would be useful.

Targeting Issues: There is a concern that specific populations currently targeted to receive specific benefits will NOT enjoy the same level of attention under some reforms.

At the heart of the waiver strategy is the belief that resources or technologies (what is done for or to participants) are most efficiently deployed when they reflect purposes and strategies tailored to local circumstances by local decisionmakers, not by remote officials. WELPAN believes that approved waivers must contain provisions for monitoring the well-being of important populations of interest to determine if there are any adverse effects. WELPAN also suggests the establishment of an independent Congressional panel empowered to review all monitoring data and report to Congress any concerns.

Decision-Making Authority Issues: There are concerns that the provisions in the House Bill shift too much power from Congress to the Executive branch of government and to Governors (or to local jurisdictions), and that the opportunity for full and complete public discussion of proposed waivers may not be available.

In response to both these concerns, WELPAN believes that waiver applications must have the benefit of state regulations, state law, or public hearings. If states adhere to well-established procedures for policy development and approval, adequate input will be assured.

The Competing Agenda Issue: There is a concern that the proposed superwaiver would not be limited to testing new ideas but used to undermine existing program intent or protections for the disadvantaged or established entitlements to benefits.

WELPAN believes that the rationale for broadened waiver authority is to pursue new and better ways to serve low-income and other challenged families with children and that there will naturally be good faith disagreements about particular strategies. The burden is on the applicant state to describe clearly how the reforms might impact clients and how any adverse consequences would be offset by overall positive outcomes.