



Testimony of Heather Reynolds  
President/CEO  
Catholic Charities Fort Worth  
Fort Worth, Texas

Committee on the Budget  
United States House of Representatives

**July 9, 2014**

Chairman Ryan, Ranking Member VanHollen, and members of the committee, thank you for the opportunity to speak to you today. My name is Heather Reynolds, and I am the President/CEO of Catholic Charities, Diocese of Fort Worth. It is my honor to be able to share my thoughts on poverty reform in the United States.

Let me get right to my main point. Poverty is complex and often cyclical. Quite often, poor parents have poor children and poor children become poor parents. The cycle continues until it is broken. **Case management is the critical element in moving someone from government dependency to self-sufficiency.** That is why we at Catholic Charities believe that case management has to be an integral part of the conversation on how we reform our approach to poverty in this great nation to ensure we permanently move people out of poverty.

**First, case management allows us to work with clients in an individualized way.** Every day in Fort Worth, Texas, we see over 300 people calling or coming to our organization for help. The people we

serve are all in poverty-whether it be in the form of income poverty or asset poverty. Each individual's poverty looks different, but we typically see three main types of poverty. The first type is chronic poverty which results from a combination of factors, such as age, mental illness, or a significant disability. People in chronic poverty are people who are often going to need safety net services throughout their lives. The second type is situational poverty. There are a number of factors that may cause situational poverty, but some of the most common are divorce, death, unexpected health expenses, and the loss of a job, which can often cause a person's situation to spiral out of control. This type of poverty is most often temporary and with quick and direct intervention, a family can quickly be put back on track. The third type is generational poverty. People in generational poverty are those who have had two or more generations living in poverty. It is passed down from parent to child. It is a mindset of living in the moment – for those trapped in generational poverty, being proactive, setting goals and planning ahead are simply not in their frame of reference. Generational poverty has its own culture, hidden rules, and belief systems.

Understanding the type of poverty a family is facing is critical to understanding how to combat it. Case management is most needed for those in situational poverty and generational poverty. And, those in generational poverty need a deeper level of case management because it requires a mindset change. Understanding a client's experience of poverty allows us to serve them in an individualized way. I'm happy to provide examples of how this has been shown to work during our discussion.

**Second, case management allows us to serve in a way that is holistic.**

In most cases, people who come to Catholic Charities Fort Worth face complex, multifaceted and interrelated challenges. The way the federal system is designed, clients receive services for each of their needs independently from other problems they may be facing. Case management helps transform interventions from an array of siloed, stand-alone services to a coordinated and comprehensive plan to get individuals and families to achieve their fullest potential. Good case managers help clients manage their situation; they do not “manage” the client. Effective case management is a participative process in which the client and case manager work to holistically move a family forward and out of poverty permanently.

**Third, case management gets results.** For example, the federal program, the Voluntary Agency Matching Grant Program for refugees, which we participate in at Catholic Charities Fort Worth, is a successful federally-funded anti-poverty program in the United States. In Fort Worth, our success rate of moving individuals from poverty to self-sufficiency is high because of the intensive case management that is paired with ancillary services. In 2013, 90% of our clients in this program became self-sufficient within 6 months.

From my experience, many federal programs are not designed and measured for the end goal impact. How can we set our goal at ending homelessness and then measure success by counting the number of shelter beds we fill? How can we have a goal of a family thriving and then count it successful when they are signed up for public benefits? That is why it is my firm belief that research and a focus on results has to be paired with the services provided.

At Catholic Charities Fort Worth, our main partner in this effort is the Lab for Economic Opportunities (LEO), established at the University of Notre Dame in partnership with Catholic Charities USA. By incorporating rigorous impact evaluation into program design, this lab aims to identify the innovative, effective and scalable programs that help people move out of poverty. One of the initiatives being evaluated is our Stay the Course program, aimed at increasing persistence and degree-attainment among low-income students by reducing the chance that events outside of school derail a college education. This is achieved through two distinct mechanisms: holistic, personalized case management and emergency financial assistance. The pilot is tracking outcomes for randomly selected students receiving support services and for a control group of students not receiving support, in order to measure the impact of these services on academic performance, educational attainment, employment, and earnings. While the research is still in its initial stages, the results from the first year of this pilot indicate that students receiving case management services not only averaged more credit hours than the treatment group, but were more likely to persist in their education. Case management was the difference. And there is not a better way to get someone out of poverty than to help ensure they graduate with a degree that can get them a job that pays them enough to not just survive, but thrive. But, with only 10% of students nationwide that begin community college ever graduating, it is critical that we understand why 90% of students who start never finish. And that is where case management comes into play.

Case management is an integral part of reducing poverty in America. Holistic and individualized case management services address the

individual's needs and unique circumstances. Case management allows us to address a family holistically to determine where services can be more efficient and effective. Case management gets results.

Therefore, I recommend replicating existing successful holistic case management models.

Poor parents have poor kids and more often than not, poor kids become poor parents. The cycle continues unless it is truly and purposefully broken. Case management is the critical to moving a family out of poverty and keeping them out. Thank you for your time today and thank you for what you do for people in need throughout our great country. I would be happy to answer any questions you may have.