

Economic Impact Report for Legal Aid of West Virginia Civil Legal Services

Submitted to Legal Aid of West Virginia

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The **Improve** Group

This effort was undertaken with input and feedback from members of the local legal community and other community stakeholders. Legal Aid of West Virginia wishes to thank them for their participation and valuable insight:

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EXECUTIVE SUMMARY

Legal Aid of West Virginia (LAWV) provides statewide legal and advocacy services for low-income families in West Virginia. It operates from 12 offices located throughout the state to facilitate easy access to services. Its mission is “to ensure that the most vulnerable among us—low-income families, seniors, victims of domestic violence, the disabled—have an equal shot at justice, in the courtroom and in their communities”.

The intake criteria for receiving LAWV services is that a family or individual have a household income at or below 125 percent of the federal poverty level (with exceptions for up to 200% of poverty level if the household has certain monthly expenses like childcare or work transportation), have experienced domestic violence, or qualify for one of LAWV’s other special grants.

LAWV works in three areas: civil legal services, behavioral health advocacy, and long-term care ombudsman services. Civil legal services are the focus of this analysis because information on service outcomes and their relationship to economic return was most readily available. These services include:

- Family legal services (divorce, domestic violence protective orders, and custody and visitation)
- Consumer law (bankruptcy and debtor relief and other miscellaneous consumer finance)
- Income maintenance (supplemental security income [SSI], and social security disability insurance)
- Housing disputes
- Wills and estates
- Other legal services (financial exploitation and other miscellaneous legal services)

Other service areas are not included in this analysis. Some examples of these services are:

- Behavioral health advocacy
- Long-term care ombudsman services

In 2019, LAWV engaged The Improve Group, a St. Paul, Minnesota, evaluation firm, to conduct an economic impact study on its services. The Improve Group found that for every \$1 invested by state and local sources into LAWV for its civil legal aid programs, the return on investment to the State of West Virginia is \$3.04.

Legal Aid: Quantifiable Economic Benefits for Families and Governments

ROI

For every

\$1.00

invested in civil legal services



the economic benefit to the State of West Virginia is

\$3.04

Total number of persons served in all households with civil legal cases

 **13,911**

Including:



Adults

6,194



Children

7,717

Total cases closed in 2018*



4,870

4,087

By Legal Aid of West Virginia Staff Attorneys

783

By Private Volunteer Attorneys

Benefits



\$13,048,807

Economic benefit to the State of West Virginia



\$7,734,501

Total benefits to clients



\$405,225

Avoided shelter costs due to homelessness



\$3,405,915

Market value of legal services to clients



\$1,140,461

Avoided costs of domestic violence

*This does not include cases handled by Legal Aid of West Virginia's statewide Ombudsman and Behavioral Health advocates.

CONTEXT

Legal Aid of West Virginia (LAWV) operates in communities experiencing high rates of poverty and opioids, which cannot be ignored when considering the impact of LAWV's work. According to the Bureau of Economic Analysis, the State of West Virginia ranked 49th out of the 50 states in GDP, with a per capita GDP of \$43,053 (in current dollars) in 2018. Although there was some growth in personal income in 2018, the West Virginia Center on Budget Policy urges caution,

And those two [growth] quarters, 2018: Q2 and 2018: Q3 both appear to be aberrations, driven more by temporary factors than any actual sustained strength in the state's economy. And that is a sign for concern, not celebration.¹

In addition, a September 2018 CBS News Report cites increasing poverty in the state:

The Appalachian state is, along with Delaware, just one of two states where poverty rose last year, bucking the national trend of growing incomes and declining hardship, according to U.S. Census data released earlier this month. West Virginia's poverty rate climbed to 19.1 percent last year from 17.9 percent, making it just one of four states with a poverty rate above 18 percent.²

In breaking down poverty data, the West Virginia Center on Budget Policy shares troubling poverty statistics from the Census Bureau's American Community Survey:

An estimated 312,118 West Virginians lived in poverty in 2018, for a total poverty rate of 17.8 percent, the 4th highest in the country.

West Virginia's child poverty rate in 2018 was 24 percent. West Virginia had the 6th highest child poverty rate among the 50 states in 2018.

Poverty remains a more serious problem for African Americans in West Virginia. The state's poverty rate for African Americans was 28.6 percent in 2018.³

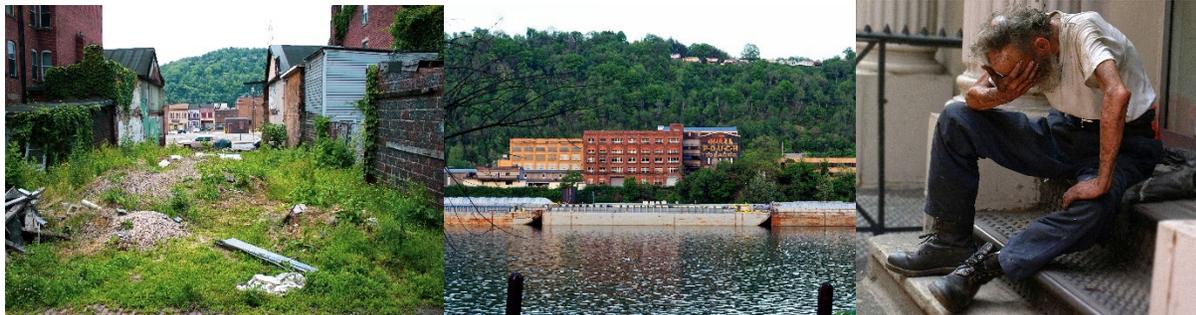
A May 2018 article in the Fairmont Times West Virginian, [*Side Effects: Opioid Crisis Creating Child Welfare Crisis In W. Va.*](#), cites West Virginia Department of Health and Human Resources Secretary Bill Crouch as saying the opioid epidemic had created a foster care crisis, with 84 to 85 percent of the state's 6,200 children in foster care as a result of the

¹ For more information, see : <https://wvpolicy.org/west-virginias-personal-income-growth-cause-for-concern-not-celebration/>

² For more information, see: <https://www.cbsnews.com/news/west-virginia-poverty-gets-worse-under-trump-economy-not-better/>

³ For more information, see: <https://wvpolicy.org/breaking-down-more-poverty-data/>

crisis. The combination of poverty and opioids have devastating effects on families and children, contributing to divorce, economic instability, homelessness, domestic violence, and poor mental health. This is an important factor in LAWV's work.



APPROACH

LAWV commissioned The Improve Group to evaluate the economic impact of its services on the economy of West Virginia. In an era when public services are under scrutiny, various states' legal aid agencies have commissioned economic impact studies to better understand their economic value. Economic impact studies quantitatively estimate the economic benefits that could derive from a particular project, industry, or program to a particular community or region. This economic impact study includes an analysis of the direct benefits to clients as a result of legal aid services, as well as the indirect benefits to the State of West Virginia due to increased economic activity and avoided costs when legal aid services help clients with issues like maintaining housing and escaping domestic violence.

LAWV tracks case outcomes for their services; the system documents direct awards to clients and avoided costs, which represent direct savings to clients. In the analysis for this report, monthly direct awards and avoided costs were annualized to calculate total annual benefits to clients within each program area. These annualized rewards represent the impact of legal aid services to clients in 2018.

For this report, LAWV case data and data from national studies are used to calculate the costs that are avoided by the State of West Virginia due to domestic violence and homelessness.

Private attorneys provide pro bono legal services to LAWV clients. The average billing rate of private family law attorneys in West Virginia was used to calculate the private market value of benefits to clients.

Lastly, the multiplier effect of streams of federal income into the State of West Virginia as a result of clients accessing federal benefits is calculated. The multiplier—of clients spending

their federal benefits in their local communities—helps clarify what the impact of each dollar of federal income will be to the West Virginia economy.

Not every service area lent itself to economic impact analysis. Ombudsman services have a significant impact on the lives of West Virginia citizens who are elderly or disabled and in protected care settings, but the economic impact of those services is difficult to calculate for individual cases. For example, resolving complaints and improving the quality of life for nursing home residents can improve lives, prevent abuse and neglect, and even extend longevity for residents. However, those benefits were outside the scope of our analysis. The same logic can be applied to behavioral health interventions. While they may contribute to the health and well-being of vulnerable clients, their benefits are hard to quantify in monetary terms.

This economic impact analysis will focus on LAWV's quantifiable economic impact for the fiscal year ending in 2018.

LEGAL AID OF WEST VIRGINIA SERVICE AREAS

LAWV's work falls into three main areas:

Civil Legal Services

- Protection from domestic violence
- Divorce and family law
- Access to government benefits, including veteran's benefits, Medicaid, SNAP (food stamps), unemployment compensation, TANF (temporary income maintenance), and others
- Consumer protection
- Housing disputes
- Access to education (not included in analysis)

Service areas not included in analysis

Two LAWV service areas are not included in this analysis for reasons described above. These are listed below.

Behavioral Health Advocacy

- Children's health advocacy
- Education and training of hospital staff and other behavioral health professionals
- Investigation of complaints and grievances by individuals in the State's two mental and behavioral health inpatient facilities
- Referral and community linkage for challenged individuals and their families
- Establishment of community supports for those with mental and behavioral disorders, such as housing and benefit

Long-Term and Elder Care Ombudsman

- Identifying, investigating, and resolving complaints made by or on behalf of long-term care residents—issues can range from simple quality-of-life concerns such as poor food service or incompatibility with a roommate, to questions about Medicare and Medicaid billing, up to complaints of patient abuse and neglect
- Making routine, unannounced visits to long-term care facilities to monitor the general condition and care of residents
- Representing the interests of residents to government agencies and seeking administrative, legal, and other remedies

IMPACT

Legal aid organizations exist in every state to help low-income communities who otherwise would not have access to civil legal services. LAWV provides legal services to support low-income families through life changes like divorce, obtaining orders of protection, resolving child custody issues, obtaining child support for parents, going through bankruptcy, securing housing, and accessing benefits. The sections below outline the financial outcomes of cases handled by LAWV, including awards to clients and costs avoided by clients.

In 2018, LAWV closed 4,870 unique civil legal cases. This does not include cases handled by LAWV's statewide Ombudsman and Behavioral Health advocates. One case may have one or more outcomes, and not every case resulted in a financial award. The total benefit of awards to clients and avoided costs in all cases is \$7,734,501; this is broken down by service area in the following sections.

FAMILY LEGAL SERVICES

This section demonstrates the impact of family legal services on clients of LAWV.



Divorce cases

LAWV's largest area of impact is providing attorney services to low-income families in divorce cases. There were **1,400** cases with a financial benefit to clients involving family law matters such as divorce without children, divorce with children, divorce contempt, annulment, legal separation, other divorce/separation/annulment, or a qualified domestic relations order. Legal services also helped families with issues related to alimony and child support modifications. For example, legal aid attorneys help some clients receive a monthly alimony and/or child support payment, which allowed them to remain housed safely or receive a retirement payment to which they are entitled through a qualified domestic relations order.

| | |
|---|--------------------|
| Annualized direct benefits to clients | \$1,372,913 |
| Annualized costs avoided by clients | \$377,845 |
| Total annual benefits to clients | \$1,750,758 |

Domestic violence protective order cases

As noted earlier, to receive services from LAWV, clients must either have incomes at or below 125 percent of the federal poverty level, be victims of domestic violence, or qualify for one of LAWV’s other special grants.

Domestic violence affects many families in profound ways, including developmental delays in children, fear, absences from work, family distress, anxiety, and depression. In family law cases, a client seeking a domestic violence protective order and is often also seeking help with a divorce or custody action. The economic impact of those cases is captured in sections describing the economic impact of divorce and custody work at LAWV more generally.

Other families receive awards and avoid costs in domestic violence protective order cases where that is the only legal action the family chooses to pursue. In 2018, LAWV attorney obtained, preserved, or increased child support in **660** domestic violence protective order cases. Their work financially impacted families in other ways as well, including allowing the domestic violence victim to remain in the marital home safely with support to pay the bills and take care of the children.

| | |
|---|------------------|
| Annualized direct benefits to clients | \$298,174 |
| Annualized costs avoided by clients | \$50,417 |
| Total annual benefits to clients | \$348,591 |

Custody and visitation cases

Sometimes, a divorce has been settled or a domestic violence protective order has been issued, but child custody remains contested. In West Virginia, any party can sue for child custody at any time after separation while the children remain minors. Additionally, kinship caregivers need legal help with custody or infant guardianship in cases where the biological parents are unable to parent due to substance use disorder.

LAWV attorneys help low-income families with child custody cases. These cases generally include child support orders and an allocation of custody between the parties. In 2018, LAWV lawyers helped families establish custody allocations, child support modifications, contempt orders, third party custody, grandparent visitation, and relocation plans in **1,445** cases with financial outcomes involving children. In a few cases, particularly when serving veteran clients with disabilities, LAWV attorneys help clients obtain child support modifications that reduced their financial obligations when their economic situations

changed. For example, the financial impact of these cases can include reducing support when the amount is based on a prior, higher amount of income or increasing the amount when the original amount is based on prior lower earnings. Financial impacts may also include, for example, advising a kinship family that has obtained an infant guardianship as to an array of state benefits to which they become entitled.

| | |
|---|------------------|
| Annualized direct benefits to clients | \$255,738 |
| Annualized costs avoided by clients | \$13,963 |
| Total annual benefits to clients | \$269,701 |

CONSUMER LAW



Bankruptcy and debtor relief

LAWV attorneys help clients understand the different types of bankruptcies. This includes helping clients make informed choices about whether they should pay any portion of outstanding debt or seek relief from debt depending on their income and the consequences of various bankruptcy filings. In **267** case outcomes, attorneys aided clients to successfully file for Chapter 7 (surrender of assets), Chapter 13 (re-organization or readjustment of debt payments over a 60-month period), or other types of bankruptcy relief. Attorneys were able to help clients save money through bankruptcy filings including, for example, helping clients to restructure debts or obtain debt forgiveness while holding on to their homes and regaining self-sufficiency and safety.

| | |
|---|------------------|
| Annualized direct benefits to clients | \$67,210 |
| Annualized costs avoided by clients | \$928,210 |
| Total annual benefits to clients | \$995,420 |

Other miscellaneous consumer finance

LAWV also provides services to low-income clients who have been unfairly disadvantaged during a financial transaction or to mitigate financial loss or penalties. There were **55** case outcomes where one-time settlement payments were made. For example, attorneys were

able to help clients save money they otherwise would have paid in a case where a debtor erroneously repossessed a car, resulting in a client award of \$13,000.

| | |
|---|------------------|
| Annualized direct benefits to clients | \$593,472 |
| Annualized costs avoided by clients | \$39,392 |
| Total annual benefits to clients | \$632,864 |

INCOME MAINTENANCE



Supplemental Security Income

People living with low income who are 65 or older, as well as those of any age who are blind or have disabilities, are eligible for federal Supplemental Security Income, or SSI. West Virginia, like all states, processes applications for SSI, but the rules for eligibility are set by the federal Social Security Administration.

In a 2005 report, the Institute for America’s Future found that “rural communities in West Virginia depend on income from Social Security 24 percent more than non-rural communities. Additionally, West Virginia’s rural communities have a higher percentage of senior citizens, residents who depend on Social Security’s disability insurance, and elderly women receiving Social Security than the state’s non-rural communities.”⁴

In 2018, LAWV attorneys helped clients with **248** SSI cases with outcomes reflecting a positive financial impact. They also helped clients avoid repayments to the Social Security Administration when the agency incorrectly assessed an overpayment. Benefits to clients included, for example, assisting a low-income person with disabilities in receiving a small monthly benefit due to their disability, along with Medicaid health insurance to allow for doctors’ visits and treatment.

⁴ For more information please follow this link: https://wvcag.org/blog/wp-content/uploads/2005/08/wv_rural_report.pdf

| | |
|---|------------------|
| Annualized direct benefits to clients | \$515,046 |
| Annualized costs avoided by clients | \$99,099 |
| Total annual benefits to clients | \$614,145 |

Social Security Disability Insurance

Social Security Disability Insurance, or SSDI, supports individuals who are living with disabilities and have a qualifying work history, either through their own employment or a family member such as a spouse or parent. SSDI determination is based on disability and work credits, and a person with SSDI will automatically qualify for Medicare after 24 months of receiving disability payments (except in the case of some medical conditions where individuals with some medical diagnosis are eligible for Medicare immediately).

LAWV attorneys helped clients in cases such as SSDI denial, termination, reduction, overpayment, representative payee issues, or with initial applications. There were **72** financial outcomes related to those cases. LAWV also helped clients avoid repayments to the Social Security Administration in cases where overpayments were assessed in error. Benefits to clients of these cases include assisting 55-year-old grandparents who had adopted a child in receiving SSDI for that child after the grandfather's debilitating illness rendered him unable to work.

| | |
|---|------------------|
| Annualized direct benefits to clients | \$627,526 |
| Annualized costs avoided by clients | \$68,730 |
| Total annual benefits to clients | \$696,256 |

HOUSING DISPUTES



LAWV helps families keep housing whenever possible by preventing eviction and homelessness. In 2018, LAWV attorneys handled cases with **661** outcomes involving evictions, repairs, living conditions, lockouts, utility shut-offs, failure to return security deposits, and other landlord/tenant disputes in which there was a positive financial impact for the client. Clients benefited, for example, when a landlord illegally shut-off water or electric to the client's home as a means of attempting to self-evict a tenant and a LAWV attorney intervened to stop the illegal acts, allowing the client to stay in the home.

| | |
|---|------------------|
| Annualized direct benefits to clients | \$111,210 |
| Annualized costs avoided by clients | \$80,281 |
| Total annual benefits to clients | \$191,491 |

WILLS AND ESTATES

LAWV attorneys help families with will or estate issues, including advising them on how to ensure their wishes are known regarding a grandchild in their care. Common clients for these services are low-income veterans and kinship caregivers. In 2018, attorneys handled such cases with 100 outcomes that provided the client a financial benefit. For example, when they assist a low-income client with a will dispute, it brings needed money into the household.

| | |
|---|------------------|
| Annualized direct benefits to clients | \$227,210 |
| Annualized costs avoided by clients | \$0 |
| Total annual benefits to clients | \$227,210 |

OTHER LEGAL SERVICES

Financial exploitation

LAWV attorneys provide legal help for protected, incapacitated, and vulnerable persons who are being financially exploited by caregivers and guardians. In 2018, there were **115** case outcomes involving financial exploitation and financial exploitation protective orders. Attorneys helped clients avoid possible losses resulting from exploitation, arising when, for example, a family member convinces a vulnerable person to sign over power of attorney to them and uses that power to secure property and money. LAWV attorneys help victims remove their abusers' powers of attorney over them and seek financial restitution. They also work with police and prosecutors if the victim wants to pursue criminal charges against the person who exploited them.

| | |
|---|--------------------|
| Annualized direct benefits to clients | \$1,421,332 |
| Annualized costs avoided by clients | \$49,745 |
| Total annual benefits to clients | \$1,471,077 |

Other miscellaneous legal services

LAWV attorneys have also helped clients with matters other than those above. Examples of cases in this category include instances where attorneys helped clients obtain wages due to them, or helped clients obtain refunds of taxes erroneously withheld.

| | |
|---|------------------|
| Annualized direct benefits to clients | \$536,988 |
| Annualized costs avoided by clients | \$0 |
| Total annual benefits to clients | \$536,988 |

MARKET VALUE OF LEGAL SERVICES

LAWV leverages its services with those from volunteer private attorneys who provide civil legal services on a pro-bono basis. Of the 4,870 cases handled in 2018, 783 of those cases were handled by volunteer attorneys across many services areas, mostly in family and consumer law. In 2018, 78 volunteer private attorneys closed cases. Eleven law student volunteers also assisted clients over the course of the year. Overall, volunteer attorneys spent 2,483 hours at an in-kind rate of \$135 per hour, adding to a total value of volunteer attorney services of **\$335,205**.

LAWV attorneys provide valuable community services that would otherwise be unaffordable to individuals and families with low income. LAWV services are funded through federal and state grants as well as private philanthropy. The benefit to the clients is calculated using an internal estimated billing rate, versus what private market rate attorneys would charge for the same civil legal services. In 2018, 68 LAWV attorneys (aided by 24 paralegals) spent 22,746 hours providing services to clients to clients at \$68 per hour instead of the private attorney market rate of \$135 per hour.

| | |
|--|--------------------|
| Total value of equivalent civil legal services through private attorneys | \$3,070,710 |
| Total value of volunteer attorney services | \$335,205 |
| Total private market value of legal benefits to clients | \$3,405,915 |

INDIRECT BENEFITS TO THE STATE OF WEST VIRGINIA

Indirect benefits are benefits the State of West Virginia gains due to cost avoidance for people who otherwise would be homeless and have to be sheltered, or for costs associated with domestic violence.

Preventing homelessness

When LAWV helps a client stay housed, the State of West Virginia saves money on the costs associated with homelessness. This economic analysis only includes cases where homelessness was prevented as a result of LAWV's work. According to the National

Alliance to End Homelessness, 1,243 people experienced homelessness in West Virginia in 2018. These included 1,021 individual adults, 222 people in families, 131 veterans, and 154 people who met the criteria for chronic homelessness⁵.

In addition to the costs to the State in providing funds to support temporary and emergency shelter and other services to people experiencing homelessness, homelessness can have a tremendous impact on children's education, health, sense of safety, and overall development, according to the National Alliance to End Homelessness. Children experiencing homelessness have been shown to:

- Have higher levels of emotional and behavioral problems;
- Have increased risk of serious health problems;
- Be more likely to experience separations from their families;
- Experience more school mobility;
- Have a higher likelihood to repeat a grade, be expelled, or drop out of school; and
- Have lower academic performance.⁶

In West Virginia, the average annual shelter savings when a family avoids eviction or another loss of housing is \$26,412 per family. In 2018, LAWV helped 80 families avoid losing their housing by avoiding by delaying landlord possession, preventing eviction, or obtaining access to housing. According to the National Coalition on Homelessness, the average length of stay in emergency shelter was 70 days for families.⁷ Using the average annual shelter costs and assuming each case prevented homelessness for one family for 70 days, LAWV attorney services are estimated to have saved the State of West Virginia **\$405,225** in avoided shelter costs in 2018.

Domestic violence

Domestic violence prevention and disruption benefits families and local communities. In a state with high per capita levels of domestic violence, many of LAWV's cases are on behalf of victims. Studies have quantified the economic benefits of preventing domestic violence. This data is used below to quantify the economic benefits of domestic violence interventions on behalf of West Virginia families.

⁵ Defined by the Department of Housing and Urban Development as having experienced homelessness for at least a year or repeatedly while struggling with a disabling condition such as a serious mental illness, substance use disorder, or physical disability.

⁶ For more information please follow this link: <https://endhomelessness.org/homelessness-in-america/who-experiences-homelessness/children-and-families/>

⁷ For more information please follow this link: https://nationalhomeless.org/factsheets/How_Many.html

Domestic violence victims may face years of post-traumatic stress. Domestic violence also consumes public services in police, medical, and court resources, resources that are essential to keeping abused families safe. Domestic violence intervention benefits to individuals include prevention of harm, better mental health, increased employment productivity, less property destruction, injury prevention, and less fear and anxiety.

A Wisconsin study cited in many economic impact studies shows that domestic violence intervention, particularly legal assistance for obtaining a restraining order against the perpetrator of domestic violence, benefits state and local governments. It found that one violent attack costs \$3,201 in medical and health care expenses, lost productivity, and property damage.⁸ When adjusted for inflation, each case with an outcome associated with preventing domestic violence results in \$4,147 avoided costs to the state (2018 dollars⁹).

Of the 4,870 cases closed in 2018 by LAWV staff attorneys, advocates, and volunteer lawyers, 1,088 cases, or 22 percent, involved domestic violence. Many of the outcomes for these cases are captured above, as the cases could also involve a divorce or a custody matter for a domestic violence client. However, in those cases where LAWV's only assistance to the client was a protective order, 275 had successful case outcomes that brought safety from further violence. Successful case outcomes include obtaining a protective order for a victim of domestic violence, obtaining a continuance on a protective order, and obtaining a modification of a protective order. Assuming each case prevented one incident of domestic violence and the avoided costs to state, county, and local governments of each incident was \$4,147¹⁰, Legal Aid of West Virginia programs saved the state **\$1,140,461** in avoided costs related to domestic violence.

⁸ Liz Elwart, et al., State Bar Association of Wisconsin, Increasing Access to Restraining Orders for Low-Income Victims of Domestic Violence: A Cost-Benefit Analysis of the Proposed Domestic Abuse Grant Program (2006) 12-13. Available at: <https://legalaidresearchnlada.files.wordpress.com/2020/01/research-increasing-access-to-restraining-order-for-low-income-victims-of-dv-a-cost-benefit-analysis-of-the-proposed-domestic-abuse-grant-program.pdf>

⁹ Bureau of Labor Statistics Inflation Calculator. https://www.bls.gov/data/inflation_calculator.htm [retrieved July 27, 2020]

¹⁰ Liz Elwart, et al., State Bar Association of Wisconsin, Increasing Access to Restraining Orders for Low-Income Victims of Domestic Violence: A Cost-Benefit Analysis of the Proposed Domestic Abuse Grant Program (2006) 12-13. Available at: <https://legalaidresearchnlada.files.wordpress.com/2020/01/research-increasing-access-to-restraining-order-for-low-income-victims-of-dv-a-cost-benefit-analysis-of-the-proposed-domestic-abuse-grant-program.pdf>

Multiplier effect

Each dollar that is brought into the state has a “multiplier effect” on the state’s economy. This effect describes the economic impact of each new dollar on the state as it passes between businesses and consumers. For the purpose of this study, the inputs include new federal benefits received or retained as a result of LAWV’s services. When LAWV helps clients receive or keep the benefits to which they are entitled, those dollars are then spent in the local community. Federal benefits included in this calculation are Medicaid benefits, Supplemental Nutrition Assistance Programs (SNAP), Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), and Temporary Assistance for Needy Families (TANF). These federal benefits provide low-income households with new income, most of which is spent in the local community, resulting in increased economic activity for the state.

LAWV also brings \$4,511,656 in new federal funds to the State of West Virginia by seeking and obtaining competitively awarded federal and other grant funding for LAWV’s own programs. These federal funds have a multiplier effect of 0.7155, which means for every \$1 in federal funds brought in by LAWV, an additional \$0.72 in economic activity is generated.

In addition, LAWV helped clients receive or retain \$1,444,544 in federal benefits, including \$21,161 in SNAP benefits and \$41,406 in federal medical benefits. National studies¹¹ have shown these benefits have a multiplier effect of 1.50. LAWV also assisted clients in receiving or retaining \$1,381,975 in SSI, SSDI, and TANF federal income. These benefits to West Virginia households have a multiplier effect of 1.61.

Overall, multiplier effects from federal funds result in a total economic impact of **\$11,503,121** for the state of West Virginia.

| Source | Total | Multiplier | Multiplier effect | Total impact |
|---|-------------|------------|-------------------|--------------|
| New federal funds (to LAWV) | \$4,511,656 | 0.72 | \$3,228,090 | \$7,739,745 |
| Federal medical benefits to clients¹² | \$41,407 | 1.5 | \$62,110 | \$103,517 |

¹¹ Canning, Patrick and Brian Stacy. The Supplemental Nutrition Assistance Program (SNAP) and the Economy: New Estimates of the SNAP Multiplier, ERR-265, U.S. Department of Agriculture, Economic Research Service, July 2019.

¹² “The Economics Of Medicaid Expansion, ” Health Affairs Blog, March 21, 2016.DOI: 10.1377/hblog20160321.054035 Retrieved 7/29/20 from: <https://www.healthaffairs.org/doi/10.1377/hblog20160321.054035/full/>

| | | | | |
|--|-------------|------|-------------|---------------------|
| SNAP benefits to clients¹³ | \$21,161 | 1.50 | \$31,742 | \$52,903 |
| Federal income benefits to clients¹⁴ | \$1,381,976 | 1.61 | \$2,224,981 | \$3,606,956 |
| Total economic value | | | | \$11,503,121 |

When this economic impact is combined with the avoided costs due to LAWV's role in preventing homelessness (\$1,140,461) and domestic violence (\$405,225), the total economic benefit to the state is **\$13,048,807**. In 2018, LAWV received \$4,296,815 in funding for legal services from state and local sources.¹⁵ **This means that every dollar invested in Legal Aid of West Virginia by funding sources from within the state yielded a return of \$3.04.**

| Avoided outcomes | Avoided costs per case | Number of cases | Avoided costs | Total impact |
|---|-------------------------------|------------------------|----------------------|---------------------|
| Avoided costs from preventing domestic violence (2018 dollars) | \$4,147 | 275 | \$1,140,461 | \$1,140,461 |
| Avoided costs from preventing homelessness | \$26,412 | 80 | \$405,225 | \$405,225 |
| Total avoided costs | | | | \$1,545,686 |

| | |
|--|---------------------|
| Total economic value of federal funds | \$11,503,121 |
| Total avoided costs | \$1,545,686 |
| Total economic benefit to West Virginia | \$13,048,807 |
| State and local funding | \$4,296,815 |
| Return on investment¹⁶ | \$3.04 |

¹³ Canning, Patrick and Brian Stacy. *The Supplemental Nutrition Assistance Program (SNAP) and the Economy: New Estimates of the SNAP Multiplier*, ERR-265, U.S. Department of Agriculture, Economic Research Service, July 2019. Retrieved 7/27/2020 from: <https://www.ers.usda.gov/webdocs/publications/93529/err-265.pdf?v=872.1>

¹⁴ https://www.aarp.org/content/dam/aarp/research/public_policy_institute/econ_sec/2013/social-security-impact-national-economy-AARP-ppi-econ-sec.pdf

¹⁵ State contracts for behavioral health services and the long-term care ombudsmen services are not included in the economic impact analysis. Revenue to Legal Aid of West Virginia for these contracts is excluded from the total state and local investment.

¹⁶ Economic benefit (\$13,048,807) divided by state and local funding (\$4,296,815).

CONCLUSION

LAWV has quantifiable economic benefits for West Virginia families, to the State of West Virginia, and to local government entities. For every dollar invested in LAWV, there is a return of \$3.04, and a total economic benefit of \$13,048,807 to the state of West Virginia. LAWV services have a clear economic impact and bring significant federal funds into the state economy.

The annual direct benefit to low-income clients of \$7,734,501 helps families with basic needs and strengthens them. LAWV services result in increased quality of life for residents.

Additionally, many of LAWV's benefits are incalculable and unquantifiable impacts that are also important to remember. These positive outcomes can range from advocacy to assure that juveniles who have experienced trauma due to a parent's opioid addiction get educational supports and services they need, to interventions to protect vulnerable adults in residential facilities result. While unquantifiable, these outcomes have a profound difference in people's lives.

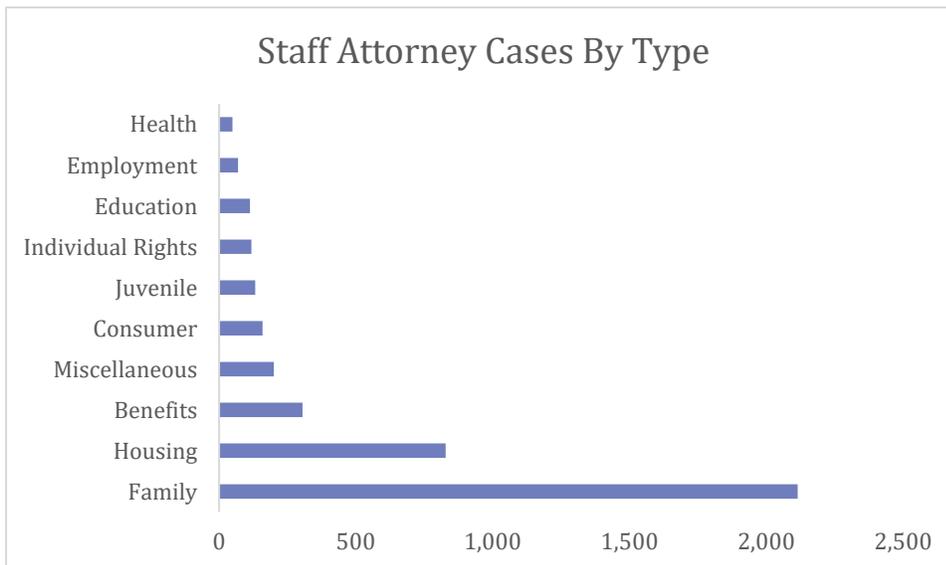


APPENDIX

The following charts represent the number of unique civil legal cases closed by Legal Aid of West Virginia (LAWV) staff and volunteer attorneys in 2018. This does not include cases handled by LAWV’s statewide Ombudsman and Behavioral Health advocates. Staff attorneys closed 4,087 cases, and volunteer attorneys closed 783 cases, altogether totaling 4,870 cases.

Staff attorney case distribution by type

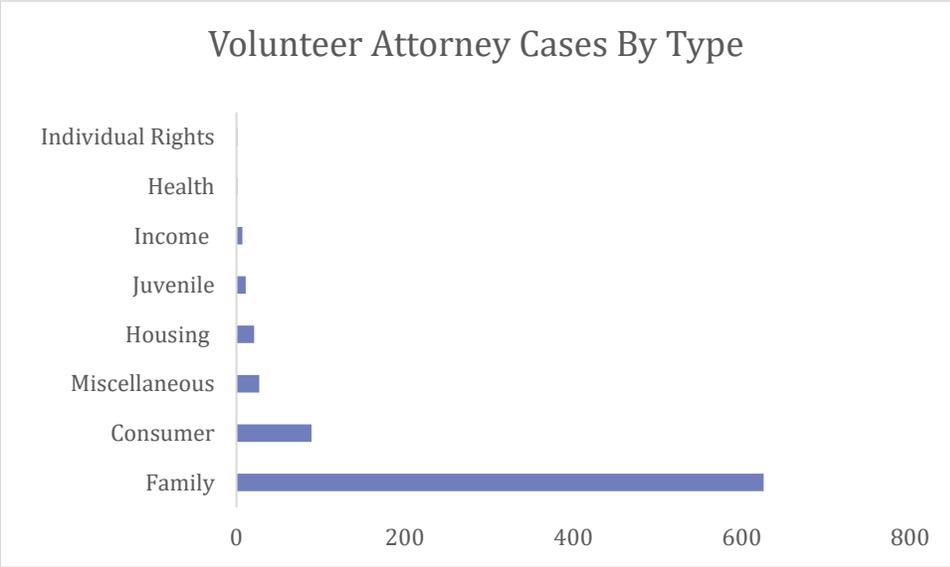
| Case Type | Number of cases |
|---|-----------------|
| Family | 2,114 |
| Housing | 828 |
| Benefits | 305 |
| Miscellaneous | 200 |
| Consumer | 159 |
| Juvenile | 132 |
| Individual Rights (e.g., driver’s license reinstatement) | 118 |
| Education | 113 |
| Employment | 69 |
| Health | 49 |
| Total | 4,087 |



Volunteer attorney case distribution by type

| Case Type | Number of cases |
|-----------|-----------------|
|-----------|-----------------|

| | |
|--------------------------|------------|
| Family | 626 |
| Consumer | 89 |
| Miscellaneous | 27 |
| Housing | 21 |
| Juvenile | 11 |
| Income | 7 |
| Health | 1 |
| Individual Rights | 1 |
| Total | 783 |



Summary of direct and indirect benefits to clients

| Legal area | Number of cases (single outcomes) | Case types | Awards ¹⁷ | Avoided costs ¹⁷ | Total benefit amounts ¹⁸ |
|---------------------------------------|-----------------------------------|--|----------------------|-----------------------------|-------------------------------------|
| Divorce, separation, annulment | 1,400 | Divorce without children, divorce with children, divorce contempt, annulment, legal separation, other divorce/separation/annulment, qualified domestic relations order | 1,372,913 | \$377,845 | \$1,750,758 |
| Domestic Abuse | 660 | Domestic violence protective order (DVPO), violation of DVPO, other domestic abuse | \$298,174 | \$50,417 | \$348,591 |
| Custody, visitation | 1,445 | Custody/visitation establishment, modification, contempt, third-party custody, grandparent visitation, relocation, other custody visitation | \$255,738 | \$13,963 | \$269,701 |
| Other Miscellaneous | 115 | Other miscellaneous, financial exploitation, financial exploitation protective orders | \$1,421,332 | \$49,745 | \$1,471,077 |
| Bankruptcy/Debtor Relief | 267 | Chapter 7, Chapter 13, other bankruptcy | \$67,210 | \$928,210 | \$995,420 |
| Other Consumer/Finance | 55 | Other consumer/finance | \$593,472 | \$39,392 | \$632,864 |
| SSI | 248 | SSI denial, termination, reduction, overpayment, representative payee | \$515,046 | \$99,099 | \$614,145 |

¹⁷ Awards of a monthly nature were annualized to get to the annual amount. Lump sum awards are single awards of a lump sum. These two were added to get to an annual awards in each program area.

¹⁸ This is the combination of awards and avoided costs.

| Legal area | Number of cases (single outcomes) | Case types | Awards ¹⁷ | Avoided costs ¹⁷ | Total benefit amounts ¹⁸ |
|---|-----------------------------------|---|----------------------|-----------------------------|-------------------------------------|
| | | issues, other SSDI, SSDI initial application | | | |
| SSDI | 72 | SSDI denial, termination, reduction, overpayment, representative payee issues, other SSDI, SSDI initial application | \$627,526 | \$68,730 | \$696,256 |
| Private landlord/tenant disputes | 661 | Evictions, repairs/conditions, lock outs/utilities shut offs, security deposits, other landlord/tenant | \$111,210 | \$ 80,281 | \$191,491 |
| Wills and estates | 100 | Wills (not living wills), other wills/estates | \$227,210 | - | \$227,210 |
| Other | - | Other case types not fitting into above categories. | \$536,998 | - | \$536,998 |
| Total benefits | | | | | \$7,734,501 |