

Aid to the Needy and Disabled Program (AND)

Excerpts from a Fact Sheet and Case Studies
by the **Colorado Coalition for the Homeless**, 10/15/2009

Overview

The AND program was established by the Colorado General Assembly in 1953 as an “interim assistance program” for people waiting for their federal Social Security benefits to begin. The majority of people receiving AND support ultimately receive Social Security benefits.

What is “AND - SO”?

Aid to the Needy and Disabled State Only Program (AND) is an interim assistance program, of \$200 each month, provided by the State of Colorado to people who meet the requirements of need and disability, between the ages of 18 and 59. Claimants prove disability for this program by having a doctor certify that they are unable to work for a period of at least six months. Benefits are paid under this program only if the claimant has a pending claim for Supplemental Security Income (SSI) disability benefits. Upon receipt of SSI benefits, the claimant reimburses the state for any AND benefits received.

Applicants must be medically certified by a physician (on Med-9 form) to be or expected to be totally disabled for at least six months; meet the individual resource limit of \$2,000 or the limit of \$3,000 for a couple; meet Colorado residency, citizenship/legal immigrant status requirements; must exhaust all other public financial assistance benefits, such as Colorado Works; must be between the ages of 18 and 59; and, must apply for Supplemental Security Income.

What is “SSI”?

Supplemental Security Income (SSI) is a need-based benefit provided through Title XVI of the Social Security Act administered by the Social Security Administration (SSA). Claimants for this program often have a concurrent claim for disability benefits under Title II of the Social Security Act, Social Security Disability Insurance (SSDI). The Social Security Act defines disability for both programs as: “The inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.” [42 U.S.C. §423(d)(1)(A)].

What is “DDS”?

Disability Determination Services (DDS) is the Colorado state agency that makes the disability decisions for the Social Security Administration (SSA). When SSA added protection for the disabled in 1953, Congress wrote into the law that the disability decision had to be made by a state agency and not by a federal office. SSA pays the state to run the office and make the decision. DDS has nothing to do with the application process, any other eligibility determination, or the determination or calculation of benefits.¹

What is the cost of the AND program to the State of Colorado?

According to Colorado’s Department of Human Services (DHS), a suspension of the AND program will reduce the FY 2009-10 appropriation by \$7,146,477 total funds (\$4,544,073 in general funds and \$2,624,303 in cash funds). The AND program is an “interim assistance” program, (i.e., provision is made for receipt of state benefits pending an SSI eligibility decision). DHS reports that approximately 20 percent of the AND recipients are approved for SSI, at which time Colorado is reimbursed for the AND payments it made. However, other states report higher reimbursements at 49 percent (Maryland) and 67 percent (Washington).

How many people in Colorado benefit from the program?

The AND program served 10,310 unduplicated recipients in FY 2008-09; the average monthly caseload was 5,933. The monthly caseload in July of 2009 was 6,526. Eighty-two percent of recipients reside in the 10 largest counties in Colorado (Denver, Jefferson, El Paso, Arapahoe, Adams, Boulder, Larimer, Weld, Douglas and Pueblo).

How long does an AND recipient wait for a decision on their SSI claim?

In Colorado, wait times for decisions on SSI claims currently take 22 months, on average. During that time, the claimant's only source of income is AND. In FY 2008, Colorado's DDS granted only 34 percent of the initial claims. This initial claims process took an average of 125.4 days. If the initial SSI claim is denied, there are several other levels of appeal for the claimant. It is not unusual for claimants to wait five years or more to ultimately get a favorable decision in their SSI claims.⁴

Who does AND serve?

The AND program serves a unique population – individuals who are poor, disabled, unable to work, are awaiting SSI benefits, and who are not eligible for other state assistance programs such as Temporary Assistance to Needy Families (TANF). Fifty-seven percent are men; 43 percent are women. The majority, 56 percent, are between the ages of 46 and 59; 34.3 percent are between the ages of 30 and 45; and 9.7 percent are aged 18 to 29.

Major disabilities among all recipients are: a mental disability, a muscular-skeletal diagnosis, a neuralgic disorder, a cardio-vascular diagnosis, or an endocrine diagnosis. The Colorado Department of Human Services reports that 1,837 of all AND beneficiaries are homeless (18 percent).

Two-hundred dollars isn't much. Do people really need AND?

Nearly half of SSI recipients live in families with income below the poverty threshold, even after receiving an SSI payment. However, SSI does serve an important role as a social safety net moving many recipients out of extreme poverty, when the family's income is below 50 percent of the poverty threshold. The fraction of SSI recipients in extreme poverty is reduced from 41 percent to five percent when SSI payments are included.⁵

What other safety net programs are available to AND beneficiaries?

The only additional safety net program available to AND recipients in Colorado is "Food Stamps". However, the federal government places numerous restrictions on the use of Food Stamps, disqualifying items such as paper products (toilet paper) and toiletries (toothpaste, etc.). And, at a time when the demand for emergency food assistance is increasing⁶, Colorado fell to 52nd (behind Guam) in food stamp processing in 2007, according to the U.S. Department of Agriculture.

Colorado received 20,000 more food stamp applications in January 2009 compared to the previous year. Federal rules require that food stamp applications be processed within 30 days of application, however as many as 16 percent of Colorado's applications were not processed on time in March 2009. Further, applications for homeless individuals must be processed within seven days. County workers say the backlogs are a result of an inefficient software program called the Colorado Benefits Management System (CBMS). DHS was forced to reimburse the federal government \$9.4 million for mistakes in CBMS related to Food Stamp processing in December 2008.

How do AND recipients spend the funds they receive?

AND recipients are unable to work and have no financial assets, therefore they use their AND funds to meet their basic needs; if they are housed this includes utility costs. To qualify for subsidized housing a minimum rent of \$25 to \$50 is required. The AND payment also enables the individual to make the necessary co-payments for medications and office visits, while they wait for SSI and Medicaid.

How do homeless recipients use AND?

A recent study of a similar interim assistance program in Maryland (the Temporary Disability Assistance Program – TDAP) concluded that recipients (surveyed when accessing homeless services) of TDAP primarily use program assistance to meet basic human needs: 64 percent of respondents reported using some or all of their TDAP benefit to secure some form of periodic, temporary housing (e.g., one to two weeks in motels, the remainder of the month in shelters when available or on the streets). Respondents also frequently reported using the TDAP benefit to obtain food (48 percent), transportation (44 percent), personal care items (43 percent), and clothing (35 percent).⁷

Colorado Case Studies

Michael P., age 50, is a former veteran who lives in Loveland. He has a traumatic brain injury and a post traumatic stress disorder along with back and hip problems. Since April, he's had two surgeries on his hips. He depends on AND for subsidized rental payments, utilities, a phone and toiletries. He's waiting for his hearing to be scheduled. *"If this goes through and I lose my AND, I'm going to be homeless and hungry. With my hip, I'm really not a candidate for staying in shelters."*

Mary P., age 51, lives in Denver. Her husband, Kirk, age 46, has been diagnosed with paranoid schizophrenia. Two years ago, they lost their jobs and became homeless. One night, while sleeping behind a building near the Platte River, Mary had a heart attack. She now has three cardiac stents. In April, Mary and Kirk started receiving AND, enabling them to get off the streets and rent a small studio apartment. Their SSI applications have been denied and they are appealing. *"Without AND we would be another homeless statistic. For us and a lot of people, it is so needed, so beneficial, so appreciated. I can't imagine you pulling it away from us who have nothing to begin with. There must be another way to cut the budget."*

Connie lives in Rifle. She is physically disabled and unable to work. After a seven year battle, she was approved for SSI benefits. The AND benefits she received will be paid back to the state of Colorado. Without AND she would have been homeless. *"I am asking you to please continue the AND program so that people like me will be able to live not in fear, but with hope."*

Michael B., age 59, lives on the streets of Denver. His mental health issues make it difficult for him to handle sleeping at a shelter. While homeless, he's been mugged, hit by a car and hospitalized for contusions and a broken leg. As Michael waits to hear if his SSI will be approved, he depends on AND for necessities like prescription glasses, a blanket, a tarp, a sewing kit to mend his clothing and, when the weather is especially harsh, a night in a motel. *"If you have nothing, you don't have a chance. Without AND, they'll be twice as many people on the streets flying signs...."*

Betsy is a single woman who lives in Denver. She has diabetes and Addison's disease. On Christmas in 2008, she fell on some ice. Betsy had several surgeries and has a permanent metal plate and three screws that hold her shoulder in place. Unable to continue her work as a Certified Nursing Assistant, Betsy lost her job, health care benefits and home. With her AND, she has been able to secure subsidized housing. *"I use AND for bus fare, to get to the medical appointments I need to go to, and for other basic necessities like toiletries and utilities. Without AND benefits, I wouldn't know what to do."*

Robert, age 46, lives with his parents in Thornton. He has back problems that limit both his ability to stand for long periods of time and his mobility. He also has a mental health diagnosis. His symptoms include paranoia, anxiety and difficulty concentrating. He has been unable to work for the past two years and has been homeless. With his AND monthly benefit, he contributes what he can to household expenses at his parents, pays for bus fare to appointments and attempts to pay off a debt from an uninsured hospitalization for pneumonia. *"I hope this doesn't happen 'cause when you ain't got two nickels to rub together, it makes you want to go into other things like addiction and crime. When you're on the streets, it's dog eat dog; you do anything to survive."*

Marvin, age 51, lives in Alamosa. Three years ago while working as a mason, he fell through a roof and sustained a back injury. Doctors didn't know if he would ever walk again. After multiple surgeries, exhausting his Workers' Compensation and unable to work, Marvin became homeless. He applied for SSI and started receiving AND in July. Last month, he was assaulted in an alley and broke his arm. He used his AND to buy a bike. With one good leg and arm, he is able to pedal to doctors' appointments versus paying cab fare. He's currently staying at a shelter. His AND makes him eligible for subsidized housing and he is on a waitlist. *"Please don't cut AND. I don't know what I'll do or where I'll turn to. Without that little bit of money I won't have no chance at all of getting an apartment. I'll freeze to death on the streets."*

Virginia, age 47, lives in Denver. Virginia has struggled with her mental illness since she was a teenager, but did not receive an accurate diagnosis until four years ago. She applied for Social Security disability benefits several times over the past 15 years. When she was denied, she tried to fend for herself. In 2002, she became homeless. She's currently receiving AND and has an attorney to help her appeal her case.

AND has enabled Virginia to find subsidized housing and stabilize her mental health. *“It’s helping me get back on my feet; it’s helping me with my medication and mental stability. I think it’s really important for other people who have the same condition as me and who don’t have other options to live independently.”*

Randy, age 36, lives in Denver. Randy was born with a hand tremor. He can’t write legibly or type. He has knee problems and cannot use stairs, lift or run. He also can’t walk for long distances or stand excessively. He has been diagnosed with a bipolar disorder. Randy received AND benefits for the past two years and was just approved for SSI. *“AND literally changed my life. If it weren’t for it, I would be in a homeless shelter. It gave me hope and a chance to be productive.”*

Petra, age 51, is homeless and often finds shelter in Longmont. She started working when she was 14. From 2003 to 2008, she was employed in law enforcement. Three of Petra’s fingers are numb and she has a severe, undiagnosed pain in her arm that she finds intolerable. Petra started receiving AND five months ago. She pays \$30 a month for health care appointments and \$50 for medication for her pain and depression. Her SSI was denied in June and she’s preparing for her hearing. She says she will commit suicide if she loses her AND.

Sam, age 42, lives in Longmont. He has diabetes, cardiomyopathy, non-alcoholic pancreatitis and high blood pressure. Due to his declining health, in 2007, he lost his job as a paramedic. He has been receiving AND benefits for 21 months. Sam pays \$50 a month for rent. He receives free medical exams through CACP and pays \$70 a month for prescriptions. If Sam loses his AND, he will be living on the streets without his medications.

Liz, age 53, lives in Aurora. Because of her diabetes, she’s had multiple toe amputations. She uses oxygen regularly and she has cellulitis and high blood pressure. While waiting for her disability approval, she paid over \$100 of her \$200 AND monthly benefit for medications, including insulin. *“There’s people out there that need AND. They’re fighting to get Social Security. It’s not much but it’s something.”*

Susan, age 50, lives in Westminster. In addition to her mental health diagnosis, Susan can’t lift, bend or use the stairs. She was denied SSI and has a hearing this week. She has been receiving AND benefits for a year and uses \$75 each month to pay for medications for her thyroid problem, high blood pressure and back pain. She can’t afford medication for her arthritis. She also pays \$5 each time she has a health care appointment. Susan doesn’t understand why the Governor would cut a program for which the state gets reimbursed. *“Without AND, I wouldn’t be able to go to the clinic or get any of my meds.”*

Mary L., age 53, lives in Denver. In November of 2007, Mary sustained an injury on her job at a candy and nut packaging facility where she regularly lifted and moved 50 pound boxes. Worker’s Compensation paid for the surgery to repair her hernia in May of 2008, but Mary never fully recovered. With limited mobility and only able to lift ten pounds, Mary lost her job and her home. Since April, she’s lived in a shelter. She applied for SSI/SSDI and started receiving AND benefits three months ago. With her AND, Mary covers co-pays for prescriptions and doctors’ visits under Medicaid. Because she receives AND, she qualifies for subsidized housing and is on a waitlist. Without AND, Mary will remain homeless.

Allen, age 38, lives in Colorado Springs. Allen has a mental illness. He grew up in foster homes and residential facilities with intermittent stays at the State Hospital. He was molested multiple times. As an adult, he has been unable to maintain employment and he’s been incarcerated. Allen recognizes his problems and is receiving help. He applied for SSI two years ago and hasn’t heard the results from his hearing last April. He is homeless, but because he receives AND, he is eligible for housing and is on a waitlist. *“If I lose my AND, I won’t get my medications. I would lose my phone and ability to communicate with anyone. I won’t be able to buy a bus pass, toothpaste or a toothbrush. Taking away AND will hurt the people that are hurt the most to begin with.”*

Melissa H., age 40, lives in Denver. She was a victim of domestic violence for 10 years. She has a permanent neck injury, scars on her face and arms and, she has been diagnosed with a post traumatic stress disorder. With no income or job, soon after her husband was sentenced to 10 years in prison, she lost her trailer and became homeless. She has been receiving AND for six months She uses her AND benefits for prescription pain medication (\$18/ week), bus fare, clothing and other necessities. *“Please don’t cut AND. I depend on it for my medication, transportation and need it to qualify for housing.”*