



THE BENEFIT BANK[®]
CONNECTING COMMUNITIES TO RESOURCES



FREQUENTLY ASKED QUESTIONS ABOUT THE WORK SUPPORTS INITIATIVE AND THE BENEFIT BANK

1. What is the Work Supports Initiative?

The Work Supports Initiative (WSI) is a national outreach effort using a Web-based service called The Benefit Bank[®] to connect low- and moderate-income Americans with work supports, in the form of tax credits, public benefits, and other assistance such as student financial aid. WSI operates through “State Affiliates,” consisting of one or more nonprofit organizations willing and able to implement outreach efforts using The Benefit Bank. State Affiliates are supported by strategic advice, training, coaching, and technical assistance from WSI’s national partners.

2. What is The Benefit Bank and how does it work?

The Benefit Bank is a Web-based service that helps low- and moderate-income Americans overcome barriers to claiming work supports. The program offers bundled access to tax credits, public benefits, and other assistance at one-stop sites sponsored by faith-based, community, private-sector, and governmental organizations. The service prompts counselors to pose easy-to-answer questions and uses client answers to complete income tax returns and work supports applications in ways that improve outcomes for clients. These forms are typed, complete, and ready to file, often electronically to the state agency responsible for the income tax returns and applications being submitted.

3. What services does The Benefit Bank offer?

The program uniquely offers *both* free federal and state income tax assistance (including Earned Income Tax Credit refunds and other tax credits), *and* help completing forms for public benefits (such as food stamps, children’s health insurance, Medicaid, child care subsidies, and home energy assistance). The Benefit Bank also offers access to school nutrition programs, senior discount prescriptions, senior community service employment, Medicare Part D LIS, and the Free Application for Federal Student Aid (FAFSA), including Pell Grants.

In July 2009, an additional module will be available in Ohio, for use by specially-trained counselors, for access to Social Security Income (SSI) and Social Security Disability Income (SSDI), as part of strategies to reduce homelessness and recidivism. This module can be tailored for use in other states.

The Benefit Bank’s interview-based format makes it easy to use with a relatively small investment in training. This makes it appropriate for use in a wide variety of governmental and community-based settings. The Benefit Bank operates year-round, not just during tax season. It not only screens for potential eligibility for work supports, but completes application forms. The program also offers “Quick Check” (a 90-second screening tool), a site-finder, e-filing of tax returns, direct deposit tax refunds, a self-service income tax preparation option, and e-filing of benefits forms.

4. Why is The Benefit Bank a beneficial program?

Two key benefits:

- a. **Helping Families** - The Benefit Bank connects families with the resources they need to be healthy, remain stable, and retain employment. The Benefit Bank has resulted in tens of millions of dollars being returned each year to low- and moderate-income families.
- b. **Boosting the Economy** - Accessing these work supports infuses resources into the State economy that translates into economic stimulus for the state and its communities. Unclaimed tax credits, home energy assistance, Medicaid insurance payments, and other program benefits, if claimed by families, have significant impact on the economy. For example, households claiming and spending supports to buy goods and services in their community create jobs, increase income and generate taxes.

5. Why is WSI needed now?

When our country needs effective measures to help families and boost economic recovery, WSI addresses the problem that over \$39 billion in work supports are unclaimed each year by eligible Americans who do not apply. More than 90% of these unclaimed supports are federal dollars, under existing government programs, that could be helping low- and moderate-income Americans make ends meet and boosting local economies when spent to buy goods and services.

There are many reasons why families do not apply for the supports for which they are eligible. A National Governor's Association study found that many Americans do not claim work supports because of complex application procedures requiring one or more office visits and taking time off from work. Others are reluctant because of perceived stigma associated with applying for supports at county "welfare" offices. Many people, especially displaced workers, are unaware of available assistance. Some believe that the employed are not eligible. For others, applying for food stamps is not worthwhile unless access to many supports is "bundled," so they can claim other supports at the same time.

WSI's effort to connect eligible Americans with these supports is especially important now because the American Recovery and Reinvestment Act recently increased eligibility and funding for work supports to which The Benefit Bank offers access:

- a. Tax credits for low- and moderate-income Americans
 - 1) Make Work Pay Tax Credit (**new**)
 - 2) Earned Income Tax Credit (EITC) (**increased**)
 - 3) Child Tax Credit (CTC) (**increased**)
 - 4) American Opportunity Education Tax Credit (**new**)
 - 5) First-time homebuyer credit (**increased**)

- b. Student financial aid
 - 1) Pell Grants (**increased**)
 - 2) Work-study opportunities (**increased**)

- c. Other work supports
 - 1) Supplemental Nutrition Assistance Program (**formerly food stamps, increased**)
 - 2) Children’s health insurance (**enhanced by other congressional action**)
 - 3) Medicaid (**increased**)
 - 4) Child care subsidies (**increased**)
 - 5) Senior Community Service Employment (**increased**)

The help for low- and moderate-income families and economic impacts for the nation’s economic recovery are realized only if families apply for the work supports for which they are eligible.

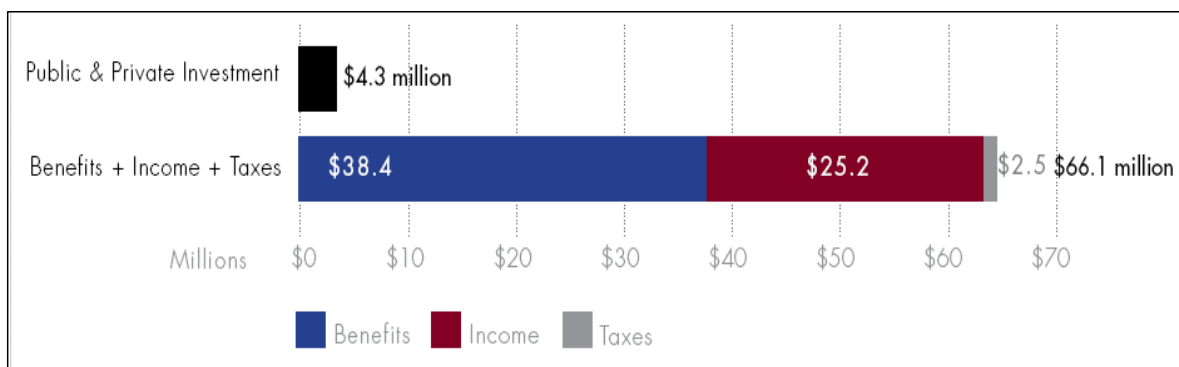
6. Why is there a window of opportunity to implement outreach using The Benefit Bank in the current economic and political climate?

Funding to establish outreach efforts in a state is urgent now because of a one-time opportunity to leverage investments for outreach into a much larger economic impacts to help families and the national economy recover from the recession. Under the recently-enacted American Recovery and Reinvestment Act, there are more than a dozen sources of increased funding for each state, small portions of which could fund a State Affiliate to establish outreach efforts.

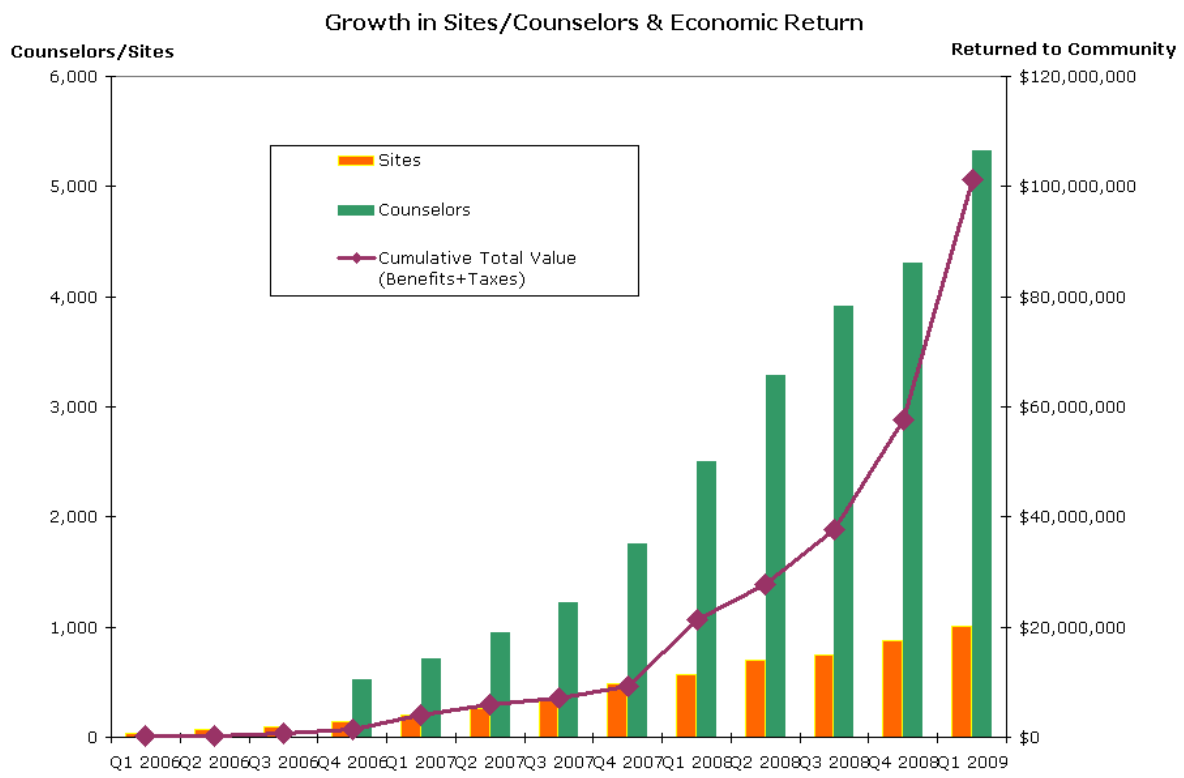
7. What specific economic impacts does The Benefit Bank provide?

Nationally, each year more than \$39 billion of work supports go unclaimed by eligible households. Over 90 percent of these “lost” supports are federal dollars. Infusion of these resources into state economies translates into economic stimulus for states and their communities.

Ohio University’s Voinovich School of Leadership and Public Affairs recently completed an economic impact analysis of the Ohio’s Benefit Bank program. The study estimates that \$38 million in work supports have injected an additional \$27 million in additional income and tax revenues into Ohio’s economy in its first two years, as shown on the following chart:



The total economic impact of the program thus exceeded \$66 million dollars during its first two years. The public and private investment in outreach produced a return on investment exceeding 8 to 1. WSI is designed to replicate and extend the Ohio model in other states by recruiting and coaching State Affiliates, which in turn recruit faith-based and community organizations to sponsor Benefit Bank sites and train volunteers and staff from those organizations to serve as counselors. At this point, during less than three years of operations, nearly 1,000 Benefit Bank sites and over 5,300 counselors in 87 of Ohio's 88 counties have helped more than 67,000 Ohioans claim more than \$101 million in work supports, as shown on the following graph:



8. Why is The Benefit Bank an effective statewide economic stimulus and anti-poverty model?

The Benefit Bank online services have been developed for use by a wide range of community-based, faith-based, governmental, job training, healthcare, and social service agencies. Once established in the state, the services can be used by all such host organizations. Through the State Affiliate, there is no charge for a host organization to use the program, no charge for training, and no charge to low- and moderate-income clients. This model allows for rapid deployment.

9. How has The Benefit Bank helped provide targeted support to displaced workers?

The Ohio Benefit Bank's organizers use GIS mapping tools and demographic data to identify local communities most in need of economic development help due to job losses. The ranks of the working poor are growing in those areas because, for workers without the education or

retraining to gain employment in sectors of the economy with growth potential, most other jobs offer low pay with few benefits. Using the mapped data, the organizers supported and trained local Benefit Bank outreach coalitions in specific neighborhoods hard-hit by job losses in places such as Circleville, Chillicothe, Dayton, Lima, Lorain, Steubenville, Toledo, Youngstown, and Zanesville.

In Wilmington, Ohio, a broad-based, community-wide effort established a Benefit Bank site at a local church in advance of heavy job losses from anticipated facility closures by major employers. Connecting displaced workers with supports is being used as a strategy to help them make ends meet and retrain for future, better-paying employment.

10. Where is The Benefit Bank operational now?

The Benefit Bank operates presently in six states (Arkansas, Florida, Mississippi, Kansas, Ohio, and Pennsylvania).

11. Who is leading WSI?

The initiative is led by three national partners: MDC, Inc., a forty-year old nonprofit organization focused on education, employment, and asset-building; World Hunger Year, a national anti-hunger and anti-poverty organization; and Solutions for Progress, Inc., the developer of Benefit Bank technology.

MDC, based in Chapel Hill, North Carolina, is the managing sponsor of WSI. This organization has a long track record of managing similar regional and national initiatives in education, economic and workforce development, and asset-building and strategic philanthropy. MDC helps organizations and communities close gaps separating people from opportunity, especially in the South. See www.mdcinc.org.

Ralph Gildehaus, a Senior Fellow at MDC, leads WSI efforts at MDC. Until recently, he served as the director of the Ohio Benefit Bank in the Governor's Office of Faith-Based and Community Initiatives.

World Hunger Year is a anti-hunger and anti-poverty organizations that sponsors, among other programs, the National Hunger Hotline and a database of more than 8,400 organizations providing resources to low- and moderate-income families. See www.whyhunger.org.

Solutions for Progress, Inc., is a public policy information technology firm that developed and operates The Benefit Bank. Solutions is the technology partner in WSI and completes the programming required to enhance the platform, tailor it to the specific requirements of new states, and add new services to The Benefit Bank. See www.thebenefitbank.com.

12. How does WSI help create and support State Affiliates?

WSI integrates three organizing models to foster State Affiliates: (a) the Ohio Benefit Bank model; (b) the MDC initiative model; and (c) the World Hunger Year national network-building model.

MDC, the managing partner of the initiative, is experienced in creating and implementing national and regional initiatives, including Achieving the Dream -- a national community college student success initiative, which is the model for and very similar to the structure of the Work Supports Initiative. MDC also runs EITC Carolinas, which supports local nonprofit organizations in North Carolina and South Carolina in conducting Earned Income Tax Credit outreach campaigns. Drawing upon MDC's experience in organizing initiatives such as the Program for the Rural Carolinas, EITC Carolinas, and Achieving the Dream: Community Colleges Count, MDC is replicating the Ohio approach by fostering and coaching State Affiliates to implement work supports outreach. MDC will focus capacity-building training around a Training Academy to prepare new State Affiliates.

World Hunger Year, with experience spanning more than two decades in building a national network of local and regional food security and anti-poverty organizations, will expand its National Hunger Hotline to refer callers to Benefit Bank sites and other anti-hunger resources. The partners will develop a marketing campaign focusing on earned media and use of the broad network of World Hunger Year (more than 8,400 organizations), national faith organizations, and MDC from over 40 years of experience implementing national and regional initiatives. The National Hunger Hotline will:

- Answer calls from across the country
- Perform brief pre-screening for food and nutrition programs and other work supports
- Connect callers to the proper local offices and resources
- Establish a liaison with local offices to troubleshoot difficult cases
- Explain food and nutrition and other work support programs to consumers
- Connect callers to emergency food in their communities, as appropriate

Solutions for Progress, Inc. is a mission-driven technology firm that operates The Benefit Bank under a Software as a Service (SaaS) model. Solutions is the technology partner in the initiative and undertakes developments to The Benefit Bank expert system required to enhance the platform and to tailor it to the specific requirements of new states. Solutions provides training on using the Benefit Bank, help desk services, and other technical support to State Affiliates. Together, these national partners, and others likely to be named in the future, recruit and train "State Affiliates" to implement the Work Supports Initiative in each state and provide them with the tools they need to be successful.

13. How does a State Affiliate engage state and county governments?

WSI national partners coach each State Affiliate on how to collaborate with state and county governments. In Ohio, the state is an active partner in Benefit Bank outreach efforts both through the Governor's Office of Faith-Based and Community Initiatives and through many state agencies, including the Ohio Departments of Aging, Development, Job and Family Services, Rehabilitation and Corrections, and Youth Services.

Counties are collaborating in many areas of Ohio. For example, in the Cincinnati area, the Hamilton County Department of Job and Family Services has issued more than \$1 million in

grants to deploy mobile Benefit Bank counselors. These counselors are employed by a community-based organization and use laptop computers, mobile Web access, and portable printers to bring the Benefit Bank to people's doorsteps. WSI will teach partners in other states how to engage state and county governments in similar ways.

14. What is the plan for electronic filing?

The State Affiliate and appropriate WSI partners engage state and county governments in each state to allow for the electronic filing of state income tax return and public benefits forms. This involves reaching agreements with the state agencies responsible for various work supports to arrange for the electronic submission of information from The Benefit Bank to the state's computer systems.

Because Benefit Bank forms are legible, complete, and accurate, when they are submitted electronically, government offices save data entry time that allows case workers to focus more on eligibility determination and helping clients. As The Benefit Bank has expanded into more states and supported a wider array of benefits, Solutions has gained unparalleled experience in the issues, challenges, and opportunities provided by the development of electronic benefit submission. As a result TBB offers an array of approaches ranging from directly faxing applications to state offices, through the electronic transmission of PDF copies of applications for local printing and data entry by state/county workers, to the electronic submission of XML-formatted applications directly into state back-end eligibility systems.

15. How will this effort be sustained?

The WSI planning process will coach prospective State Affiliates to develop sustainability plans. Because of the demonstrated high return on investment, continuing maintenance and outreach funding was secured from state and county governments, local foundations, and federal matching funds.

16. Does WSI affect government jobs?

Yes, in positive ways. WSI maintains a bright line between outreach, which WSI provides, and eligibility determination, which is strictly the province of government caseworkers. WSI outreach does simplify eligibility determination, because case workers will need to spend less time entering data and less time per application, since forms from the Benefit Bank are legible, complete, and received electronically. WSI represents job security for government workers because the effort will break down barriers to Americans accessing work supports and sign up more people for this assistance if they want the help.

17. What is the involvement of WSI with community groups and existing efforts?

WSI is designed to train State Affiliates to empower faith-based and community organizations to provide work support outreach using The Benefit Bank to connect Americans with tax credits, public benefits, and other assistance.

In Ohio, organizers use demographic data and GIS mapping tools to target outreach to those areas most in need of help. For example, data and mapping revealed low food stamp and EITC participation rates in Southern Ohio, compared to high home energy assistance and poverty rates in the same area. Based on this information, the Ohio Department of Development decided to award \$400,000 in grants, with a 50-50 match requirement, for each of the next three years to Community Action Agencies to implement The Benefit Bank in their service areas. The Columbus Foundation, after learning about work support underutilization in the 10 poorest counties in Ohio, all located in the Appalachian southeast part of the state, invested almost \$200,000 in food stamp Benefit Bank outreach in these counties. This investment was matched 50-50 by the federal government under Ohio's first-ever food stamp outreach plan.

18. How does the WSI help to break down “silos” within government?

Using The Benefit Bank platform provides clients with seamless access to work supports regardless of the number of agencies involved. Just as importantly, the common Benefit Bank platform encourages inter-agency collaboration to publicize access to and outreach for work supports.

In Ohio, the most extensive collaboration encouraged by the Ohio Benefit Bank is called “SSI SSDI Ohio,” which enables specially trained counselors to assist clients in accessing SSI and SSDI benefits through use of Benefit Bank technology. This effort is being led by the Governor’s Inter-agency Council on Housing and Homelessness with resources and support from a variety of other federal and state agencies, including the Social Security Administration, the Governor’s Office of Faith-Based and Community Initiatives, and Ohio Departments of Development, Job and Family Services, Mental Health, Rehabilitation and Corrections, and Youth Services.

The Ohio Benefit Bank facilitates these collaborative efforts to the advantage of low- and moderate-income Ohioans.

19. How does the WSI address the increasing need for these work supports?

State and county governments are encouraged to use The Benefit Bank as an active “front door” to stay ahead of the increasing number of work support applications they are receiving during worsening economic times, and to reach new clients who are now eligible for work supports. By receiving work support forms electronically from The Benefit Bank, which are legible, complete, and accurate, counties save case work time which is better devoted to other aspects of serving mounting case loads.

20. How are counselors trained?

Counselors are trained to use The Benefit Bank software and in listening skills. They do not need to be tax or benefits experts because the expertise resides in the system. Training takes 4-5 hours for taxes and 4-5 hours for benefits. The courses may be taken in any order. Training

is provided by the State Affiliate in a particular state. The training is free to counselors and the organizations that sponsor them.

21. Who are Benefit Bank counselors?

Many counselors using The Benefit Bank are volunteers serving faith-based and community organizations, while others are social workers who already help their clients apply for work supports. These counselors enjoy the convenience of using The Benefit Bank from their desktop or laptop computers.

22. What are the Benefit Bank’s privacy and security safeguards?

Site, counselor, and client agreements make clear that information entered into The Benefit Bank is the property of the client and is protected by bank-level encryption and other security measures. Use of information is confined to that authorized by the client.

23. How do employers and labor unions use The Benefit Bank?

Connecting employees to work supports is a substantial supplement to the wages of low- and moderate-income workers. This is why private employers and unions are beginning to use The Benefit Bank to counsel their employees and members.