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## **Advocates: Welfare privatization is wrong approach in a time of need**

In 2007, Associated Churches of Fort Wayne and Allen County's food bank served 5,000 seniors in its 26 sites in Allen County. This year, the food bank has already served 10,000 seniors, the food bank's director, the Rev. Vernon Graham, said Wednesday during a news conference.

The meeting was called by advocates who say too many people are being dropped from food stamps and Medicaid because of snafus with the state's new privatized and modernized welfare system. After clients are dropped inadvertently because of computer and other issues, it is taking weeks, sometimes months, to get benefits reinstated.

Graham hears the woes of desperate people who once had welfare benefits or qualify for them, as does John Cardwell, chairman of the Indiana Home Care Task Force, a voluntary membership group of 70 organizations that works to ensure needs of older adults and people with disabilities are met. People are "pleading for help," Cardwell said.

The food bank used to be one of several community agencies that assisted people in applying for benefits, but under the new system, "we don't help sign people up anymore," Graham said.

Last October, to the tune of \$1.16 billion, Indiana outsourced its processing of welfare benefits to two private vendors, IBM and Affiliated Computer Services. In addition, under the state's modernization of the welfare system, the Indiana Family and Social Services Administration, which oversees Medicaid and other welfare benefits, rolled out in some counties, including Allen, a computer-only or telephone-only application system. Case managers who worked for the state became employees of the private vendors.

Under the old system, case managers processed applications face-to-face. Now many people without access to computers or those with cognitive or sensory disabilities have problems applying or getting reinstated once they've been dropped from the system through no fault of their own. In many cases, they give up. They go to the food banks or an agency for help.

The "trigger" that consistently seems to lead to application problems or the inability for reinstatement is the lack of personal contact with case managers, Cardwell said, noting he has spoken to a number of former state caseworkers who have quit their jobs with the private vendors because of the multiple problems and the fact their role is not what it used to be. The phones are backed up, people are put on hold and applicants rarely speak to the same person about their case.

Diann McCormick, president of Aging and In-Home Services of Northeast Indiana, said her agency is helping clients with problems.

But Cardwell pointed out that agencies such as hers do not have staff and funding to assist people. The Mental Health Association in Terre Haute, for example, has spent \$3,600 in staff

overtime in recent months to aid people and “in some nursing homes, staff members are using 90 percent of their time to get residents back on Medicaid.” Single moms and other vulnerable individuals are also being affected.

Something is definitely wrong when “the number of people unemployed and the number of people getting food stamps is diverging,” said Dan Skinner, a former Fort Wayne banker who calls himself a volunteer investigator assisting the disenfranchised to restore benefits. Some of the most serious cases have involved people in need of life-saving medicine.

Jim Wallihan, president of the statewide advocacy group United Senior Action, said FSSA must come clean on the financial rationale for outsourcing the services, and the contractors need to share findings of market research likely done prior to bidding for the contract.

“How many people did the contractors expect to serve?” he said.

Outsourcing is usually a cost-saving measure, Graham said, “or that's the goal, maybe not officially.”

Last month, eight LaPorte County welfare beneficiaries filed a lawsuit against the governor and top FSSA officials, seeking to block welfare privatization in northwest Indiana. Cardwell said a national law firm has come on board with the suit.

“Our clients are doing this not just for themselves but for tens of thousands of other young, elderly and disabled residents...if the administration wants to provide computers and call centers as another entry point or option to check on benefits, that's great, but you don't replace highly skilled local caseworkers who do eligibility with somebody working for a private vendor in a call center,” said Shaw Friedman of LaPorte, attorney for the group.

Several things can be done, organizers of Wednesday's meeting said, including federal action to disallow privatization of benefit processing and state legislative intervention. Details of the contract, which Cardwell has read, say it can be broken. They are also encouraging beneficiaries and social service agencies to speak up.

“The system is not just breaking down,” Graham said. “It's broken.”

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