Opinion

The War on Poverty, 2018-Style

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THE VISION OF GOVERNMENT'S RELATIONSHIP TO THE POOR captured in President Trump's Fiscal Year 2019 budget¹ is one of cynicism and contempt, cloaked in terminology that is at once banal and incredibly offensive. Viewed superficially, the annual budget consists of voluminous documents filled with impenetrable data and statistics on economic trends and national spending. Read closely, however, the budget offers a window into a president's values and beliefs. With practice, one can move beyond massive statistical and spending details and discern the president's vision—conveyed through numbers, accompanying text, and rhetorical imagery—regarding government's role for the most vulnerable people, whose lives will be deeply affected by the policy choices made.

When it comes to programs on which the poor depend, the Fiscal 2019 budget is filled with the now-familiar images of political-speak: "state innovation," "state flexibility," "sustainable programs," "self-sufficiency." But these tropes also obscure policy proposals that in the real world have been designed to deprive millions of the nation's poorest children and adults of basic assistance while slashing hundreds of billions of dollars in federal aid to state and local governments. These ideas always have been antithetical to the well-being of the poorest people, but they take on a whole new terrible dimension in the wake of the 2017 tax law, which is projected to add an estimated \$1.5 trillion-plus to the national debt,² and which serves as a the conceptual and moral backdrop to every proposed funding cut one reads.

The president's budget proposals represent an existential threat to the poor in multiple ways, imperiling access to cash and food assistance, help with affordable housing, and access to health care. Two Fiscal Year 2019 Health and Human Services budget proposals deserve particular mention; even if never enacted into law by Congress, both could emerge as federal agency demonstration programs.

Temporary Assistance to Needy Families (TANF). The TANF program, the shrunken block-grant successor to an already minimal program of

aid to the very poorest children and their adult caretakers, served 1.5 million families in 2015, down from 4.4 million in 1996.³ Today TANF reaches 23% of the poor nationwide, a figure that drops to less than 10% in 13 states. Its inability to help even exceptionally indigent families is viewed as catastrophic by experts, particularly since its predecessor, the Aid to Families with Dependent Children program, already covered so few of those needing help. According to federal government data, in 2010, the TANF rolls consisted of slightly more than 1 million adults and about 3.3 million children; enrollment has been dropping since then. In 18 states today, the monthly TANF payment amounts to 20% of poverty or less. With numbers like these, it is reasonable to conclude that TANF has virtually nothing to do with poverty, simply because the poor are overwhelmingly excluded. One example helps: in 2010 (when more people received aid), Wyoming TANF helped 327 families.

According to the president, however, the way to fight poverty is to cut TANF, by “reinforc[ing] the focus of the . . . program on work and self-sufficiency for low-income families by strengthening the primary performance measures related to work engagement, and ensuring that states allocate sufficient funds to work, education, and training activities to low income families.” Through “rigorously evaluated” “Welfare to Work” projects, the president proposes to “allow states to streamline funding from multiple public assistance programs and redesign service delivery so that it is tailored to their constituents’ specific needs.” The sheer absurdity of this vision of what a repurposed TANF can do is underscored by the fact that despite how few families receive help, the budget assumes a \$1.7 billion decline in federal TANF spending during Fiscal Year 2018. What money could there possibly be to educate the poor, help them find work, and support them in work? What more “reinforcing” could go on in a program already infused with work requirements and lifetime caps?

Medicaid. Medicaid is the prize if one is looking for a trillion dollars to offset the losses stemming from tax reform. Not surprisingly, therefore, the president’s budget calls for a trillion-dollar reduction. Medicaid’s size simply is a function of its responsibilities; today the program insures more than 75 million people, provides long-term services and supports to the nation’s most vulnerable children and adults, and performs vital public health safety-net functions that no other program is capable of undertaking, from helping communities mainstream children with disabilities who need health supports to attend school to

aiding in the recovery of entire health care systems after public health catastrophes.

According to the administration, the fact that Medicaid helps so many is the central problem, not a program strength. What is seen by many (including most of the nation's governors) as a central achievement of the Affordable Care Act—eliminating Medicaid's historic bias against poor adults as was done for children in poor 2-parent families 30 years ago—is, according to the administration, a “clear departure from the core historical mission of the program.”⁴ Why a federal law that helps the poor cannot be modernized like any other law (including the Internal Revenue Code) is never explained. Nor does the administration explain how an act of Congress could effectively be contrary to public policy.

To rectify what it views as Medicaid's abandonment of its historical mission, the administration attacks on two fronts. On the legislative front, the president calls for converting Medicaid into a block grant, a proposal that already failed in the Senate as part of the protracted 2017 struggle over the ACA's future. Block granting Medicaid would have slashed total funding by a trillion dollars; in the final version of the proposal that failed in September 2017, federal funding would have entirely disappeared after 8 years. Even the most extravagant clichés regarding state flexibility could not mask what was going on in terms of dollars lost to care, the financial burden shifted to states, and the millions of people disinsured.

On the administrative front, using images right out of the English Poor Law, the administration proposes to “help individuals and families rise out of poverty and attain independence” by taking away Medicaid from “able-bodied” individuals who fail to meet a blizzard of virtually impossible work, financial responsibility, and reporting requirements. One need only read the plight of the individual plaintiffs in *Stewart v Azar*⁵—filed in federal court to halt the administration's Medicaid work policies and its approval of Kentucky's Medicaid work demonstration—to appreciate how harsh and divorced from reality the president's war on poverty truly is.

References

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