



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

CIVIL DIVISION

March 22, 1972

Dear Mr. Twiname:

We have reviewed the Cuban refugee program administered by your agency within the Department of Health, Education, and Welfare (HEW). On November 3, 1971, we issued a report entitled "Analysis of Federal Expenditures to Aid Cuban Refugees" (B-164031(3)), to the Subcommittee to Investigate Problems Connected with Refugees and Escapees, Senate Committee on the Judiciary.

This letter report--based on our review at HEW headquarters and at local welfare offices in two metropolitan areas--presents our views that certain HEW policies concerning the States' providing public assistance to Cuban refugees are in need of clarification.

INTRODUCTION

When Fidel Castro came to power in Cuba early in 1959, thousands of Cuban people fled that country and many of them came to the United States, principally to the Miami area. Most of the refugees left all personal belongs in Cuba and arrived with virtually no money or resources.

Initially emergency assistance to meet the needs of the refugees was furnished by local public and private welfare organizations. In December 1960, however, the President established a Cuban Refugee Emergency Center in Miami to relieve the mounting economic and social problems created by the heavy influx of refugees in that area. In February 1961 the President directed that a Cuban refugee program be established in HEW.

Permanent authority for the program was provided by the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601), which provides for (1) financial assistance to needy refugees, (2) financial assistance to State and local public agencies which provide services for substantial numbers of refugees, (3) paying the costs of resettling refugees from Miami, and (4) establishing employment and professional refresher training courses for refugees.

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About 611,000 Cuban refugees have entered the United States since Fidel Castro came to power, of which about 443,000 have registered with the Cuban refugee program. A refugee remains eligible to receive services provided by the program until he attains U. S. citizenship.

PUBLIC ASSISTANCE PAYMENTS

Public assistance is made available to needy Cuban refugees through the State public welfare departments. The States are reimbursed completely by the Cuban refugee program for their medical and assistance payments to, or on behalf of, refugees who qualify under the States' eligibility standards. The level of public assistance payments received by refugees varies from State to State, depending on the State's benefit level for its regular public assistance recipients.

Cuban refugee program officials estimate that public assistance and medical payments will amount to about \$107 million in fiscal 1972, and that about 90,000 refugees will be receiving some form of public assistance by the end of fiscal 1972.

President Kennedy, in February 1961, established the Cuban refugee program in HEW to assist needy refugees based on standards used in the community involved. The Cuban refugee program policies provide for aiding those refugees who are in urgent need of assistance for the essentials of life. HEW's policies to States providing assistance to needy Cuban refugees—issued in August 1962 and currently in effect—require that the standards used in determining the extent of help to be provided be in keeping with those used by the public welfare agency of the State to which the Cuban refugee is resettled.

The program further defines this general policy by providing that needy families with children under 18 will be granted assistance in accordance with State standards under the program for aid to families with dependent children (AFDC). In adult cases (aged, blind, disabled) the State public assistance standards which are most appropriate in meeting the refugee's needs are to be used. The program also requires that the full range of social services available to regular public assistance recipients be furnished to eligible Cuban refugees.

On numerous occasions during congressional appropriations hearings, Cuban refugee program officials have reiterated their intent of providing refugees with public assistance benefits on the same basis as that provided to needy Americans.

GRANTING OF BENEFITS DIFFERENT
FROM THOSE PROVIDED TO REGULAR
PROGRAM BENEFICIARIES

In two locations visited by us--Los Angeles, California, and Boston, Massachusetts--the local welfare agencies are following policies which we believe are contrary to the intent of the Cuban refugee program in that refugees are receiving benefits lower (Boston) and higher (Los Angeles) than those received by the States' regular welfare recipients.

Los Angeles County, California

General relief program

The Los Angeles Department of Public Social Services (department) administers a general relief program providing financial assistance and social services to needy persons not eligible for the federally assisted AFDC program or one of the three adult programs.

The department assists Cuban refugees eligible under the general relief program standards not at the general relief benefit levels, but at higher standards applicable to the program for aid to the permanently and totally disabled (APTD). Such a Cuban refugee receives the same monthly assistance payment as does a disabled American citizen recipient even though the refugee is not disabled. For example, a U. S. citizen who is 30 years old, unemployed, and single and who is not eligible under any of the federally aided public assistance programs, may be eligible for a maximum monthly grant of \$119 under Los Angeles County's general relief program. A Cuban refugee under the same circumstances, however, would receive \$172 a month--the same amount that totally disabled recipients receive under the APTD standards--even though he is not disabled.

Cuban refugees can receive the higher payment because neither the State nor County welfare offices require verification of a refugee's physical disability while such determination is required for regular welfare recipients. County welfare officials informed us that HEW has approved this favorable treatment of Cuban refugees because of the extreme hardship conditions which they face.

Officials of the Assistance Payments Administration explained to us that, because California has no Statewide general relief program, the State public assistance standard which is most appropriate in meeting the refugees' needs must be one of the existing federally assisted programs, that is, AFDC, APTD, aid to the blind, or old-age assistance. They stated that, for the sake of administrative uniformity, all needy Cuban refugees

in California are assisted at the APTD level if they would not otherwise be eligible for assistance from any of the four programs. According to the officials, this practice is also followed in other States which do not have a general relief program operating on a Statewide basis.

The refugee program was established to provide aid to needy Cubans based on community standards where the refugee resides--not necessarily State standards. Such a policy avoids inequities in payment levels between refugees and U. S. citizens.

We believe that needy refugees in Los Angeles County--not eligible for benefits under the federally assisted programs authorized by the Social Security Act--should be paid at the general relief program levels, and not at levels paid to persons eligible for benefits under the APTD program. The same would apply to any county in the United States where a general relief program was in operation. We recognize that, in those States or counties which do not have general relief programs, substitutions of levels used in the federally assisted programs might be necessary and administratively desirable.

Cuban refugee program officials were not aware that this situation existed in Los Angeles and they restated that the intent of their program is to provide assistance to refugees on the same basis as nonrefugees.

AFDC program

Children of Cuban refugee families are not required to meet the same eligibility criteria as children of regular AFDC families. To be eligible for benefits under the State's regular AFDC program, dependent children aged 16 and 17 must be (1) attending school or a training program, (2) physically or mentally disabled, or (3) employed and contributing to the family. However, 16- and 17-year old children of Cuban refugees need not meet any of these requirements to be paid benefits under the program at AFDC levels.

At the time of our review, California welfare procedures provided that children aged 18 - 20 and attending school or a training program be included in the AFDC family for purposes of computing the amount of the grant. Under the same circumstances, Cuban refugee children were permitted to receive assistance at the higher APTD level and were not considered as part of the family unit receiving aid at the lower AFDC level. This practice was in accordance with State welfare procedures, which provide for Cuban refugee children 18 to 20 years old to be treated as adults and not included in an AFDC caseload. California welfare representatives commented that they were aware of this inequity between Cuban refugees and U. S. citizens.

A recently enacted California law has lowered the age of adulthood from 21 to 18 and prohibits those 18 years of age and older from being included in an AFDC caseload. This law further increases the inequity between U. S. citizens and Cuban refugees because a 19-year old U. S. citizen in California who formerly received AFDC assistance now may receive nothing, while a 19-year old Cuban refugee may still receive assistance at the APTD level.

We believe that children of needy refugee families should be required to meet the same eligibility criteria as children of regular AFDC families. We believe also that refugees who are from 18 to 20 years old and no longer eligible for AFDC assistance should be paid at the general relief program levels or other appropriate levels if substitutions are necessary.

Boston, Massachusetts

Massachusetts regulations covering its AFDC program provide that a family, upon initial determination of eligibility, is entitled to receive (1) new household equipment, supplies, and furniture if needed, (2) the regular monthly assistance payment, (3) emergency assistance in the event of extreme hardship situations, and (4) a regular quarterly grant to meet special needs, such as seasonal clothing, repairs to appliances, etc.

Cuban refugee families are entitled to all of the aforementioned benefits except the quarterly grant. This grant amounts to about \$105 per quarter for a family of four.

An official of the Massachusetts Department of Public Welfare explained to us that Cuban refugee families do not receive the quarterly grant since they receive higher initial assistance for household equipment, supplies, and furniture than most other AFDC families. Refugee needs are usually greater because they come to the United States with few personal belongings while regular AFDC families usually have some physical resources. This State official believed that the refugees were not being penalized by not receiving the quarterly grants because of the higher initial assistance.

An official of a local welfare office in Boston stated to us that in some instances a regular AFDC family could receive the high initial benefits usually received by the Cuban refugees as well as the subsequent quarterly grants. For example, a family arriving destitute from New York or Alabama and found eligible for assistance in Boston would receive the same initial issue of household equipment, supplies, and furniture as

would a refugee family being resettled to Boston. The American family, however, would also receive the quarterly grants while the refugee family would not.

We believe that refugees should be receiving the grants according to the HEW criteria that Cuban refugees are to receive the same public assistance benefits as are received by U. S. citizens. HEW regional and headquarters officials agreed with us and stated that they were unaware that the Cuban refugees were not receiving the quarterly grants.

Recommendation to the Administrator,
Social and Rehabilitation Service

Inequities resulting from different payment levels and/or eligibility requirements for Cuban refugees and American citizens exist in Los Angeles and Massachusetts because of HEW's failure to emphasize equity in its policies for States furnishing assistance to needy refugees.

Similar situations may exist in other States.

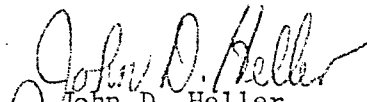
To avoid the charge that the Cuban refugee program is discriminatory, we believe that HEW should clarify its policies covering public assistance benefits paid to Cuban refugees by State letter specifying that needy refugees be granted assistance based on standards used in the county or State involved for other public assistance recipients. Needy refugees not eligible for benefits under federally assisted programs authorized by the Social Security Act should be paid at the general relief program levels in those States or counties which have such programs. Elsewhere, substitutions of levels used in the federally assisted programs might be necessary and administratively desirable.

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We wish to express our appreciation for the courtesies and cooperation extended to our representatives during the review.

We shall appreciate receiving your comments and advice as to any actions taken or planned with respect to our recommendations.

Sincerely yours,


John D. Heller
Assistant Director

Mr. John D. Twiname, Administrator
Social and Rehabilitation Service
Department of Health, Education,
and Welfare