



STATEMENT IN OPPOSITION TO PROPOSED REGULATORY CHANGES TO THE
TEMPORARY DISABILITY ASSISTANCE PROGRAM
COMAR 07.03.05.04, .05, .10, .16, and .17

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The Maryland Budget and Tax Policy Institute opposes the Maryland Department of Human Resources/Family Investment Administration (DHR) proposed regulatory changes to the Temporary Disability Assistance Program (TDAP). The regulations if/when they go into effect would further compromise the stability of medically and socially fragile individuals. TDAP provides a limited cash benefit of \$185 per month to single adults with no other source of income who have been certified by health providers as unable to work due to serious medical disabilities. TDAP is an essential safety net for more than 18,000 disabled Marylanders with no other source of income. While the TDAP is insufficient to meet all of the needs of beneficiaries, it is an essential resource for meeting basic needs such as shelter, food, and transportation.

The proposed regulations would make the following changes – and have the following consequences:

- **Change to grant amount:** The Secretary of DHR could, at any time, reduce by any amount the monthly TDAP grant amount.

The consequence: People with disabilities and no other source of income would be less able to meet basic human needs, such as shelter and food. Results of a recent study found that 64% of beneficiaries use TDAP for housing and, of this group, 55% were able to secure housing for most or all of the month; 48% use at least a portion of the stipend for food; Reductions to the current program further jeopardize those individuals already living on the economic edge and shift costs to other areas of the community (such as shelters, criminal justice/ courts, police, and emergency medical services).

- **Change to period of temporary eligibility:** People with no other source of income who are certified by health care providers as temporarily disabled (i.e., with disabilities expected to last one year or less) would be only be eligible to receive TDAP benefits for 6 months – as opposed to the current 9 months – within a 36 month period.

The consequence: People with short-term disabilities, who need a safety net as they convalesce, will be cut prematurely and fall into deeper disability and homelessness. Roughly 16% of current TDAP recipients are receiving temporary benefits. For this group, TDAP provides a bridge for them as they get well enough to return to work. In a recent study, 12% of former recipients reported having returned to work following their receipt of TDAP benefits. Reducing the period of eligibility will leave this group without a bridge – leading to deeper disability and homelessness – and make it more difficult for them to return to work.



- **Change to period of permanent eligibility:** People with no other source of income who are certified who are certified by health care providers as permanently disabled and who are pursuing federal disability benefits would be eligible to receive TDAP benefits for a maximum of 24 months within a 5 year period.

The consequence: *Over 2,600 people with permanent disabilities would immediately lose their only source of income as they wait for approval of their federal disability application. In the coming months, many more would lose the benefit as the time to process their SSI/SSDI application surpasses the two-year TDAP eligibility period. Without the monthly TDAP grant, these individuals are more likely to sleep on the streets and rely more heavily on soup kitchens and other venues for food needs. This only complicates health conditions for individuals with a range of chronic illnesses including diabetes and hypertension. Instead, the state should put efforts into reducing the period of time between application and approval for federal disability benefits.*

The impact of the proposed measure will simply shift costs to other areas of the community and the state (such as shelters, criminal justice/courts, police, and emergency medical services). Cutting front-end costs in TDAP will only increase back-end costs. Avoid cutting programs in DHR. Instead of balancing the budget on the backs of Maryland's most vulnerable who depend on DHR's safety net programs, the Governor and the Legislature should make temporary use of the state's reserve funds and consider revenue raising options to balance the state's budget deficit.

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