

# Michigan's Approach to Welfare to Work

Gianelle E. Rivera, Sean Sullivan, and Rosalind Kirk

---

## What is the Welfare Program in Michigan?

Welfare reform at a national level was introduced in 1996 by the *Personal Responsibility and Work Opportunity Reconciliation Act* (PRWORA). The broad aims already matched those that had been in place in Michigan since 1992 when reform was introduced at the state level. Goals were to move those dependent on public assistance into the workforce, establish limits for most benefits, and end "entitlement" programs that guaranteed cash assistance to all eligible adults and children [1].

The Family Independence Program (FIP) is the state's cash assistance program for low-income families with children. It is administered by the Department of Human Services through its local offices in each county in the state. The goal of the Program is to help maintain and strengthen family life for children and parents, or other caretakers with whom they are living, and to help the family achieve the maximum possible self-support and personal independence. Currently, the program serves around 212,000 individual recipients [2]. Eligibility for FIP acts as a gateway to access other programs such as Medicaid.

## Who is Eligible for Cash Assistance?

Recipients must meet a number of eligibility requirements, including an assessment of assets, income and criminal justice status, etc. In addition, there are a number of work requirements. More flexibility exists than before welfare reform for states to define what counts as a 'work-related activity'. Work requirements can be deferred in specific situations such as age, being the mother of an infant under three months.

Appropriate employment-related activities are determined by assessing the client's job readiness. The assessment analyzes the client's educational level, skills, work history, vocational interests, barriers to employment, and child care and other supportive services needs. An Individual Service Strategy Plan (ISSP) is then developed from this assessment to help move the participant into any type of unsubsidized employment that he/she is capable of handling as quickly as possible, and to increase the responsibility and amount of work the participant is to handle over time [1].

## What is the Welfare-to-Work Program in Michigan?

Michigan's employment and training program is called *Work First*. It is administered by local Michigan Works! Agencies (MWAs) under agreement with the Michigan Department of Labor and Economic Growth (DLEG). After an orientation, clients who are not deferred from immediate participation are assigned to job search or job search in combination with other activities. If a recipient does not comply with work requirements, then Michigan applies full-family sanctions for one month or until they are compliant, depending on whichever is longer [2].

## How Many Recipients are in Welfare-to-Work Programs?

There are currently 74,488 adult residents in Michigan in receipt of welfare support [2]. This means there are over 200,000 welfare recipients when children and other dependents, such as grandparents, are included [3].

About 30% of FIP cases are children only, while the rest, 30,010 or 59%, are working full time or involved with a Work First or other training/employment contractor. However, welfare-to-work requirements create the expectation that this should be higher - around 54,160 adults [2].

**There are over 200,000 welfare recipients in Michigan when children and other dependents, such as grandparents, are included.**

## Partners in the Administration of Welfare-to-Work

Departmental responsibilities for the welfare-to-work population (to provide all services and establish plans for TANF) are spread across the [Department of Human Services](#) (DHS), DLEG, and MWAs. The lead agency for working with clients, who are either exempt or deferred, is the DHS [2].

## Current Legislation in Michigan

While no new legislation has yet been introduced during the current legislative session regarding a lifetime limit, a 48-month time limit was written into the House-passed budget for the Department of Human Services. It was not included, however, in the final version of the Department budget.

On the horizon, the federal government is planning to place more restrictions on access to federal welfare funding. States will be required to put 50% of all eligible welfare recipients into work programs by October of 2007. This would be a substantial increase and would be necessary to maintain Michigan's current level of funding [3].

## Issues Facing Welfare-to-Work in Michigan

- ♦ **There is limited scope for the interpretation of 'work-related activities' that maintain eligibility for welfare.** This depends on the definition adopted by state law of an 'allowable activity' which leaves little local flexibility. Since Michigan has always been a "welfare to work" state, it has primarily focused on attaining and retaining employment without allowing for much scope beyond actual "work" [1].
- ♦ **Meeting participation rates are extra challenging when Michigan's unemployment level is already a full 2% over the national average [1].**
- ♦ **Meeting participation requirements will be more difficult because changes in federal funding for TANF from October 2007 will require Michigan to double the number of recipients placed in work or work-related activities and /or increase the number of hours worked each day.** Failure to double the number of welfare recipients who are currently in work related activities will result in a decrease in federal funding yet those who are not already in work-related activities are the most difficult to place for a variety of reasons [3].

## Current Developments in Welfare-to-Work Throughout the State

Currently Michigan has a number of pilot programs in welfare to work that are outlined in Table 1.

**Table 1.**  
**Pilot Welfare-to-Work Programs in Michigan[5]**

Program	Partners	Program Description	Eligibility/Target Population
<b>Distance Learning</b>	Various state and local departments and private sector companies	The course is designed to overcome some of the primary barriers to adult learning such as traditional classroom environments, lack of childcare, lack of transport, etc. Participants have access to distance learning from their homes, local libraries, and one-stop centers, in order to prepare for and take the GED exam.	TANF recipients in the last trimester of pregnancy through their baby's first birthday [3].
<b>FIP Work Participation Project</b>	DHS, DCH & DLEGs	Coordinate and help plan services to FIP applicants and recipients who are claiming a disability beyond 90 days. Help recipients become self-sufficient. Disability claims will be evaluated to determine at what level, if any, the client is capable of working or participating in employment-related activities [3].	FIP applicants and recipients who are claiming a disability beyond 90 days.
<b>Growing to Work Service Centers in Huron, Lapeer, Sanilac, &amp; Tuscola Counties</b>	Thumb Area Michigan Works & DHS	Growing-to-work helps people determine how employable they are and seeks to rank and address the problem areas they have. <a href="http://www.thumbworks.org/programs.asp">http://www.thumbworks.org/programs.asp</a> .	Welfare recipients resident in the thumb area.
<b>Moving Men &amp; Women to Economic Independence in Michigan</b> City of Detroit, Highland Park, and Hamtramck	Goodwill Industries, various local public and non-profit Detroit agencies.	Designed to assist individuals who are chronically unemployed due to multiple barriers. It is a variation of current Work First Program.	Target population: adults living in the urban center of Detroit who have multiple barriers to employment, are chronically unemployed, and living in poverty. Specifically targeted groups include people exiting the criminal justice system, people receiving public assistance, and young, minority men.
<b>Jobs, Education, &amp; Training (JET)</b> There are four pilot sites which began in April 2006 and are aiming for full implementation by July, 2006 [5].	Departments of Human Services and Labor and Economic Growth, and the Workforce Action Network (WAN).	Based on a re-evaluation of the Work First Program. To provide clients with various jobs, education, and training services that will help them gain economic self-sufficiency and attain the skills needed to take part in Michigan's workforce. <a href="http://www.mchigan.gov/documents/DLEG-JET_Program_158370_7.ppt">http://www.mchigan.gov/documents/DLEG-JET_Program_158370_7.ppt</a> .  Pilots are in the following sites: Kent, County, Oakland County - Madison District, Sanilac County, & Wayne County - Glendale/Trumbull District.	Welfare recipients in the 4 pilot counties.