

# Massachusetts Legal Assistance Corporation

Report on the Economic Benefits of Civil Legal Aid to the  
Commonwealth of Massachusetts and its Residents  
Fiscal Year 2018

Massachusetts Legal Assistance Corporation  
Department of Data and Policy Analysis

22 December 2018

## FY18 Civil Legal Aid Yield Economic Benefits to the Commonwealth

### Executive Summary

Civil legal aid programs funded by the Massachusetts Legal Assistance Corporation (MLAC) provided more than \$60 million in economic benefits to the Commonwealth of Massachusetts in Fiscal Year 2018.

This report analyzes the economic benefits that legal aid brings not only to legal aid clients, but also to their households and to the Commonwealth. Usually, the impact of legal aid is measured in non-economic terms, such as the social benefits of preventing homelessness, assuring access to education programs and health care benefits, and protection from domestic violence and child abuse. While it is essential to recognize those direct, non-economic benefits, it's also important to measure the economic returns from funding legal aid.

This report divides the economic benefits into two categories:

1. benefits and savings for low-income Massachusetts residents, which was estimated at \$40.25 million;
2. benefits and savings won for the Commonwealth; estimated to be \$20.25 million.

In addition, the report demonstrates that \$6.37 million of the money in both those categories is derived from federal revenue coming into the Commonwealth.

In the first category, benefits and savings for low-income Massachusetts residents, the report examined several practice areas and the savings they produced. The largest amount of savings was in the area of Individual Rights/Immigration, which primarily involved gaining employment authorization for immigrants; it yielded savings of more than \$10 million. Work directed at helping clients recover and secure public benefits -- including Unemployment Insurance, Supplemental Security Income, Social Security Disability Insurance, Supplemental Nutrition Assistance Program (SNAP or Food Stamps), Veterans Benefits, and Transitional Aid to Families with Dependent Children -- yielded \$9.3 million for Massachusetts residents. Eviction defense and homelessness prevention returned \$8.3 million in benefits to residents. Other practice areas included: elimination and reduction of personal debt (\$5 million); child support and spousal support for survivors of domestic violence (\$2.8 million); and Medicare and Medicaid benefits for the elderly and disabled (\$2.4 million).

In the second category, benefits and savings won for the Commonwealth, legal aid services netted \$18 million in savings by preventing homelessness. Preserving and protecting housing for the most vulnerable people saves the state millions of dollars in emergency shelter costs. It also protects children and families from the cycle of turmoil and hardship that homelessness can set in motion. In addition to saving sheltering costs and keeping families in place, homelessness prevention saves the cost of additional health care and social services.

Domestic violence prevention created health care savings of \$1.7 million. MLAC's Domestic Violence Legal Assistance Project (DVLAP) operates through seven MLAC-funded programs. In FY18, the DVLAP provided legal assistance to nearly 2,000 women and men.

Federal money that flowed into the Commonwealth was due to the work of legal aid lawyers in recovering federal benefits for disability, SNAP, Medicare, and federal tax credits and refunds. Those revenues exceeded \$6.37 million.

In total, there were economic benefits of more than \$60.5 million in revenue and cost savings to the Commonwealth and its low-income residents in FY18. The money recovered on behalf of low-income people is often spent immediately in communities across Massachusetts, supporting the vitality of neighborhood businesses. This report demonstrates the clear economic benefit of civil legal aid. These monetary benefits flow from the work of MLAC-funded legal aid organizations, where lawyers and staff help low-income residents increase their incomes, stay in their homes, and secure appropriate health care and educational services.

# Massachusetts Legal Assistance Corporation

## FY18 Civil Legal Aid Yields Economic Benefits to the Commonwealth

December 22, 2018

The impact of the access-to-justice work of Massachusetts civil legal aid organizations typically is measured by non-economic benefits, such as the social benefits of homelessness prevention, access to education, protection from domestic violence and child abuse, access to nutrition and health care, and much more. Frequently lost in the discussion are the many economic benefits that flow to legal aid clients<sup>1</sup>, their households, and the Commonwealth as a result of this work.

Each year legal aid programs funded through the Massachusetts Legal Assistance Corporation (MLAC) substantially boost the Commonwealth's economy by bringing in millions of federal dollars; improving the economic conditions of low-income residents<sup>2</sup>; and saving the state millions in emergency shelter for the homeless and domestic violence-related health care costs. An examination of just some of the FY18 economic benefits attained by MLAC-funded legal aid programs reveals over \$60.5 million in economic benefits.

### Summary

Practice areas producing benefits and savings for low-income residents of Massachusetts	Totals
<b>Consumer:</b> Elimination and reduction of debt	\$5,055,077
<b>Education:</b> Access to Individual Education Plans for disabled children	\$513,093
<b>Employment:</b> Payment of wages and back pay to low-income workers	\$285,740
<b>Family:</b> Child support <sup>3</sup> and spousal support for domestic violence survivors and their children	\$2,803,288
<b>Health:</b> Medicare, Medicaid and other health benefits for the elderly and disabled	\$2,418,785
<b>Housing:</b> Homelessness prevention	\$8,337,570
<b>Income Maintenance:</b> TAFDC, EAEDC, SNAP, SSI/SSDI <sup>4</sup> , UI and other public benefits	\$9,284,590
<b>Individual Rights: Disability:</b> Discrimination and reasonable accommodation for the disabled	\$731,500
<b>Individual Rights: Immigration:</b> Employment authorization for immigrants	\$10,070,765
<b>Miscellaneous:</b> Tax controversies for low-income workers	\$761,136
<b>Estimated total benefits and savings for low-income residents of Massachusetts</b>	<b>\$40,261,588</b>

<b>Benefits and savings for the Commonwealth</b>	
<b>EAEDC Reimbursement:</b> Reimbursement to the Commonwealth for EAEDC benefits provided	\$278,148
<b>Homelessness Prevention:</b> Family and individual shelter and health care cost savings	\$18,278,519
<b>Domestic Violence Prevention:</b> Health care cost savings	\$1,696,112
<b>Estimated total benefits and savings for the Commonwealth</b>	<b>\$20,252,779</b>

<b>Estimated combined benefits and savings by MLAC-funded legal aid programs in FY18</b>	<b>\$60,514,367</b>
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Included in the \$60.5 million secured by MLAC-funded programs is over \$6.3 million in new federal funding for Massachusetts and its low-income residents as detailed below:

Federal Revenue Coming into the Commonwealth	
<b>Disability Benefits Project:</b> One-year new federal SSI/SSDI benefits and back payments to clients	\$4,519,734
<b>Disability Benefits Project:</b> Direct federal reimbursement to DTA for EAEDC payments	\$278,148
<b>Disability Benefits Project:</b> Federal payments to legal aid for representation of DBP clients	\$242,844
<b>SNAP Benefits:</b> Preservation of federal nutrition assistance benefits	\$329,849
<b>Medicare:</b> Federal health care coverage obtained	\$781,946
<b>Federal Taxes:</b> Credits and refunds from representing clients with tax controversies	\$218,994
<b>Total New Federal Revenue</b>	<b>\$6,371,515</b>

<sup>1</sup> With few exceptions, households have income at or below 125% of the federal poverty level (e.g. \$31,375/year for a family of four).

<sup>2</sup> Nearly all economic benefits obtained for clients in the form of cash are spent locally and in their entirety.

<sup>3</sup> Includes only the first year of child support. These orders could bring clients an estimated \$20.1 million over their lifetime.

<sup>4</sup> Includes back payments and only the first year of SSI/DI benefits. Clients whose cases were won by MLAC's Disability Benefits Project in FY18 can be expected to receive a combined \$44 million in SSI/SSDI benefits over their lifetimes.

## **Section I: Economic benefits and savings for low-income residents of Massachusetts**

### **A. Consumer**

MLAC-funded legal aid programs closed 924 consumer cases in FY18. These cases include consumer debt matters, fresh-starts through bankruptcy, and unfair and deceptive debt collection claims. Included within the \$5,055,077 of total economic benefits and savings secured by MLAC-funded programs through their consumer advocacy, is \$4.3 million in eliminated or reduced consumer debt.

### **B. Education**

MLAC-funded legal aid programs closed 2,349 education matters in FY18. The majority of those cases were closed after providing counsel and advice or limited services. For those clients who received full representation in an education matter, MLAC-funded legal aid programs obtained Individual Education Plans (IEPs) estimated to be worth over \$500,000.

Education is a powerful tool to break the cycle of poverty for low-income children and to keep children with disabilities from experiencing lifetimes of poverty. Several MLAC-funded programs provide legal support to the families of children who are not receiving appropriate educational services or who are facing inappropriate school exclusions. These 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 that Americans without high school diplomas earn less than their peers with more education, and 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.<sup>5</sup>

Students who leave high school without a diploma are more likely to be unemployed,<sup>6</sup> have higher rates of incarceration<sup>7</sup> and tend to have a greater number of health problems,<sup>8</sup> creating significant costs to the state. Research documents that school exclusion leads to higher dropout rates, lower test scores, poor academic achievement, social isolation and delinquency,<sup>9</sup> as well as a lifetime of lower earnings and increased dependence on public assistance.

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<sup>5</sup> 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](http://www.hamiltonproject.org/files/downloads_and_links/THP_12EdFacts_2.pdf).

<sup>6</sup> 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 21<sup>st</sup> Century" (Oct. 2007).

<sup>7</sup> Harlow, Caroline Wolf, "Education and Correctional Populations: Bureau of Justice Statistics Special Report 3," at 2 (Jan. 2003).

<sup>8</sup> U.S. Department of Education, National Center for Education, "Statistics, Dropout and Completion Rates in the United States: 2006," at 1 (2008).

<sup>9</sup> The Civil Rights Project, "Opportunities Suspended: The Devastating Consequences of Zero Tolerance and School Discipline Policies," 13-19 (2000). <https://www.civilrightsproject.ucla.edu/research/k-12-education/school-discipline/opportunities-suspended-the-devastating-consequences-of-zero-tolerance-and-school-discipline-policies/crp-opportunities-suspended-zero-tolerance-2000.pdf>. 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,

Those who stay in school and earn college degrees fare best of all. On average, college graduates nationally earn \$12,000 more a year than their peers without any higher education.<sup>10</sup>

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 percent of Massachusetts students, suspension rates were almost three times higher for African American and Latino students than for Whites.<sup>11</sup>

In FY18, the MLAC-funded Children's Law Center of Massachusetts (CLCM) provided full representation of students with disabilities, winning improved levels of educational services, new academic placements, and reinstatement to schools. In addition, CLCM provided advice and limited action/brief services to another 700 children, parents and providers, and conducted 64 trainings, workshops, and/or clinics for 1,700 individuals across the Commonwealth.

Another MLAC grantee, Massachusetts Advocates for Children (MAC), provided assistance with special education matters to 1,163 children in FY18. MAC continues to lead a successful collaborative effort to reform the state's school discipline law, advocacy that is resulting in more students remaining in school and fewer being expelled or dropping out. MAC also joined with partner organizations in the Education Law Task Force's Latinos and Special Education Coalition to lead efforts that ensure Puerto Rican students with disabilities displaced by Hurricane Maria were welcomed to their new school districts in Massachusetts with the services and supports found in their IEPs from Puerto Rico.

A third grantee, the Center for Law and Education (CLE), 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. CLE's work benefits all low-income students, including students with disabilities.

### **C. Employment**

Though employment law advocacy made up only 2% of the legal aid cases closed by MLAC-funded legal aid programs in FY18, legal aid organizations are growing their employment wage and hour practices to serve low-income workers. In FY18 those legal aid organizations closed 482 cases and won back wages for their clients with an estimated value of over \$285,000.

### **D. Family**

MLAC-funded legal aid programs closed 990 family law cases in FY18. Of those cases, 392 were complex cases involving full-representation and more often than not, considerable litigation. MLAC-funded legal aid programs reported winning or preserving \$2,235,294 in child support in

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2000). Coalition for Juvenile Justice Annual Report 2001, "Abandoned in the Back Row: New Lessons in Education and Delinquency Prevention" (December 2001).

<sup>10</sup> Greenstone, Michael, and Looney, Adam, "Regardless of the Cost, College Still Matters," Hamilton Project, October 5, 2013,

[http://www.hamiltonproject.org/papers/regardless\\_of\\_the\\_cost\\_college\\_still\\_matters](http://www.hamiltonproject.org/papers/regardless_of_the_cost_college_still_matters).

<sup>11</sup> Losen, Daniel J., and Gillespie, Jonathan, "Opportunities Suspended: The Disparate Impact of Disciplinary Exclusion from School," (August 2012) pp 18-19.

<https://www.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>.

FY18.<sup>12</sup> Note, the average age of children at the time of divorce is nine years.<sup>13</sup> If we assume that child support orders continue until age 18, the assistance provided by MLAC-funded programs in FY18 in child support cases will have a substantially larger lifetime effect – \$20,117,646.<sup>14</sup>

Though not calculated here, child support orders also save the Commonwealth money as they reduce dependence of low-income parents on the TAFDC program.

## **E. Health**

In FY18, MLAC-funded legal aid organizations closed 695 health law cases securing over \$2.4 million in health benefits. Nearly \$800,000 of that total was in the form of federal Medicare benefits.

## **F. Housing**

MLAC-funded programs reported closing 7,623 housing cases in FY18. The majority of this work was homelessness prevention advocacy such as eviction defense, rent subsidy preservation, and foreclosure prevention. As reported by the MLAC-funded legal aid organizations, over \$8.3 million in damages, waiver of rent arrears, preserved rent subsidies and more were obtained for low-income households in FY18.

These funds allowed low-income households and families to avoid homelessness by preserving their housing or enabling them to find new housing. As discussed below, this advocacy saved the Commonwealth over \$18 million in foreseeable costs associated with supporting homeless families and individuals.

## **G. Income Maintenance**

MLAC-funded legal assistance closed 3,050 cases in FY18, winning cash benefits such as Unemployment Insurance (UI), Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Supplemental Nutrition Assistance Program (SNAP/Food Stamps), Veterans Benefits, and Transitional Aid to Families with Dependent Children (TAFDC). MLAC-funded legal aid programs are estimated to have secured nearly \$9.3 million in cash benefits for low-income residents in FY18.

### **Unemployment Insurance**

Of the \$9.3 million in Income Maintenance obtained for low-income households, we estimate that \$837,000 in Unemployment Insurance (UI) was obtained for low-income Massachusetts workers. Legal aid programs closed 642 UI cases in FY18 and secured UI benefits by overturning wrongful denials of UI claims, getting unfair UI overpayment charges waived and correcting UI underpayments. Legal assistance with these claims results in low-income workers being eligible to receive up to 30 weeks<sup>15</sup> of state-based UI benefits, keeping families afloat as they weather

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<sup>12</sup> This annual total was calculated by adding all lump sum child support orders plus the annualized total of the periodic child support orders.

<sup>13</sup> Liu, Shirley H., "The Effect of Parental Divorce and Its Timing on Child Educational Attainment: A Dynamic Approach," page 17; available at [http://moya.bus.miami.edu/~sliu/Research\\_files/divorcetiming.pdf](http://moya.bus.miami.edu/~sliu/Research_files/divorcetiming.pdf).

<sup>14</sup> \$2,235,294 per year x 9 years = \$20,117,646.

<sup>15</sup> The average number of weeks an individual receives UI in Massachusetts is 17.2 (4 months). The benefits typically end when the individual finds employment.

difficult times. UI stabilizes housing and is quickly spent on other goods and services in the state, boosting the economy. Beneficiaries may also receive extended unemployment benefits to pursue job training.

### **SSI and SSDI**

For low-income residents of Massachusetts who cannot work due to a disability, SSI and SSDI are critical subsistence income benefits. In FY18, MLAC-funded legal aid programs closed over 1,000 SSI and SSDI cases, winning more than \$4.5 million in new and retroactive SSI and SSDI benefits.

The Social Security Administration (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.<sup>16</sup> SSA also suggested that these averages would increase in future years. Using the more conservative 9.7-year figure, we find that the MLAC-funded Disability Benefits Project (DBP services) provided in FY18 will result in Massachusetts residents with disabilities receiving approximately \$44 million in additional federal benefits over their lifetimes.<sup>17</sup>

### **SNAP (Food Stamps)**

Addressing food insecurity is a significant focus of MLAC-funded legal aid organizations. In FY18, MLAC-funded organizations closed 699 cases involving federal SNAP benefits, winning an estimated \$330,000 for their clients.

Hunger costs the U.S. economy \$160 billion in poor health outcomes and additional health care every year. That does not include hunger-related costs such as poor educational outcomes, reduced labor productivity, and increased crime rates.<sup>18</sup> Though not calculated here, the work done by MLAC-funded legal aid organization in the area of food insecurity/hunger has a substantial economic benefit beyond the face value of the SNAP benefits received.

## **H. Individual Rights-Disability**

MLAC-funded legal aid programs do substantial Disability Rights advocacy where the economic benefit is captured as part of other practice areas, not the “Individual Rights-Disability” category. For example, the economic benefit of reasonable accommodation advocacy on behalf of a disabled tenant will be captured in the “Housing” category. The economic benefits resulting from successful Individual Education Plan advocacy will be reported in the “Education” category.

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<sup>16</sup> 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>.

<sup>17</sup> (Ongoing annual SSI/SSDI benefits obtained) x 9.7 (average number of years benefits received) plus (Retroactive benefits obtained for clients) plus (SSI/SSDI benefits restored and overpayments waived) yields \$43,841,419 in lifetime benefits for cases closed in FY18. 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>.

<sup>18</sup> John T. Cook and Ana Paula Poblacion, “Estimating the Health-Related Costs of Food Insecurity and Hunger,” 2018: [file:///O:/Data%20Dept/Economic%20Benefit/Economic%20Benefits%20Reports/FY18/cost\\_of\\_hunger\\_study.pdf](file:///O:/Data%20Dept/Economic%20Benefit/Economic%20Benefits%20Reports/FY18/cost_of_hunger_study.pdf).

When the economic benefit of disability rights advocacy doesn't fit within the other categories, it will be reported here.

In FY18, the MLAC-funded Disability Law Center estimates over \$730,000 in economic benefits due to its disability rights advocacy.

### **I. Individual Rights-Immigration**

In FY18, MLAC-funded legal aid organizations closed over 2,100 immigration cases. In doing so, they generated over \$10 million in economic benefit to the clients they served. The outcome primarily responsible for this economic benefit was winning for immigrants the right to work.

By winning the right to work for immigrants, MLAC-funded legal aid organizations contribute to an increase in state tax revenues and expansion of the Massachusetts economy.

### **J. Miscellaneous**

Some types of cases do not fit squarely into the practice categories listed above, but they too have a positive economic impact on the client. For example, in FY18, the MLAC-funded legal aid organization Greater Boston Legal Services obtained \$218,994 in economic benefits for clients as a result of its tax advocacy. When all closed miscellaneous cases are counted (124 cases), we estimate a total economic benefit for all the miscellaneous work done by MLAC-funded legal aid organizations to be over \$750,000.

## **Section II: Economic benefits and cost savings for the Commonwealth**

### **A. EAEDC Reimbursement to the Commonwealth**

MLAC's Disability Benefits Project (DBP), staffed by advocates in seven legal aid programs across the state, represents adults and children with disabilities in their efforts to qualify for or retain federal Social Security Disability Income (SSDI) or Supplemental Security Income (SSI) cash benefits. Many DBP clients are recipients of state-funded Emergency Aid to Elders, Disabled and Children (EAEDC) pending the outcome of their claim to SSI/SSDI.

When MLAC's DBP project succeeds in having their EAEDC-recipient client found eligible for SSI and/or SSDI, their client is removed from the state's EAEDC program (a net ongoing cost saving to the Commonwealth) and the Commonwealth receives reimbursement for the EAEDC provided pending the SSI/SSDI case from whatever retroactive SSI benefits are awarded to the disabled person.

In FY18, MLAC's DBP-funded legal aid organizations succeeded in winning a direct economic benefit to the Commonwealth of \$278,148 in EAEDC reimbursements.

### **B. Homelessness Prevention Saves Sheltering Costs**

The work of legal aid advocates to preserve and protect housing for the Commonwealth's most vulnerable low-income families and individuals effectively prevents homelessness, protects residents and their children from the turmoil and hardship homelessness creates, and saves the state millions of dollars in emergency shelter costs.

The Department of Housing and Community Development (DHCD) reports that on an average day in the last quarter of FY18 the state's Emergency Assistance (EA) program housed 3,581 families. Of these, 3,550 were in EA family shelters and 31 were in hotels or motels.<sup>19</sup> DHCD also reports that the average length of stay in both types of facilities was 410 days at an average cost of \$53,300 per stay.<sup>20</sup>

We estimate that legal assistance by MLAC-funded programs, including representation of tenants facing eviction in court, resulted in evictions being prevented or delayed for a total of 2,592 low-income households in FY18, allowing 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 Civil Right to Counsel found that 15.25 percent of families evicted from their homes could be expected to enter the family shelter system.<sup>21</sup> Using this figure, we estimate that legal aid eviction assistance saved the Commonwealth an estimated \$15,800,221 in family shelter costs in FY18.<sup>22</sup>

Preventing homelessness saves not only shelter costs, but also the costs to the state of health care and other social services. According to the Massachusetts Housing and Shelter Alliance, MassHealth analysts reviewed billing claims in 2009 for 96 homeless individuals before and after they found housing through the Home and Healthy for Good program<sup>23</sup> and found that the average cost to MassHealth was \$26,124 when they were on the street and only \$8,500 after they were housed, a difference of \$17,624 per year.<sup>24</sup> Based on our previous determination that legal aid advocacy kept 130 individuals<sup>25</sup> out of the shelter system in FY18, we can estimate that legal

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<sup>19</sup> <http://www.mass.gov/hed/docs/dhcd/hs/ea/FY18q4eareport.pdf>.

<sup>20</sup> Ibid.

<sup>21</sup> "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>.

<sup>22</sup> Approximately one-fourth of those for whom our programs prevented eviction were individuals and three-fourths were families with children.  $2592 \text{ (total evictions delayed or prevented)} \times 75\% = 1,943.87$  (approximate number of homes preserved or tenancies extended for families).  $1,943.87 \times 15.25\%$  (estimated percentage of families who would have entered the state's emergency shelter programs) = 296.44 (families who would have otherwise used the state's shelter system);  $296.44 \times \$53,300.00 = \$15,800,221$ .

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.). While the cost of shelter is much lower for homeless individuals, they 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. The number of evictions prevented or delayed for individuals would be  $2592 \times 25\% = 648$ . We can estimate the number who would have used shelter at least once as  $648 \times 20\% = 130$  and the savings as  $130 \times \$1,500$  (average cost per shelter stay) = \$194,386.50. Combining family shelter and individual shelter savings, we see a total savings to the Commonwealth of  $\$15,800,221 + \$194,386.50 =$  **\$15,994,607.19** (estimated total savings).

<sup>23</sup> Mass. Housing & Shelter Alliance, "Home & Healthy for Good" (January, 2015), p. 4 <http://www.mhsa.net/sites/default/files/January%202015%20HHG%20Report.pdf>.

<sup>24</sup> Ibid. p. 11.

<sup>25</sup> See footnote 22 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.

aid representation resulted in savings of approximately \$2,283,912 in health care costs for homeless individuals in FY18.<sup>26</sup>

Combining the savings from avoiding shelter costs for families and individuals and the savings from avoiding excess health care costs for homeless individuals, we estimate that successful legal aid representation by MLAC-funded legal aid organizations yielded cost savings to the Commonwealth of \$18,278,519.

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.<sup>27</sup>

### C. Domestic Violence Prevention

MLAC's Domestic Violence Legal Assistance Project (DVLAP) was established by the Massachusetts Legislature in 1993 and operates through seven MLAC-funded programs. In FY18, the MLAC-funded DVLAP project provided legal assistance to 1,985 survivors of domestic violence, men as well as women, including 368 cases that were closed as complex cases involving an average of more than three court appearances per case. By providing comprehensive legal assistance, the DVLAP project helps survivors and their children escape the potentially deadly cycle of violence and build independent lives. According to the FBI, almost a third of female homicide victims are killed by an intimate partner.<sup>28</sup>

Saving victims from violent attack is reason enough to fund the DVLAP project. But funding the DVLAP project also benefits the state's economy. By helping families live free of violence, DVLAP saves the Commonwealth the high cost of medical and mental health care for injured victims, special education and counseling for affected children, police and court resources, social services and loss of productivity.

- The U.S. Department of Justice reported in 1997 that 37 percent of all women who sought care in hospital emergency rooms for violence-related injuries were injured by an intimate partner.<sup>29</sup>
- A 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.<sup>30</sup>
- 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.<sup>31</sup>

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<sup>26</sup> \$17,624 x 130 individuals = \$2,283,911.78.

<sup>27</sup> National Center on Family Homelessness, 2000.

<sup>28</sup> Federal Bureau of Investigation, Uniform Crime Reports "Crime in the United States, 2000," (2001).

<sup>29</sup> Rand, M. "Violence-Related Injuries Treated in Hospital Emergency Room Departments 5" (Bureau of Justice Statistics, 1997).

<sup>30</sup> L. Elwart, et al, "Increasing Access to Restraining Orders for Low-Income Victims of Domestic Violence: A Cost-Benefit Analysis of the Proposed Domestic Abuse Grant Program," December 2006.

<sup>31</sup> "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>.

It is not possible to determine exactly how many assaults were prevented by DVLAP representation in FY18 and precisely how much healthcare costs were saved. However, a 2014 study conducted by the firm Alvarez & Marsal for the Boston Bar Association estimated that the average legal aid domestic violence case in Massachusetts can be expected to result in a savings of \$4,609 in direct medical and mental health expenditures.<sup>32</sup> Using this figure, we can estimate that DVLAP representation saved \$1,696,112 in direct medical and mental health expenses for its low-income domestic violence clients,<sup>33</sup> reducing costs for health care facilities, staff and insurers, including Medicaid.

Loss of productivity through missed work days is another cost of domestic violence. The Centers for Disease Control and Prevention reported in 2003 that women assaulted by intimate partners collectively lost almost eight million days of paid work.<sup>34</sup> Although we cannot estimate the amount, the income from these work days lost would have helped support a family in difficult circumstances and circulated into the state's economy. Employers also suffer financially when their employees miss work. Loss of productivity affects the state economy, as does the loss of taxes when work income declines.

In addition, there are substantial other indirect and long-term costs to domestic violence, including harm to victims' careers, disruption of children's education, the effects of long-term trauma on both victims and children and the cost of police and court services. The savings from avoiding these long-term and indirect costs would likely far exceed the limited savings reported here.

## Summary

The wide range of civil legal assistance provided by MLAC-funded legal aid organizations to low-income households in FY18 can be conservatively credited with bringing in an estimated \$60.5 million in revenue and cost savings to the Commonwealth and its low-income residents over the course of one year, of which \$6.3 million represents federal revenue. These benefits to the Commonwealth would not be possible without legal aid lawyers and staff who work tirelessly to help Massachusetts' low-income residents maintain financial stability, keep their homes, stay healthy and meet their children's health and education needs.

*The Massachusetts Legal Assistance Corporation has prepared this analysis with the help of its grantees. Compiled by Michael Raabe, MLAC Director of Data and Policy Analysis, and Martha Rogers, MLAC Data Assistant. For more information, contact Lynne Parker, Executive Director, lparker@mlac.org.*

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<sup>32</sup> Baliban, Jeffrey L., Chui, Emily, and Miller-Mizia, Renee, Alvarez & Marsal Global and Forensic Dispute Services, "Report to the Boston Bar Association Statewide Task Force to Expand Civil Legal Aid in Massachusetts," October 7, 2014, at p. 106: <http://www.bostonbar.org/docs/default-document-library/statewide-task-force-to-expand-civil-legal-aid-in-ma---investing-in-justice.pdf>.

<sup>33</sup> \$4,609 per client x 368 clients = \$1,696,112.

<sup>34</sup> Centers for Disease Control and Prevention, "Costs of Intimate Partner Violence Against Women in the United States," March 2003, p. 42.: <http://www.cdc.gov/violenceprevention/pdf/IPVBook-a.pdf>.