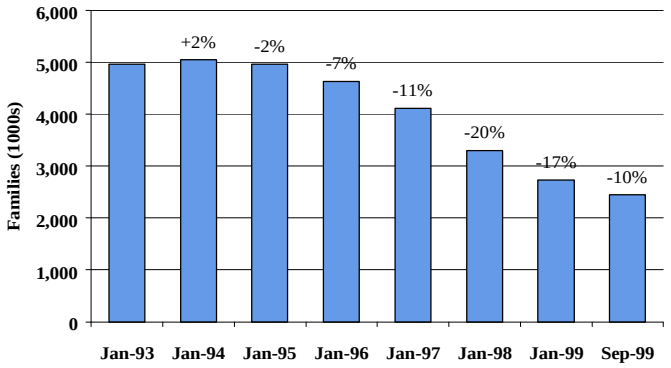
ADDRESSING SUBSTANCE ABUSE ISSUES AMONG TANF RECIPIENTS

The Personal Responsibility and Work Opportunity Act (PRWORA) of 1996 eliminated the Nation's primary welfare program, Aid to Families with Dependent Children, and replaced it with a flexible block grant program providing temporary transitional assistance to recipients as they move from welfare to self-sufficiency through work. Implementation of the legislation has resulted in significant declines in welfare caseloads across the country with national estimates of caseload reductions averaging 46 percent and some States reporting reductions as high as 90 percent.

Annual Percent Decline in the Number of Families Receiving TANF 1993 - 1999



Source: U.S. Department of Health and Human Services Administration for Children and Families (June 2000)

As the percentage of recipients transitioning off welfare begins to level off and excitement over the initial success of reforms subsides, focus turns to those who remain on welfare and those reaching their State-imposed time limits. These hard-to-employ recipients are more likely to be long-term clients facing significant personal and family barriers such as limited job skills, low educational attainment, health and mental health issues, domestic violence, criminal and legal issues, and substance abuse problems. While considerable attention has been placed on work-readiness issues and reducing structural barriers such as transportation and childcare, States are now beginning to recognize the importance of addressing substance abuse problems in their welfare caseloads.

Substance Abuse Among Welfare Recipients

Substance abuse and dependence can present significant obstacles to obtaining and maintaining employment. Substance abuse problems can affect employment directly through absenteeism, illness, injury, reduced capacity, and lost productivity or indirectly through lowered self-esteem and self-concept.

- Substance abuse problems are more prevalent among AFDC recipients, compared to non-recipients (DHHS, 1994; CASA, 1994; Olson and Pavetti, 1996). Estimates of Substance abuse among welfare recipients range from 8-23 percent, compared to 4-12 percent of the general population (DHHS, 1994a; DHHS, 1994b). For example, approximately 13 percent of mothers receiving welfare report past-month drug use, compared to only 5 percent of all mothers (DHHS, 1994b).
- In addition, long-term welfare recipients are more likely to have substance abuse problems, compared to short-term recipients (see Pavetti and Olson, 1996).

> The National Treatment Improvement study found 19 percent increase in employment and 11 percent decrease in welfare receipt after treatment.

Research has demonstrated that substance abuse treatment is effective in reducing illicit drug use. For example, results from the National Treatment Improvement Evaluation Study (NTIES) found a 43 percent decline in illicit drug use among women after treatment. Effective treatment can lead to increased financial self-sufficiency through improved physical and mental health, reduced criminal activity, increased employment, and reduced welfare receipt (NEDS fact sheet, 1999).

Under PRWORA, program and funding flexibility allows States to undertake innovative strategies in building system capacity to identify and address substance abuse problems among their welfare caseloads.

Developing Infrastructure is Critical to Success

Four elements essential to building program capacity and developing effective service delivery systems for TANF recipients with Alcohol and other Drug (AOD) problems include:

- Inter-agency collaboration
- Appropriate tools and protocols for identifying clients
- Extensive and ongoing cross-training of staff
- Maximization of TANF funding flexibility.

> Service system collaboration occurs when each system recognizes, understands, and appreciates the others' culture and mission.

The development of an integrated service delivery system is essential if States/counties are to address the multiple barriers confronting hard-to-serve families effectively. Under PRWORA, States agencies have flexibility to build alliances and forge new partnerships geared towards optimizing resources and reengineering service systems.

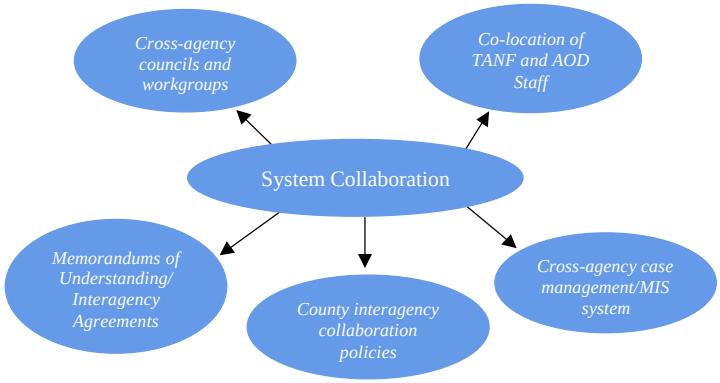
Addressing Substance Abuse Issues Among TANF Recipients

Inter-agency Collaborative Model

Mechanisms for building system collaboration include:

- Developing cross-agency councils and workgroups to promote collaborative problem solving, strategic planning, and resource utilization.
- Co-locating AOD staff at local TANF offices to assist in identifying recipients with AOD problems, referring them to treatment, and monitoring compliance with treatment can also facilitate increased coordination and communication between these two agencies so that services are better integrated to meet the needs of TANF families.
- Enhanced cross-agency case management and MIS systems can enhance a program's ability to serve families with substance abuse problems comprehensively and still maintain client confidentiality.
- Memorandum of Understanding (MOU) or Interagency Agreements serve to communicate the agency's commitment to collaboration and specify an agreed-upon cross-agency relationship. Front line staff are more likely to understand cross-agency goals and issues and buy-in is increased when MOUs are in place.

Building Collaborative Infrastructure



Developing Appropriate Tools and Protocols

Proper screening and assessment are important in determining the severity of an individual's AOD problems and identifying the types and intensity of services required for effective treatment. However, screening for AOD issues within a welfare context is difficult for a number of reasons.

Recipients may be reluctant to admit drug or alcohol use for fear of being reported to Child Protective Services and losing custody of their children.

Concerns regarding sanctioning, being evicted from subsidized housing, termination of benefits, and/or potential criminal charges may discourage disclosure.

Recipients with AOD problems may be unaware or in denial of the extent to which these problems affect their functioning.

Traditional screening instruments were not designed to be used in welfare offices and have limited validity and reliability in identifying substance abuse among recipients.

Given these limitations, if States are to effectively identify and address barriers to employment for recipients with substance abuse problems, comprehensive and innovative approaches to assessments are needed. For example, TANF agencies can adopt an organizational culture that makes it safe for recipients to talk about substance abuse. This may be accomplished in a number of ways including:

- Extensive training of TANF staff to increase knowledge of substance abuse issues and comfort in probing this sensitive and personal issue with their clients
- Establishing a strong and seamless referral mechanism so that clients who are identified to have substance abuse problems can be assessed by trained substance abuse specialists
- Creating an environment whereby disclosure results in services and support rather than sanctions and penalties
- Using waiting times in welfare offices to present information on a variety of issues such as prenatal care, primary care, substance abuse, and mental health (i.e., videos about the impact of these issues on quality of life; brochures displayed that address these issues with referral information)
- Incorporating issues related to substance abuse during job training and job search activities.

Extensive and On-going Cross-Training of Staff

Appropriately identifying welfare clients with alcohol and/or drug problems requires TANF caseworkers to be knowledgeable about the etiology, identification, and treatment of substance abuse. Extensive and ongoing training of TANF caseworkers is

critical to building system capacity to meet the needs of clients with AOD barriers.

Training of AOD agency staff and treatment providers is also critical to integrated service delivery. The AOD community is often unaware of overall welfare policy, TANF program participation requirements, funding mechanisms, and the organizational structure of State social services agencies. With a focus on providing optimal therapeutic interventions and a primary goal of establishing and maintaining sobriety among clients, treatment providers may perceive themselves at cross-purposes with frontline TANF caseworkers. Training on TANF program structure, goals, and mandates may bridge this system gap.

Impact of Ongoing Cross-Training of Staff

- Enhances understanding of the cause and process of AOD abuse.
- Increases awareness of physical and psychological impact of AOD abuse.
- Enables staff to competently explore substance abuse issues with their clients and screen and refer to AOD specialist when appropriate.
- Staff become cognizant of the AOD recovery process, particularly issues related to relapse, and the need to set realistic expectations for their client's self-sufficiency plans.
- Staff understand the value of treatment in successfully moving a client to self-sufficiency.
- Staff learn to identify their own personal feelings and potential prejudices about substance abuse that can interfere with their effectiveness as "change agents."

Maximizing TANF Funding Flexibility

Through PRWORA's block grant funding allocation, States now have considerable flexibility in deciding how to spend TANF monies. In addition, dramatic caseload reductions since implementation have resulted in significant surpluses in unexpended TANF funds for the majority of States. States have a unique opportunity to reengineer their service delivery programs, maximizing the use TANF funds to meet the needs of TANF families who have AOD problems.

A recent case study of eight States commissioned by the Center for Substance Abuse Treatment (CSAT) examined different State and County strategies in serving TANF recipients with substance abuse problems. The study found that the most effective method to fund AOD services for TANF families is to coordinate Federal and State funding streams across various agencies (DHHS, 2000). For example, State Maintenance of Effort (MOE) funds can be used to expand treatment capacity and pay directly for medical treatment of TANF clients with AOD problems. In addition, States can transfer up to 4.25 percent of TANF funds to the Social Services Block Grant (SSBG). Alcohol and drug treatment is covered under SSBG for families with incomes below 200 percent of poverty. With PRWORA, States are well positioned to integrate Federal and State funding streams in unique and creative ways to enhance their ability to meet the needs of recipients with AOD problems and assist their transition to self-sufficiency.

Potential TANF Program Fund Uses

TANF funds can fund various services for substance abuse treatment, such as:

Assessment and Follow-up

AOD screening services
Drug testing initiatives
Client monitoring services

Client Services

Specialized case management services
Wraparound services in the form of child care and transportation
Job club, job skills classes, and short-term training

Staff Training and Development

Staff training on screening, work readiness, and prevention service
Salary for staff who conduct AOD screening, assessment, work readiness, and vocational services

Treatment

Expansion of outpatient residential treatment counseling and mental health services

Finally, States can use TANF and MOE dollars to operate formal diversion programs designed to provide eligible families with an alternative to welfare. The diversion payments and services provide potential welfare applicants with short-term financial assistance to meet emergency needs in order to prevent them from entering the welfare system. Examples of these up-front services include job search, employment assessments, and cash or vouchers in payment for child care, housing, transportation-related expenses, food, medical costs for the recipient's immediate family, and employment-related expenses. Some States, such as Florida, have included non-medical substance abuse services as part of their diversion program.

Likewise, Welfare to Work grants from the Department of Labor were designed to provide transitional assistance to help move hard-to-employ recipients to self-sufficiency. These funds can

be used for a variety of substance abuse services (i.e., drug screening and testing, drug treatment, transportation to drug treatment facilities) provided existing resources are not otherwise available and substance abuse treatment is necessary for employment.

Future Directions

The 1996 welfare reform legislation presented States with both a significant challenge and wonderful opportunity to redesign their welfare systems. While States have used different strategies and models to reengineer their programs with varying degrees of success, almost all are confronted with the formidable task of transitioning the multi-barrier, hard-to-employ recipients to financial self-sufficiency. State administrators delineate substance abuse among TANF recipients as a pervasive problem and significant concern (Hercik & Holguin-Peña, 1998; APHSA, 1999). This fact sheet provides a brief overview of important strategies to building the system infrastructure to address AOD issues within the TANF population. As the conversation changes around TANF from "Work First" and caseload reduction to addressing self-sufficiency and the needs of hard-to-employ recipients, effective service integration will be even more crucial for successful welfare reform.

States will need continued support in developing, implementing, and evaluating innovative programs to address substance abuse barriers to employment among TANF recipients. In response to this need, the Substance Abuse and Mental Health Services Administration (SAMHSA), Center for Substance Abuse Treatment (CSAT) developed the Welfare Reform Technical Assistance Project. The project provides technical assistance to public agencies, employment and training organizations, and substance abuse treatment providers working with TANF clients with substance abuse problems. A key component of the project is helping agencies and organizations build critical linkages to effectively meet the needs of this population as they transition from welfare to work.

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