

# Michigan Benefit Access Initiative



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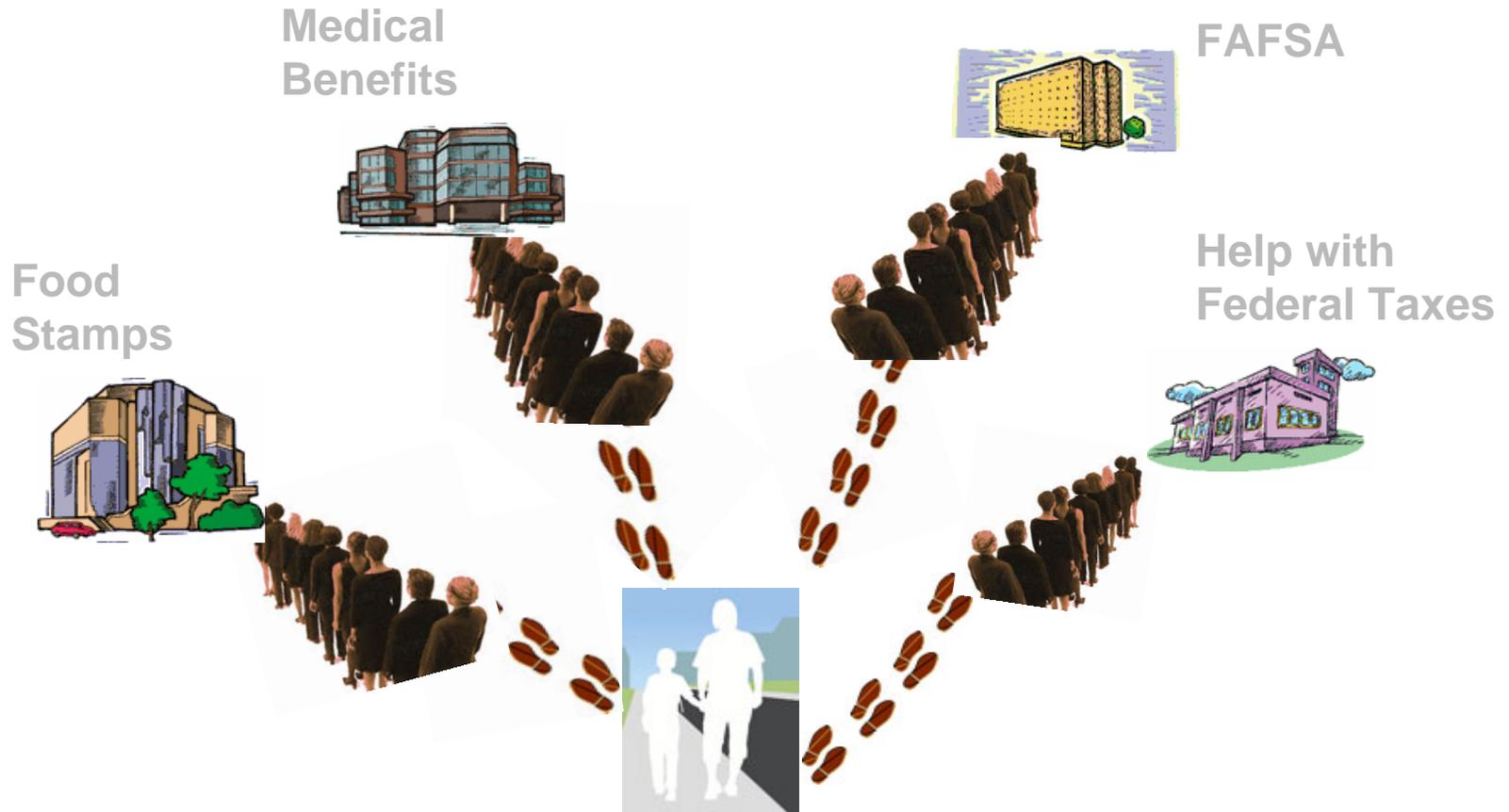


# The Opportunity

- Over \$930 million in federal benefits and tax credits go unclaimed in Michigan each year
- Only 7.2 % of households eligible for EITC, SNAP, health insurance and child care subsidies claim all four

# The Challenge

Lack of knowledge, distrust, welfare stigma, many stops, time missed from work, employed not eligible, denied before



# Budget on Wages Alone

INCOME		EXPENSES	
Wages	\$ 10,000	Rent	\$ 7,200
		Food & supplies	\$ 5,700
		Transportation	\$ 2,400
		Health & child care	\$ 15,500
		Taxes	\$ 1,000
<b>TOTAL</b>	<b>\$ 10,000</b>	<b>TOTAL</b>	<b>\$ 31,800</b>

Income = minimum wage for 2002, 69% of Federal Poverty Level

Expenses do not include items such as: driver's license fees, gifts, entertainment, school supplies and trip fees, after school and sports activities, vacation, college application fees and tuition, many more . . .

# Budget with Basic Work Supports

INCOME		EXPENSES	
Wages	\$ 10,000	Rent	\$ 7,200
EITC	\$ 4,000	Food & supplies	\$ 5,700
Food stamps	\$ 2,600	Transportation	\$ 2,400
Medicaid	\$ 4,830	Health & child care	\$ 15,500
Child care subsidies	\$ 12,400	Taxes	\$ 1,000
<b>TOTAL</b>	<b>\$ 33,600</b>	<b>TOTAL</b>	<b>\$ 31,800</b>

Work supports raise income by: \$ 23,600

Income exceeds basic expenses by: \$ 1,800

Adapted from Sheila Zedlewski, Gina Adams, Lisa Dubay and Genevieve Kenney, "Is There a System Supporting Low-Income Working Families?" The Urban Institute (Feb. 2006), at 8-9.

# Impacts of Work Supports

**Reduce poverty:** “The combination of food stamps, EITC, and other supports allow even low-wage workers to raise their families' incomes above the poverty line.”

**Increase employment:** Work supports help people obtain and retain better-paying jobs

**Improve welfare-to-work success rates:** EITC, health insurance, and child care subsidies help transition people from welfare to work

**Economic stimulus:** Federal work supports dollars are spent to buy goods and services, boosting local economies through multiplier effects

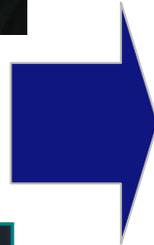
# Michigan Benefit Access Initiative - MBAI

- Through KAL grant, United Way convened 25 community-based organizations including MCAAA & 5 state departments
- Determined viability of benefit access technology for MI
- Developed Michigan vision, mission, criteria
- Studied 20 potential approaches, selected 4 potential platforms
- Created RFP with MI requirements, 100 elements over 7 categories
- Reviewed and ranked 3 vendor responses, issued report
- Recommended outreach using a Web-based service called The Benefit Bank<sup>®</sup> (TBB) as best fit & developed outreach framework

# MBAI Proposed Solution

- Ubiquitous service to clients, 2-1-1 and community-based organization sites
- Benefit access on a single platform through The Benefit Bank; leverage a wide range of community based organizations with existing counselors
- An expert system supporting
  - Benefit maximization for Michigan's families
  - State worker support
  - Professional, volunteer-counselor access, and self help
  - Accountable reporting of impact

# Bundled Access through TBB



Medicaid*	Medicaid for Children
MICChild*	Healthy Kids
School Meals	Summer Food Service
SNAP Food Stamps*	Medicaid for Pregnant Women
WIC	Medicare Savings
TANF	Medicare Part D Extra help
Weatherization	LIHEAP
SER	Home Heating Credit
Child Care	FIP
EITC*	Child Care Tax Credit*
FAFSA*	Mortgage Interest Credit
Hope Credits	Lifetime Learning Credit
Homestead property credit	Elderly or Disabled Credit

**\* ARRA increase**

# Counselor Assisted

- Client chooses/enters own password
- Simple questions – 4<sup>th</sup> grade reading level
- Explanatory help pop ups
- Expertise in the service, 1-day training
- Electronic filing with printed copy for client
- Detailed follow-up instructions for client

**THE BENEFIT BANK®**  
CONNECTING COMMUNITIES TO RESOURCES

You are logged in as: **Karen Morris**

HOME | REVIEW AND EDIT | HELP CENTER | LOGOUT

English ▾

### Eligibility Screening

Basic Questions about your household  
These questions will help us figure out what help you can get.

Please check the box for each household member who is a resident of Ohio.

Karen Morris	<input checked="" type="checkbox"/>
Victor Morris	<input checked="" type="checkbox"/>
Tyler Morris	<input checked="" type="checkbox"/>
Ashley Morris	<input checked="" type="checkbox"/>

[Is someone still a resident if he or she is temporarily absent?](#)

Please check the box for any household member who is currently receiving public assistance in another state.

Karen Morris	<input type="checkbox"/>
Victor Morris	<input type="checkbox"/>
Tyler Morris	<input type="checkbox"/>
Ashley Morris	<input type="checkbox"/>

Please check the box for any adult below who is a student.

Karen Morris	<input type="checkbox"/>
Victor Morris	<input type="checkbox"/>

Please check the box for any person under 21 who has been deemed "emancipated" by a court order.

Tyler Morris	<input type="checkbox"/>
Ashley Morris	<input type="checkbox"/>

◀ PREVIOUS | NEXT ▶

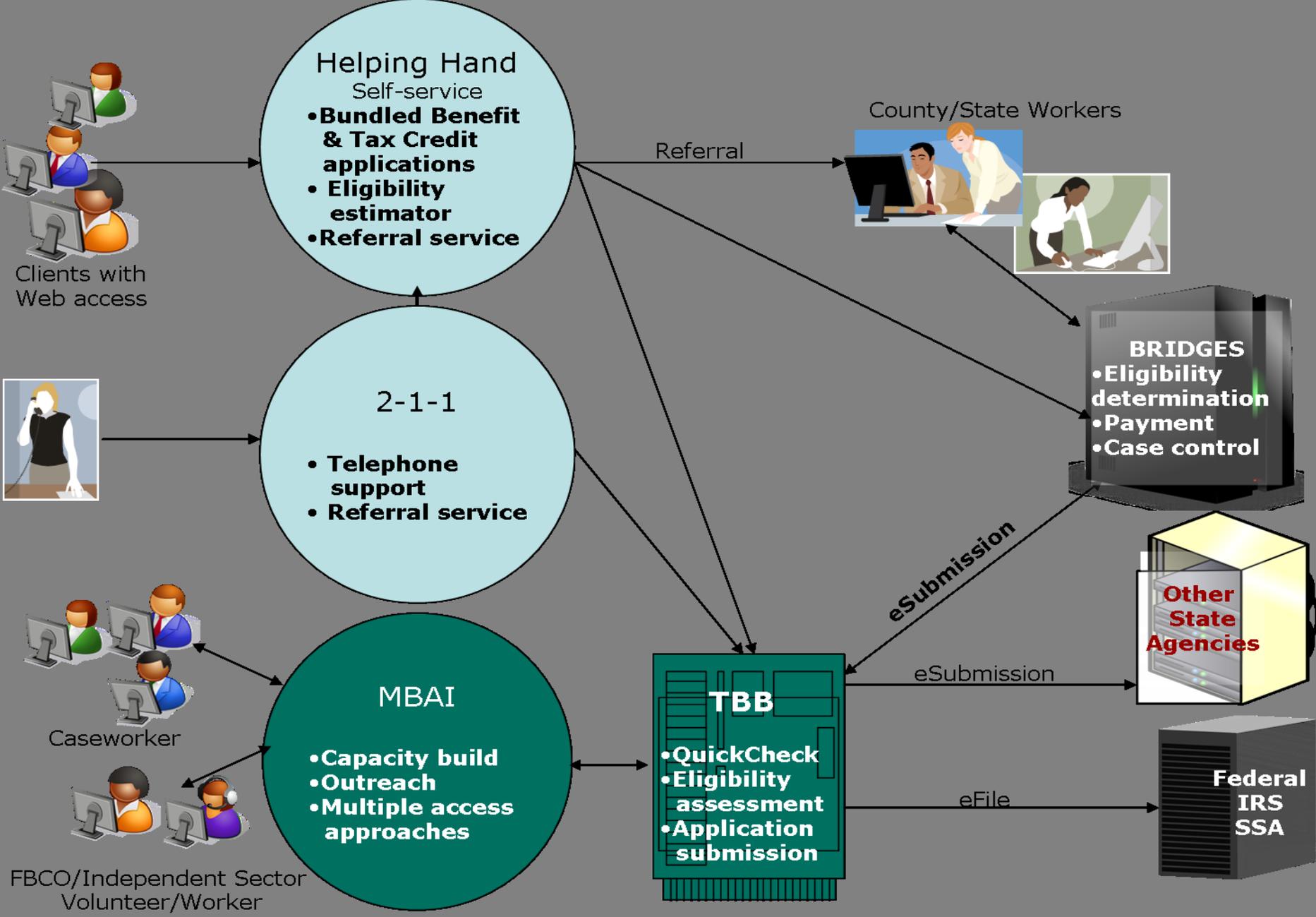
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# State of Michigan Steps Forward

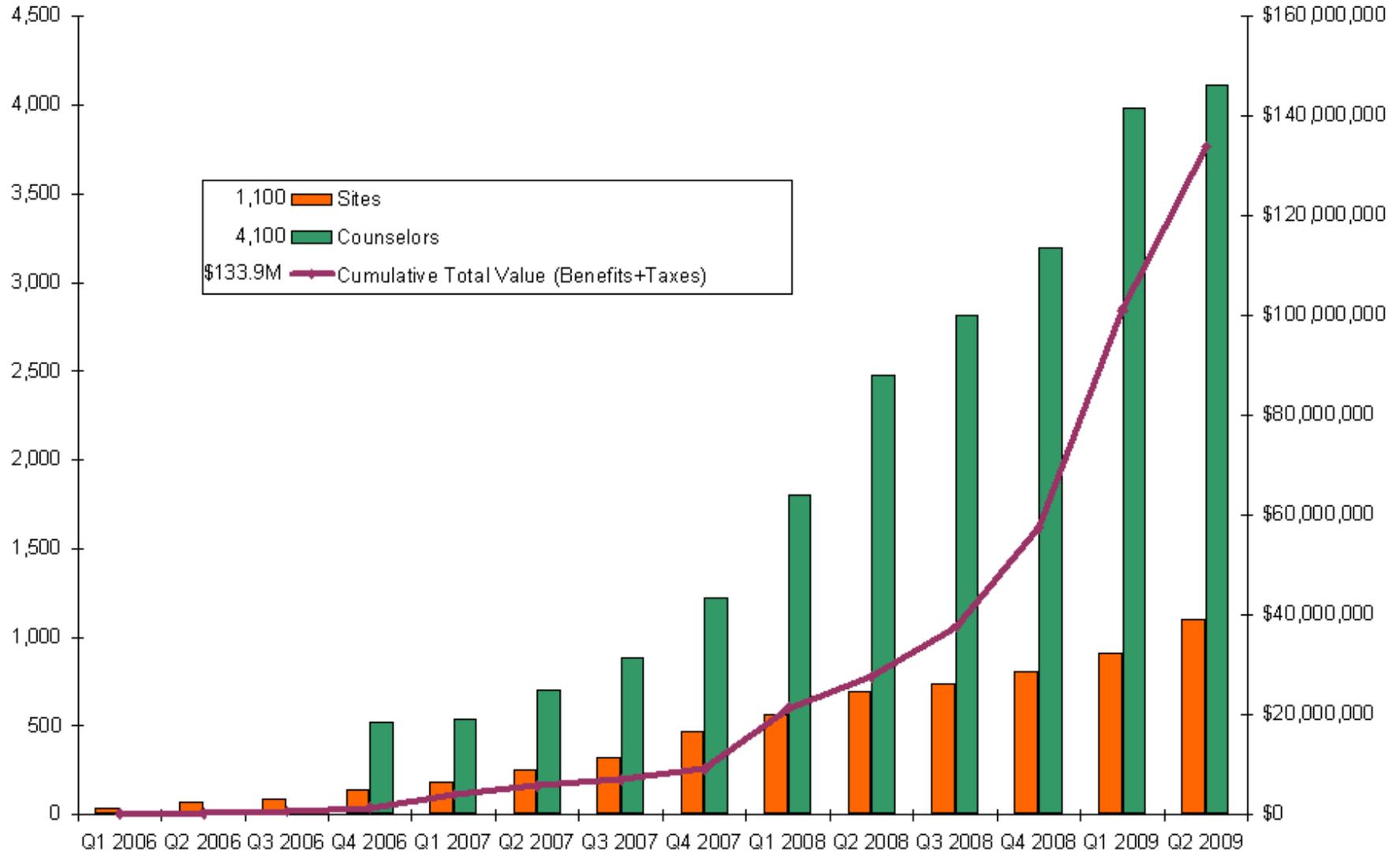
- Successfully launched Helping Hand – web portal aggregating health and human services
- Successfully launched FAP Online – self help SNAP application
- MBAI plan underway – bundles benefits & tax credit application, mobilizes community based organizations

## Helping Hand Phase II –

- Expand FAP online to bundled benefit and tax credit application
- Mobilize community based organizations to assist families with application
- Engage outreach efforts to link benefit access work supports with asset building functions



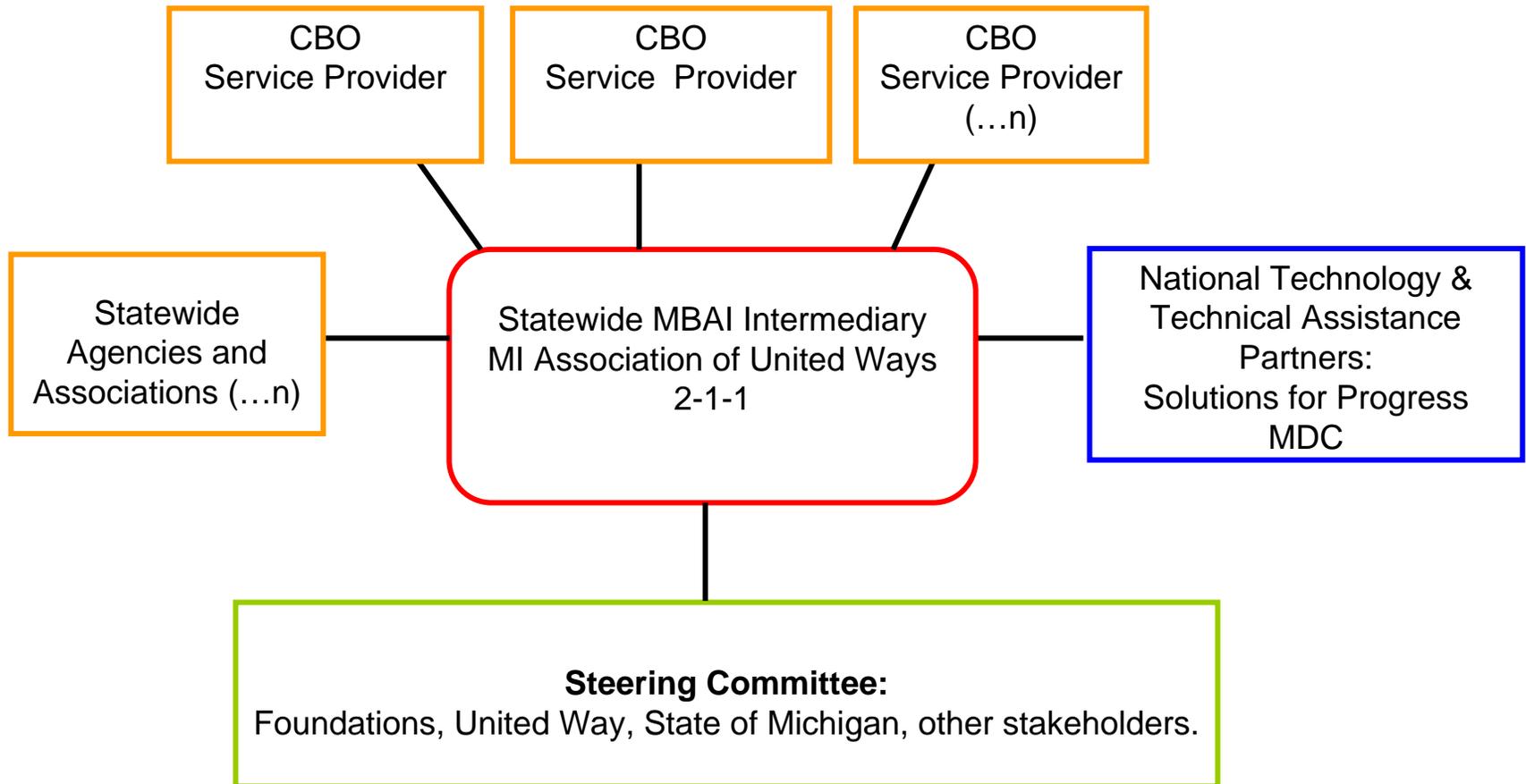
## Growth in Sites/Counselors & Economic Return



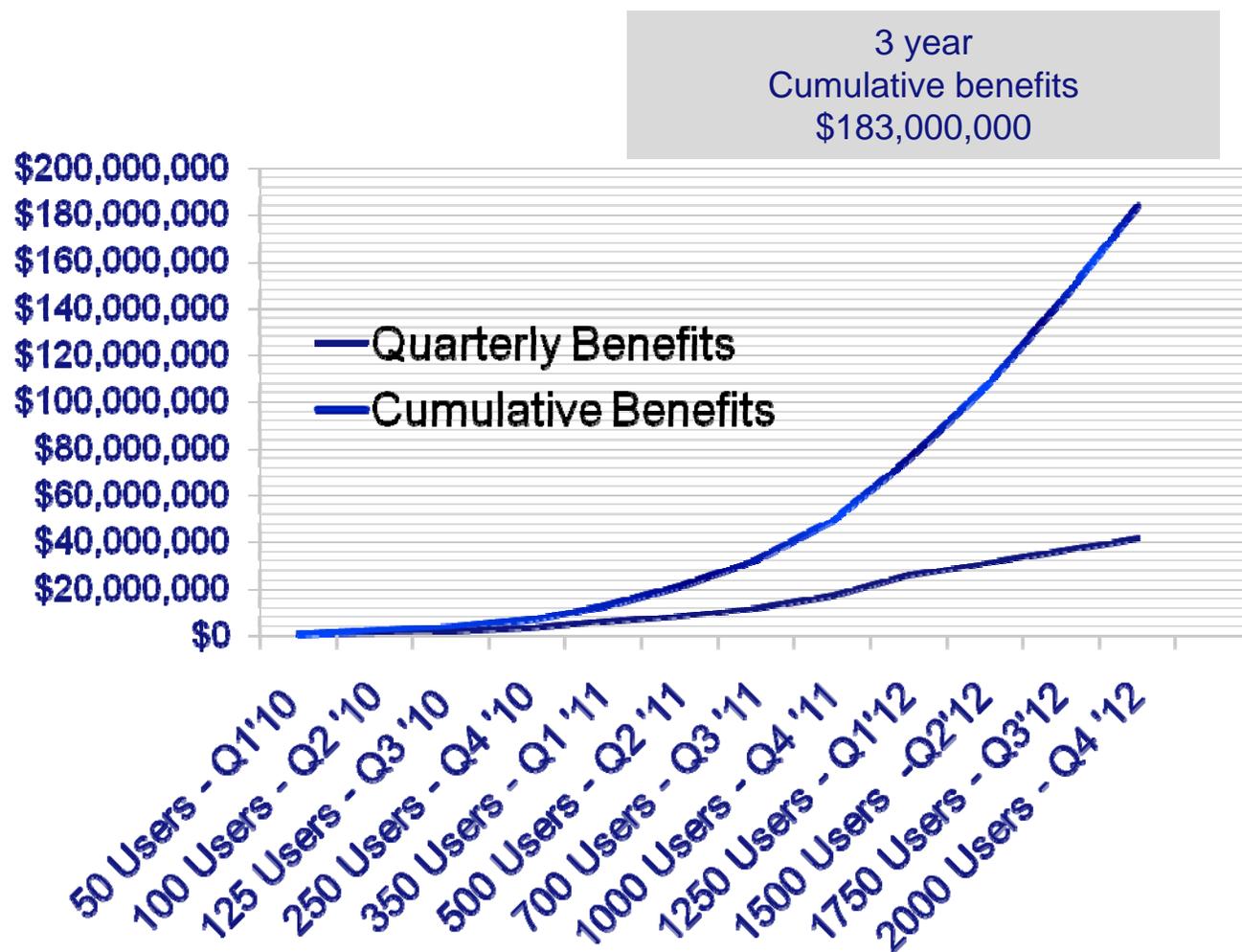
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# MBAI Operating Model



# MBAI Projection Growth & Benefits Return



# Ohio

## Multiple Funding Leveraged

- Foundation dollars leverage public investment in outreach through:
  - Federal SNAP draw-downs
  - Federal grants
  - More foundations
  - Eventually State Government
- Outreach using The Benefit Bank in turn leverages millions in Federal work support dollars

# Michigan Plan Funding Leveraged

Cost: \$6.4 million over three years

Philanthropic donations of \$3.8 million leverage:

- \$2.6 million in federal food stamp draw-downs
- Outreach by hundreds of CBOs sponsoring sites
- \$183 million in work supports claimed in Michigan

# Partnership with the State

- Expands efforts to provide families Web-based access
- Enables e-filing and food stamp draw-downs
- Increases publicity and outreach efforts

# Thank You

**Nancy Lindman**

Director, Public Policy & Partnerships

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# United Way Financial Stability Partnership Model

## Steps in the Financial Stability Framework

