

Massachusetts Legal Assistance Corporation

Civil Legal Aid Yields Economic Benefits to Clients and to the Commonwealth: *Some Benefits from FY13 Advocacy*

The work of legal aid programs funded by the Massachusetts Legal Assistance Corporation (MLAC) substantially boosts the Commonwealth's economy each year by bringing in millions of federal dollars, improving the economic conditions of low-income clients and other residents and saving the state additional millions in avoided benefits and social service costs. MLAC estimates its grantees' individual casework and leadership in systemic advocacy in FY13 resulted in at least **\$10,703,278 in new federal revenue** coming into the Commonwealth over the course of one year and credits its grantees with obtaining an additional **\$17,726,946 in income and savings for clients and the Commonwealth**, for a total of **\$28,430,224**.

New Federal Revenue Coming into the Commonwealth

Disability Benefits Project: one year new federal SSI/SSDI benefits and back payments to clients	\$6,286,912*
Disability Benefits Project: direct federal reimbursement to DTA for EAEDC payments	\$489,759
Disability Benefits Project: federal payments to legal services for representation of clients	\$360,202
Federal Unemployment Benefits: federal portion of benefits won through individual UI appeals	\$2,408,554
Medicare: federal health care coverage won	\$272,986
Medicaid: expansion of Medicaid autism waiver	\$500,000
Federal Taxes: credits and refunds from representing clients with tax controversies	\$384,865
Total New Federal Revenue	\$10,703,278

Other Benefits and Savings Won for Low-Income Residents

Unemployment Insurance: non-federal portion of benefits won on appeal	\$1,768,938
Housing Stabilization: rent relief, damages and moving expenses won for tenants	\$3,174,000
Child Support: orders won	\$2,353,572
Total Other Benefits and Savings for Residents	\$7,296,510

Potential Savings for the Commonwealth

Homelessness Prevention: avoided costs for shelter and health care for homeless	\$6,600,636
Domestic Violence Prevention: avoided health care and other costs	\$3,829,800
Total Estimated Savings	\$10,430,436

Total Benefits and Savings	\$28,430,224
-----------------------------------	---------------------

**Includes back payments and only the first year of benefits. Clients whose cases were won by the Disability Benefits Project in FY13 can be expected to receive \$34 million in SSI/SSDI benefits over their lifetimes.*

Section I: Bringing in New Federal Revenue

A. Disability Benefits Project¹

MLAC's Disability Benefits Project (DBP), staffed by advocates in legal services programs across the state, represents residents with disabilities in their efforts to qualify for or retain federal Social Security Disability Income (SSDI) or Supplemental Security Income (SSI). Many DBP clients are recipients of state-funded Emergency Aid to Elders, Disabled and Children (EAEDC); when they are found eligible for SSI/SSDI, they are removed from state programs and the federal government reimburses the Commonwealth for EAEDC payments made while the SSI/SSDI eligibility was being determined.

Services provided by DBP in FY13, with state funding of only \$1.2 million, yielded a total of over **\$7.1 million in new federal revenue** for clients and the Commonwealth over the course of one year. This amount includes lump sum retroactive payments as well as ongoing monthly benefits, as follows:

- Successful DBP clients and their families received federal lump sum retroactive benefits totaling **\$2,369,610** in FY13. Clients also won **\$768,280 in lump sum benefit restorations** when the Social Security Administration (SSA) granted waivers of previously made assessments on benefits.²
- An additional **\$489,759** was directly **reimbursed to the Massachusetts Department of Transitional Assistance by SSA** as repayment for successful clients who had been receiving EAEDC during their appeals for federal benefits. (This reimbursement effectively reduced the state's net cost for the program to **\$690,132**.³)
- In addition, SSA paid attorneys' fees of **\$360,202** to DBP programs for their representation in certain cases.
- DBP clients also received ongoing monthly federal SSI/SSDI benefits totaling \$2,170,722 per year for themselves and their families and retained another \$978,300 when DBP secured restoration of benefits that had been reduced or stopped. **This amounts to \$3,149,022 in federal monthly benefits per year.**⁴

¹Based on the report: "Assessing the Benefits of Provision of Legal Services through the Disability Benefits Project." R. Granberry and R. Albelda, University of Massachusetts Boston, August 2006; updated for FY13 by MLAC.

² Federal share only, does not include SSI State Supplemental Program retroactive payments of \$87,889.

³ MLAC funding for DBP from the Fiscal Year 2013 state budget appropriation (line item 0321-1600) was \$1,179,891. Subtracting amount reimbursed to the state for successful DBP cases: \$1,179,891 - \$489,759 = \$690,132.

⁴ Federal share only, does not include SSI State Supplemental Program (SSP) monthly payments totaling \$86,208 per year. State outlay is more than balanced by: 1) \$294,516 per year saved by EAEDC because successful DBP clients who formerly relied on EAEDC for their support left the rolls; and 2) a \$44,064 per year reduction in the demand on Massachusetts' TANF block grant from successful DBP clients who were previously receiving TANF.

- Combining annualized monthly federal benefits with federal benefit restorations and retroactive payments to clients and their families, **the first year new federal dollars** received by clients and family members as a result of DBP services in FY13 **total \$6,286,912.**⁵ Adding the \$489,759 reimbursed to DTA and the \$360,202 in attorneys' fees, **the combined first year total is \$7,136,873 in new federal dollars secured by DBP in FY13.**
- Since these are all new federal funds entering the state, they can be considered a direct economic boost to the Commonwealth. When these funds are spent on food, clothing and other items, their effect on the state's economy will be multiplied. The economic multiplier effect of these funds can be estimated at two,⁶ making **the total economic impact** of the DBP program in FY13 **\$14,273,746.**
- SSA estimated in 1995 that SSI recipients receive benefits for an average of 10.5 years, while SSDI recipients receive benefits for an average of 9.7 years.⁷ SSA also suggested that these averages would increase in future years. Using the 9.7 year figure, we find that DBP services provided in FY13 will result in Massachusetts residents with disabilities receiving close to **\$34 million in additional federal benefits** over their lifetimes.⁸

B. Federal Unemployment Benefits

MLAC-funded programs represented hundreds of low-income workers in Unemployment Insurance (UI) appeals in FY13, bringing approximately **\$2.4 million** in federal revenue into the state. In FY13 at least 380 low-income workers whose UI applications had initially been denied won their appeals for benefits with assistance from MLAC-funded programs.⁹ Recipients were eligible for up to 26 weeks of state benefits, after which federally funded extended benefits started (for up to a maximum of 63 weeks of total benefits). In the second quarter of 2013, the U.S. Department of Labor reported that the average recipient received 17.7 weeks of state benefits¹⁰ as well as 24.1 weeks of federal Emergency Unemployment Compensation.¹¹

⁵ \$3,149,022 (annualized new monthly federal benefits) + \$2,369,610 (lump retroactive benefits) + \$768,280 (lump benefit restorations) = \$6,286,912.

⁶ Granberry and Albelda, 2006.

⁷ Rupp, Kalman and Scott, Charles G., "Length of Stay on Supplemental Security Income Disability Program," *Social Security Bulletin*, Spring 1995, p. 43: <http://www.socialsecurity.gov/policy/docs/ssb/v58n1/v58n1p29.pdf>.

⁸ Ongoing annual new federal benefits (\$3,149,022) * 9.7 (average number of years benefits received) = \$30,545,513. Retroactive benefits to clients: \$2,369,610. Lump benefit reductions restored: \$768,280. Combining all three: \$30,545,513 + \$2,369,610 + \$768,280 = \$33,683,345 in lifetime benefits.

⁹ Data from some programs is incomplete. Actual number is higher.

¹⁰ http://www.ows.doleta.gov/unemploy/content/data_stats/datasum13/DataSum_2013_2.pdf. Note that some people leave the UI rolls before 26 weeks, which reduces the state benefit average to 17.7 weeks.

¹¹ Calculated from U.S. Department of Labor *EB Monthly Program Activity*, Emergency Unemployment Compensation Data: State Data by Month by Tier, <http://www.ows.doleta.gov/unemploy/euc.asp>, using formula Average Duration equals Weeks Claimed divided by Number of Initial Claims. For Massachusetts

In the same report, the Department of Labor found that recipients in Massachusetts received an average of approximately \$409.13 per week in benefits.¹² However, legal services clients generally receive somewhat less than the average. For example, South Coastal Counties Legal Services recorded data on 40 successful cases and found that the average weekly UI benefit won was \$263. Using that figure we estimate that **legal aid clients won \$2,408,554 in federal benefits** over the past year.¹³

C. Health Care

MLAC programs contribute to the state's economy by maximizing federal Medicare and Medicaid dollars.

- **Medicare Advocacy Project:** Through MLAC's Medicare Advocacy Project (MAP), three programs -- South Coastal Counties Legal Services, Community Legal Aid and Greater Boston Legal Services -- represent Massachusetts elders and people with disabilities who have been wrongly denied Medicare coverage for medical services, equipment, hospitalizations, nursing home stays or prescription drugs. In FY13, **MAP advocacy resulted in Massachusetts residents being approved for \$272,986 of Medicare coverage** for medical expenses.

In addition to providing direct services to clients, MAP advocates provide high level Medicare policy analysis and systemic advocacy on behalf of low-income residents, as well as significant public education and training of social service providers in Massachusetts. Given the complexity of the Medicare program and important legislative changes, such advocacy, education and training are essential to Medicare's effective operation in the state.

MAP advocates are nationally recognized experts on Medicare and their efforts help ensure that Massachusetts maximizes its federal Medicare revenue. The expertise and opinions of MAP advocates are frequently solicited as unique and critical resources by state agencies such as the Attorney General's office and the Office of Medicaid, as well as by hospitals, pharmacies and other medical providers.

The additional savings and dollars brought into the state by MAP's Medicare policy work, education and training are difficult to quantify, and undoubtedly far exceed the direct benefits recorded here.

For example, in FY13, MAP advocates were leaders in publicizing and taking steps to address the adverse impact on Medicare beneficiaries of hospital

in FY13, summing the monthly amounts from July 2012 to June 2013, the totals are 2,457,278 weeks claimed and 101,848 initial claims. $2,457,278 / 101,848 = 24.13$ weeks average duration.

¹² http://www.ows.doleta.gov/unemploy/content/data_stats/datasum13/DataSum_2013_2.pdf

¹³ $24.1 \text{ weeks federal benefits} \times \$263 \times 380 \text{ clients} = \$2,408,554.$

“observation status.” Beneficiaries who are hospitalized but are deemed to have received “observation care,” as opposed to having been “admitted” to the hospital, face extraordinary financial hardship if they require post-discharge treatment at a skilled nursing facility or rehabilitation center. Individuals who have been hospitalized for several days are often unaware that they were never “admitted” and are shocked to learn that they face thousands of dollars in nursing home bills.

MAP advocates have worked vigorously on the issue. They have conducted outreach and training for attorneys, elder advocates, consumer groups and Medicare beneficiaries. MAP has also substantially increased public awareness of the problem, in part through a *Boston Globe* front-page story exposing the issue and its impact on elders.¹⁴

- **Children’s Autism:** Massachusetts Advocates for Children (MAC)’s lead advocacy for the Children’s Autism Medicaid Waiver resulted in the Commonwealth receiving 50% federal reimbursement for the cost of intensive behavioral services provided by the state to low-income children with autism, beginning in FY08. The waiver was originally capped at \$2.5 million and, with MAC advocacy, expanded to \$3 million in FY11. In FY13 MAC again advocated for expansion, resulting in the cap being raised to \$4 million. This will result in the state receiving **an additional \$500,000 in federal reimbursement** each year. The program, which served 182 students in December 2013, will now be able to serve 220 children.

Over the long term, these intensive services are expected to prevent costly institutionalization for many children, saving as much as \$195,000 per year per child. Cost benefit studies have found that the provision of this type of intensive service at early ages can be expected to save a total of \$1 million to \$2 million per child over the span of ages 3 to 22.¹⁵ Some of these savings come from the reduced need for state and other public services, others in costs to the family.

Medical Legal Collaboration: The Family Advocates of Central Massachusetts program, a medical-legal collaboration between University of Massachusetts Medical School and Community Legal Aid (CLA), trains medical providers to identify health problems that may have legal solutions and to refer their patients to CLA for legal assistance. The parents of a child suffering from asthma due to apartment conditions, for example, may need legal help to get the conditions fixed. This collaboration saves the Commonwealth dollars that might otherwise be spent on treating preventable medical problems. The state has acknowledged the important role of prevention in reducing health care costs in the landmark health care cost control law that was passed in 2012.

¹⁴ <http://www.bostonglobe.com/lifestyle/health-wellness/2013/08/24/despite-long-hospital-stays-some-patients-never-admitted-leaving-them-with-huge-bills/UjD0YLMFZE2XMtBee6KveN/story.html>

¹⁵ J. W. Jacobson, J. Mulick, G. Green, “Cost-Benefit Estimates for Early Intensive Behavioral Intervention for Young Children with Autism – General Model and Single State Case,” *Behavioral Interventions*, 13, 201-226 (1998).

D. Taxes

Some MLAC-funded programs create economic benefits for clients and the Commonwealth by providing tax assistance and/or helping eligible immigrants with securing work authorization.

- **Representation in federal income tax appeals.** Through its Low-Income Taxpayer Assistance Project (LITAP), Greater Boston Legal Services (GBLS) prevailed in cases of tax controversies on behalf of 144 low-wage families whose tax returns were challenged. Their clients received \$134,961 in federal tax refunds and had their federal tax liability reduced by an additional \$249,904 **for a total of \$384,865 in federal tax refunds and reductions.** Their success benefited both the filers and the Commonwealth's economy, as individuals and their families had these dollars to spend on food, housing and medical expenses, supporting businesses in their communities.
- **Assistance with tax returns.** GBLS serves as the legal resource for the Boston Earned Income Tax Coalition, providing legal training and support to volunteers and staff. A GBLS attorney also serves on the Coalition's steering committee. In 2013, the Coalition served 11,312 taxpayers and returned \$22.8 million in federal refunds to Boston area residents, including \$9,821,068 in Earned Income Tax Credits (EITC). The Coalition also estimates that city residents saved \$1.1 million by avoiding the costs of using commercial tax preparation services.¹⁶

A Neighborhood Legal Services advocate serves as a site coordinator for a tax assistance project organized by Centerboard, a non-profit working on Lynn revitalization efforts. With the help of volunteers, the site provides tax assistance to hundreds of Lynn residents each year: In FY13 the program helped clients file 1,493 federal returns, obtaining over \$1.1 million in refunds, including \$477,786 in EITC and \$100,731 in education credits.

Legal services played a vital role in ensuring that these residents in the Boston and Lynn areas received the federal tax refunds and credits due them. However, because others led the initiatives we do not count these dollars in our totals.

- **Increased Tax Revenue from Immigrants.** In FY13, advocacy by six MLAC programs -- Community Legal Services and Counseling Center, Greater Boston Legal Services, MetroWest Legal Services, Children's Law Center of Massachusetts, Neighborhood Legal Services and South Coastal Counties Legal Services -- resulted in 586 immigrants securing legal status. We are unable to quantify the economic impact of this assistance, but these Massachusetts residents can now live and work legally, pay taxes, support their families and contribute to the economic health of the Commonwealth.

¹⁶ Data provided to MLAC by the Boston Earned Income Tax Coalition and available on request.

Section II: Other Benefits Won

A. Massachusetts Unemployment Benefits

In addition to bringing federal dollars into the Commonwealth, legal assistance with Unemployment Insurance (UI) claims results in low-income workers' receipt of an average of 17.7 weeks of state-based UI benefits, keeping families afloat as they weather difficult times. UI is quickly spent on goods and services in the state, contributing to the economy. Beneficiaries also receive health insurance and extended unemployment benefits to pursue job training.

- **Assistance with Benefit Appeals.** As mentioned on page 3, at least 380 individuals won UI benefit appeals in FY13 with the assistance of MLAC-funded programs. The average Massachusetts UI recipient received state benefits for 17.7 weeks at an amount averaging an estimated \$263 per week. Thus, legal aid clients won at least **\$1,768,938 in state-based UI.**¹⁷

B. Wage Protection

- Greater Boston Legal Services played a leading role in FY13 in developing and supporting two large, highly publicized wage cases.

The first case involved hundreds of workers at a Woburn bakery who were being shortchanged in their pay for hours worked and were having deductions taken above the legal limits for transportation to and from work. GBLS, through an alliance with the Chelsea Collaborative, a community organization, built relationships with the bakery workers, developed evidence to build a case and assisted the Attorney General's office in successfully pursuing it. The case ended in September of 2012 with a settlement under which the bakery and a temp agency that recruited the workers agreed to pay \$649,000 in restitution to workers as well as civil penalties to the Commonwealth totaling more than \$94,000.

The second case was a federal case against a Chelsea leather processing company that was paying less than minimum wage and failing to pay overtime. The workers earned about \$300 for working 60 hours a week processing hides and furs and were subject to frequent threats and insults from their supervisors. GBLS again worked with the Chelsea Collaborative to support the employees and gather evidence and then assisted with the U.S. Department of Labor's investigation and litigation. In October of 2013 the workers received a settlement totaling \$925,000 in back wages and damages.

These cases can serve to put other unscrupulous employers on notice that there will be consequences to failing to obey labor laws. GBLS' efforts to enforce labor law reduce unfair competition for the vast majority of employers who do follow the rules.

¹⁷ 17.7 weeks state benefits x \$263 average benefit x 380 clients = \$1,768,938.

C. Financial Judgments for Tenants

In FY11, detailed data was available on tenants who were being represented in eviction cases by Greater Boston Legal Services in Quincy District Court as part of a pilot project run by the Boston Bar Association. The pilot formed the basis for a study by Harvard researchers, creating substantial data on those cases.¹⁸ From this data, we see that tenants represented by GBLS in evictions received an average of almost \$3,979 in rent relief, damages and moving expenses. Such detailed data is not available for GBLS or other legal aid programs for FY13. However, we do know that MLAC-funded programs delayed or prevented eviction in 1,587 cases in FY13. Using a very conservative estimate that tenants received an average of \$2,000 in such relief and payments, about half the level measured in the Quincy pilot, we estimate that **with legal assistance from MLAC-funded programs, low-income tenants secured at least \$3,174,000 in rent relief, damages and moving expenses.**¹⁹ These funds allow families to avoid homelessness by preserving their housing or finding new housing, saving the Commonwealth the substantial costs associated with support for homeless families (as described in the Housing section below).

D. Child Support

MLAC-funded programs reported winning at least 321 child support cases for low-income parents in FY13. For the two programs that report this kind of data, Community Legal Aid and South Coastal Counties Legal Services, the average order obtained in FY13 was \$141 per week. Assuming this average for all MLAC programs, in FY13 programs secured **child support orders of more than \$2,353,572 per year** for low-income custodial parents and their children.²⁰ Child support orders also save the state money as they reduce dependence on Temporary Aid to Needy Families.

Section III: Potential Cost Savings

A. Housing

The work of legal services advocates to preserve and protect housing for low-income families and individuals effectively prevents homelessness, protects residents and their children from the turmoil and hardship it creates and saves the state millions of dollars in shelter expenses.

Massachusetts homeless numbers are now at a record high. In June 2013, the state's Division of Housing Stabilization reported supporting an average of 3,315 families each day in emergency shelters, hotels or motels.²¹ There were another 6,000

¹⁸ http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1880078

¹⁹ 1,587 cases x \$2000 = \$3,174,000.

²⁰ 321 orders x \$141 per week x 52 weeks = \$2,353,572.

²¹ <http://www.mass.gov/hed/docs/dhcd/hs/ea/homelessnumberchart.pdf>

families placed for two years in apartments with HomeBASE rental assistance. In November, the *Boston Globe* reported that the number of families in shelters, hotels and motels had risen to an all-time high of 4,200; half of those, about 2,100 families, were living in hotels or motels.²²

As mentioned in Section C., legal assistance by MLAC-funded programs, including representation in court, resulted in eviction being prevented or delayed for 1,587 households in FY13, allowing low-income families and individuals to stay in their homes or giving them the time to find alternative housing. Without this assistance many of these clients would have entered the state's costly emergency shelter system.

A 2012 report by the Boston Bar Association Task Force on the Civil Right to Counsel found that 15.26% of families evicted from their homes could be expected to enter the family shelter system.²³ Using this estimate, we find that legal aid eviction and foreclosure defense **saved the Commonwealth an estimated \$4,564,056 in shelter costs in FY13.**²⁴

Preventing homelessness saves not only shelter costs, but also the costs to the state of health care and other social services. Boston Healthcare for the Homeless studied a group

²² <http://www.bostonglobe.com/opinion/2013/11/14/thousands-homeless-families-still-take-shelter-hotels-and-motels/otYrDe98YIPfMCgEwiNIML/story.html>

²³ "The Importance of Representation in Eviction Cases and Homelessness Prevention," Appendix A, pp. 9-10, <http://www.bostonbar.org/docs/default-document-library/bba-crtc-final-3-1-12.pdf>

²⁴ In December of 2010, DCHD reported that the 2,017 families in family shelters cost the state an average of \$25,155 apiece, or \$50,737,635 total; the 812 families in hotels/motels cost an average of \$10,480, or \$8,509,760 total; the 116 in transitional housing or housing authority placements cost an average \$10,626, or \$1,232,616 total; and the 55 in substance abuse placements cost an average of \$53,820, or \$2,960,100 total. We combined these to get a grand total of \$63,440,111 and divided by the 3,000 families in any of these shelter types to get an average cost per family of \$21,147.

We cannot find comparable data for current costs, however advocates report that costs are now higher. The Bridge Fund of Massachusetts, for example, uses an estimate of approximately \$48,000 per family (<http://www.tb fom.org/about/>).

For individuals in adult shelters, the costs are lower, approximately \$1,000 per month or \$1,500 for the average stay of one and a half months. ("Report of the Special Commission Relative to Ending Homelessness in the Commonwealth," December 2007, page 5. "Preventing Homelessness and Promoting Housing Stability: A Comparative Analysis," D. Friedman, Center for Social Policy, McCormack Graduate School of Policy Studies, University of Massachusetts, Boston, June 2007, page 5.) Approximately one-fourth of those for whom our programs prevented eviction were individuals and three-fourths were families with children. 1,587 (total evictions delayed or prevented) + 67 foreclosures prevented + 175 units of affordable housing preserved = 1,829 (homes preserved or tenancies extended); 1,829 x 75% = 1,372 (approximate number of homes preserved or tenancies extended for families). 1,372 x .15.26% (estimated percentage of families who would have entered the state's emergency shelter programs) = 209 (families who would have otherwise used the state's shelter system); 209 x \$21,147 = \$4,426,681.

For individuals, while the cost of shelter is much lower, homeless individuals are much more likely than families to repeatedly cycle in and out of shelter. We have not been able to find data that reflects the cost of these multiple stays; however, we believe that an estimate of 20% of evicted individuals using shelter at least once is conservative. 1,829 x 25% = 457 (evictions prevented involving individuals). 457 x 20% = 91 (individuals who would have used shelter at some point) x \$1,500 (average cost per shelter stay) = \$137,375.

Combining family and individual savings, we see that \$4,426,681 + \$137,375 = \$4,564,056 (estimated total savings).

of 119 individuals living on the street between 1999 and 2003 and found that they accounted for an astonishing 18,384 emergency room visits over the five years, as well as 871 medical hospitalizations. The average cost of health care for members of the group was \$28,436 per year. However, for those in the group who found housing, average health care costs dropped to \$6,056, a difference of \$22,380 per year.²⁵ Based on the fact that legal services advocacy kept 91 individuals and 209 families²⁶ out of the shelter system in FY13, we can estimate that legal services representation resulted in savings of at least **\$2,036,580 in health care costs** for homeless individuals in FY13.²⁷ Figures are not available for the cost of health care for homeless families.

Combining the savings from avoiding shelter for families and individuals and the savings from avoiding excessive health care costs for homeless individuals, we see that successful legal services representation to preserve the homes of low-income Massachusetts residents created potential savings of at least **\$6,600,636**.

Keeping people in their homes also avoids the public safety costs related to homelessness as well as the long term costs of disrupting children's lives and education. According to the National Center on Family Homelessness, homeless children are twice as likely as others to repeat a grade.²⁸

B. Domestic Violence and Family Law

In FY13, the Battered Women's Legal Assistance Project (BWLAP), established by the Massachusetts Legislature and operating at seven MLAC-funded programs, provided legal assistance to 2,141 victims of domestic violence and their children, including 982 with complex cases involving multiple court visits. By helping families live free of violence, BWLAP saves the Commonwealth the high cost of domestic abuse, including medical care for injured victims, special education and counseling for affected children, and police and court resources. According to the FBI, almost a third of female homicide victims that are reported in police records are killed by an intimate partner.²⁹ The Center for Disease Control and Prevention reported in 2003 that 22% of women in the United States are victims of at least one physical assault by an intimate partner at some point in their lives and that the annual cost of domestic violence exceeded \$5.8 billion.³⁰

- Domestic abuse is responsible for a range of health care and mental health care needs. The U.S. Department of Justice reported that 37% of all women who sought care in hospital emergency rooms for violence-related injuries were

²⁵ Mass. Housing & Shelter Alliance, "Home & Healthy for good: Progress Report 2" (2011), <http://www.mhsa.net/matriarch/documents/HHG%20March%202011%20report-Final.pdf>.
<http://www.hchmd.org/pdfs/FY13%20DHCD%20Budget%20Testimony.pdf>

²⁶ See footnote 23 for calculation. This is only a subset of the total number of individuals who were kept from homelessness, since not all homeless people access state shelter.

²⁷ \$22,380 x 91 individuals = \$2,036,580.

²⁸ National Center on Family Homelessness, 2000.

²⁹ Federal Bureau of Investigation, Uniform Crime Reports "Crime in the United States, 2000," (2001).

³⁰ Center for Disease Control and Prevention, 2003.

http://www.cdc.gov/violenceprevention/pub/IPV_cost.html

injured by a current or former spouse, boyfriend or girlfriend.³¹ A 2006 Wisconsin cost-benefit analysis of a proposed domestic abuse grant program estimated that the average domestic violence victim is attacked 3.4 times per year and that **preventing just one assault would avoid \$3,900 in medical and other costs,**³² not including the lost quality of life for the victim and the victim's children or the costs of incarceration for the abuser.

- Legal aid is an effective deterrent to domestic violence. A 2003 study by economists at Colgate University and the University of Arkansas reported that legal aid is the only service that consistently brings down the level of domestic violence in the communities it serves.³³
- If MLAC-funded programs prevent one assault per complex case handled, a conservative estimate, **the total direct avoided costs would be \$3,829,800.**³⁴ (Note that on average these cases last 17 months and involve 3.1 court appearances.) In addition, legal aid in domestic violence cases often results in the collection of child support and health insurance, saving further state dollars.

Section IV: Investing in the Commonwealth's Future

Education is the most powerful tool to break the cycle of poverty for low-income children and to keep children with disabilities from growing up into a lifetime of poverty as a disabled adult. Several MLAC-funded programs provide legal support to families of children who are not receiving appropriate educational services or are facing inappropriate school exclusions. Their efforts contribute significantly to the Commonwealth's economy by keeping children on the path to educational success.

- A 2012 study from the Brookings Institution's Hamilton Project found not only that Americans without a high school diploma earn less than their peers with more education but that since 1970 lifetime earnings for those without a high school diploma have fallen compared to the cost of living, even as they have increased modestly for more educated peers.³⁵

³¹ Rand, M. "Violence-Related Injuries Treated in Hospital Emergency Room Departments 5" (Bureau of Justice Statistics, 1997).

³² "Increasing Access to Restraining Orders for Low-Income Victims of Domestic Violence: A Cost-Benefit Analysis of the Proposed Domestic Abuse Grant Program," L. Elwart, et al (December 2006).

³³ "Explaining the Recent Decline in Domestic Violence," Farmer and Tiefenthaler, *Contemporary Economic Policy*, April 2003, Vol. 21, Issue 2, pp. 158-172.

<http://www3.interscience.wiley.com/journal/120832460/abstract>

³⁴ 982 cases x \$3,900 = \$3,829,800.

³⁵ Greenstone et. al, "A Dozen Economic Facts About K-12 Education." The Hamilton Project, 2012, http://www.hamiltonproject.org/files/downloads_and_links/THP_12EdFacts_2.pdf.

- Students who leave high school without a diploma are more likely to be unemployed,³⁶ have higher rates of incarceration³⁷ and tend to have a greater number of health problems,³⁸ creating significant costs to the state.
- Data released by the U.S. Department of Education for the 2009- 2010 school year shows a stark disparity in student suspension rates for students of Color compared to White students: In a sample of 79% of Massachusetts students, suspension rates were almost three times higher for African American and Latino students than for Whites.³⁹ Research documents that school exclusion leads to higher dropout rates, lower test scores, poor academic achievement, social isolation and delinquency,⁴⁰ as well as a lifetime of lower earnings and increased public assistance.

The MLAC-funded Children’s Law Center of Massachusetts (CLCM) provided full litigation representation involving education issues to 208 students and their families in FY13, in most cases winning appropriate school services, including placements and reinstatements. CLCM also provided advice and brief services to another 796 students. Among their clients are youth excluded from school or segregated in inadequate alternative school settings, homeless children and foster children.

Another MLAC grantee, Massachusetts Advocates for Children (MAC), provided assistance with special education and school exclusion matters to 949 children in FY13. MAC led a successful collaborative effort to reform the state’s school discipline law, which will result in more students remaining in school and fewer being expelled or dropping out. MAC has also been instrumental in initiating and sustaining the state Inclusive Concurrent Enrollment grant program (ICE) for adults, ages 18 to 22, who have severe disabilities and will not graduate from high school. ICE helps these young adults participate in state college classes and career development opportunities, increasing the likelihood of their becoming more independent and less reliant on state support as adults with disabilities.

³⁶ Center for Labor Market Studies, Northeastern University, “An Assessment of the Labor Market, Income, Health, Social, and Fiscal Consequences of Dropping Out of High School: Findings for Illinois Adults in the 21st Century” (Oct. 2007)

³⁷ Caroline Wolf Harlow, “Education and Correctional Populations: Bureau of Justice Statistics Special Report 3,” at.2 (Jan. 2003).

³⁸ U.S. Department of Education, National Center for Education, “Statistics, Dropout and Completion Rates in the United States: 2006,” at 1 (2008).

³⁹ Daniel J. Losen and Jonathan Gillespie, “Opportunities Suspended: The Disparate Impact of Disciplinary Exclusion from School,” (August 2012) pp 18-19.

<http://civilrightsproject.ucla.edu/resources/projects/center-for-civil-rights-remedies/school-to-prison-folder/federal-reports/upcoming-crr-research/losen-gillespie-opportunity-suspended-2012.pdf>.

⁴⁰ The Civil Rights Project, “Opportunities Suspended: The Devastating Consequences of Zero Tolerance and School Discipline Policies,” 13-19 (2000). 90% of the employed individuals in the U.S. have completed high school, while, conversely, more than 80% of adult prisoners in the United States are high school dropouts. Newburger, E.C. & Curry, A.E., “Current Populations Report,” U.S. Census Bureau Publication No. P20-528, Washington D.C., U.S. Department of Commerce (August, 2000). Coalition for Juvenile Justice Annual Report 2001, “Abandoned in the Back Row: New Lessons in Education and Delinquency Prevention” (December 2001).

A third grantee, the Center for Law and Education, combines statewide advocacy with technical support and collaborative policy work to identify the systemic patterns underlying student exclusion from effective education and to advocate for changes in school policies and practices to improve student outcomes. Their work benefits all low-income students, including students with disabilities.

Summary

A range of legal services provided by MLAC-funded programs in FY13 can be credited with bringing in **an estimated \$28.4 in new revenue and cost savings** to the Commonwealth and its low-income residents over the course of a year, of which **\$10.7 million represents new federal revenue.**

The Massachusetts Legal Assistance Corporation has prepared this analysis with the help of its grantees. Compiled by Donna Southwell, Director of Policy Analysis. For more information, contact Lonnie Powers, Executive Director, lpowers@mlac.org.