### Improving Program Performance by Strengthening TANF Responsiveness

**Presentation at the ACF Regional TANF Directors Meeting Denver, CO** 

**September 18, 2014** 

Michelle K. Derr, Mathematica Policy Research Liz Schott, Center for Budget and Policy Priorities

# **Workshop Goals**

- By the end of the session, participants will have:
  - Discussed how TANF program performance fits into the overall safety net for low-income families.
  - Examined the responsiveness of TANF work programs are for participants and nonparticipants (including those who are eligible for TANF, but not receiving it).
  - Explored the unique intersection of what a strong, responsive TANF program might look like and how states might implement some of program components.
  - Considered strategies for monitoring performance and testing the "success" of policy/program changes.

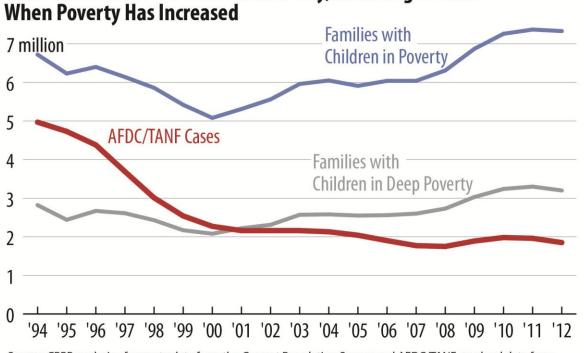


# **Trends in the TANF Safety Net**



### **Fewer TANF Families, Despite Increasing Need**

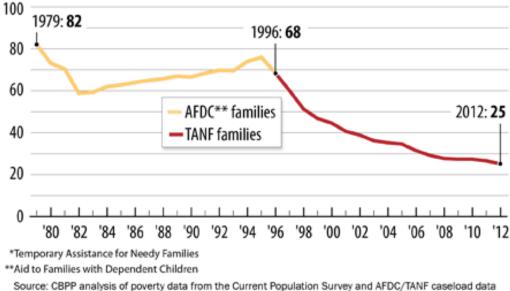
TANF Cases Have Declined Dramatically, Including in Years



Source: CBPP analysis of poverty data from the Current Population Survey and AFDC/TANF caseload data from Health and Human Services and (since 2006) caseload data collected by CBPP from state agencies.

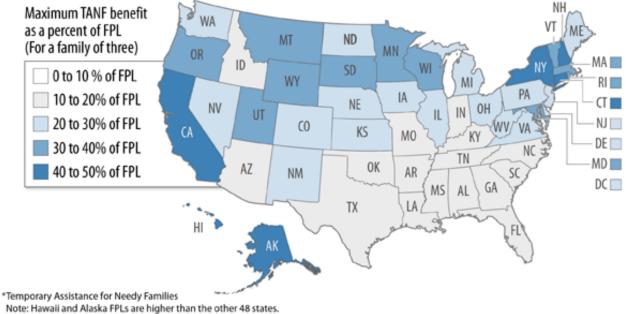
#### TANF's\* Role as a Safety Net Has Declined Sharply Over Time

Number of families receiving AFDC/TANF benefits for every 100 families with children in poverty



Source: CBPP analysis of poverty data from the Current Population Survey and AFDC/TANF caseload data from Health and Human Services and (since 2006) caseload data collected by CBPP from state agencies.

# **TANF Families Remain Extremely Poor**



#### Maximum TANF\* Benefits Leave Families Well Below the Federal Poverty Level (FPL)

Source: Calculated from 2014 HHS Poverty Guidelines and CBPP-compiled data on July 2014 benefit levels.

# **TANF Safety Net Varies Across States**

#### TANF Provides a Safety Net to a Small Share of Poor Families Number of families receiving TANF benefits for every 100 families in poverty with children, by state (2012) WA MT ND MN OR TANF to poverty ratio MA ID SD 0-10 WY RI PA 10-20 IA (T III NV OH UT 20-30 NJ (0) CA KS 30-40 DE NC 40-60 TN MD I AZ 0K AR SC MS GA LA TX 0.40 HI

Source: CBPP analysis of poverty data from Current Population Survey and TANF caseload data from Health and Human Services (since 2006) caseload data collected by CBPP from state agencies.

#### TANF\* Lifts Many Fewer Children out of Deep Poverty\*\* Than AFDC Did

#### TANF (2010)

Lifted 24% of children who otherwise would have been in deep poverty

629,000 children

#### AFDC\*\*\* (1995)

Lifted 62% of children who otherwise would have been in deep poverty

2,210,000 children

\*Temporary Assistance for Needy Families

\*\*Deep poverty = income less than 50 percent of the federal poverty line

\*\*\*Aid to Families with Dependent Children

Source: CBPP analysis of Current Population Survey, additional data from HHS TRIM model.

# Elements of a Work-Focused Safety Net Program



# **Work-Focused Safety Net Program**

- Relates to the needs, conditions of the labor market
  - Preparing people for available jobs and providing skills and training employers need
- Recognizes need for and supports multiple pathways to work (NOT one-size-fits-all)
  - Varying education, experience, capacity and interest levels require customized employment pathways
- Provides assistance that improves employment and earning outcomes, leads to self-sufficiency
  - Also services that support work

# Work-Focused Safety Net Program (cont.)

- Recognize the diversity of the caseload
  - Steady work with significant hours may not be realistic goal for all
  - Set expectations consistent with ability to succeed
  - Do not exclude the most vulnerable families through work requirements they cannot meet
- Provides adequate cash assistance when people are unable to work
  - Individual or labor market inability
- Considers impact of policies on children

## Thought questions: (1) How would you describe your program now? What works? What doesn't? (2) What changes might improve your program?



# **TANF Program Environment**



### **Changing Demands**

- Decrease in federal funding to support TANF programs
  - Declining value and reallocation of the TANF block grant
  - Discontinuation of federal supplemental grants
  - End of American Reinvestment and Recovery Act (ARRA) funds
- Increase in the demand for public assistance programs
- High unemployment, fewer full-time jobs

# **Responses by States and Localities**

- Explicit efforts to reduce program costs
  - Reductions in state and local administrative and program staffing
  - Reduction in the amount of the cash grant
  - Decreased availability of work and personal supports
- Limit TANF caseload growth
- Modified contracts with local employment service providers
- Rethinking TANF practices and performance measures

# **Customizing Employment Services**



# **Customizing Employment Services**

- Getting and keeping a job is a process
- Different clients require different approaches to service delivery, "start where the client is at"
- "Success" may measured in a variety of ways
  - Educational attainment/credentialing
  - Job placement
  - Wages
  - Retention
  - Progress toward work



# **Customizing Employment Services (cont.)**

- Implementing a customized, employment-focused approach may influence:
  - Assessment
  - Work and program requirements
  - Case management and planning
  - Work-focused activities
  - Personal and work supports
  - Monitoring and tracking
  - Performance measures and program outcomes
- Collaborative partnerships can expand existing services



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# **Review of Workshop Goals**

- By the end of the session, participants will have:
  - Discussed how TANF program performance fits into the overall safety net for low-income families. (Session 1)
  - Examined the responsiveness of TANF work programs are for participants and nonparticipants (including those who are eligible for TANF, but not receiving it). (Session 1)
  - Explored the unique intersection of what a strong, responsive TANF program might look like and how states might implement some of program components. (Session 2)
  - Considered strategies for monitoring performance and testing the "success" of policy/program changes. (Session 2)



- Pre-contemplation No recognition of need for or interest in change
- Contemplation Thinking about changing
- Preparation Planning for change
- Action Adopting new habits
- Maintenance Ongoing practice of new, stronger services

# **Identifying Promising Practices**

- What promising practices does your state implement for TANF clients who are: (1) work-ready, and (2) work progressing
- Highlight promising practices in the areas of:
  - -Assessment
  - Case management and planning
  - Work activities
  - Personal and work supports
  - Performance measures and program outcomes



# **Promising Practices**

- Integrate a strong program message about the benefits of family self-sufficiency and stability
- Make strategic investments in services and supports
- Customize case management and service delivery
- Emphasize and incentivize goal-directed behaviors in progressing toward work
- Build strong TANF/employment networks (e.g., government agencies, community partners, employers, specialized service providers)
- Broadly define employment-focused outcomes



# What one or two program changes would you like to implement to create a more responsive TANF program?



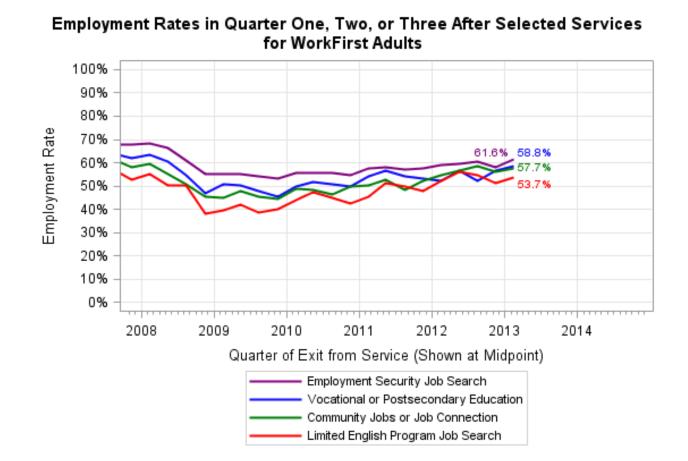
# **Monitoring Program Performance**



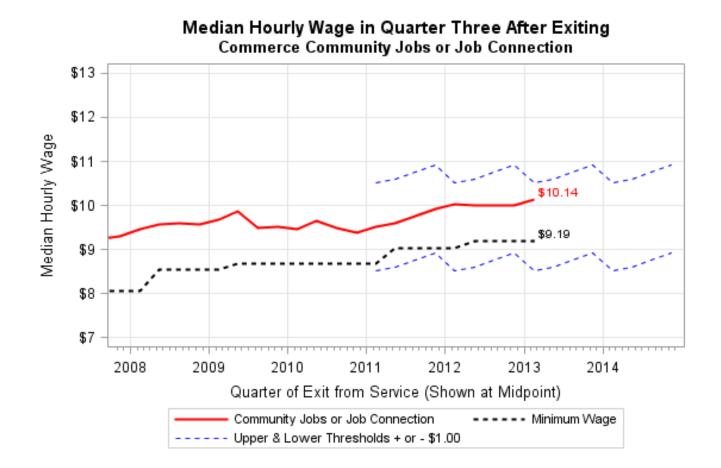
# **WA WorkFirst Performance Chartbook**

- WA state publishes monthly data-driven chartbook
  - Over 100 pages, over 50 measures
  - Appears to all be administrative data or matches
- Employment outcome measures include:
  - Rates of employment after various types of services (e.g., job search, vocational education)
  - Quarterly and hourly wage data after completing various types of services
  - Sufficient employment to qualify for UI after services
  - <u>http://www.workfirst.wa.gov/performance/measures.asp</u>

# **Example: Tracking employment rates after exiting various services**



# **Example: Tracking hourly wage after subsidized employment exit**



# **Connecticut DOL At-A-Squint**

- Monthly Jobs First Employment Services data (TANF cash assistance families) includes:
  - Employment barriers by type and number
  - Types of activities participating in (# and %)
  - Employment rates
  - Hourly wage levels by \$ and against benchmarks (e.g. FPL)
- <u>http://www.ctdol.state.ct.us/weltowrk/Squint/2014</u> /Squint%20Jul%2014.pdf

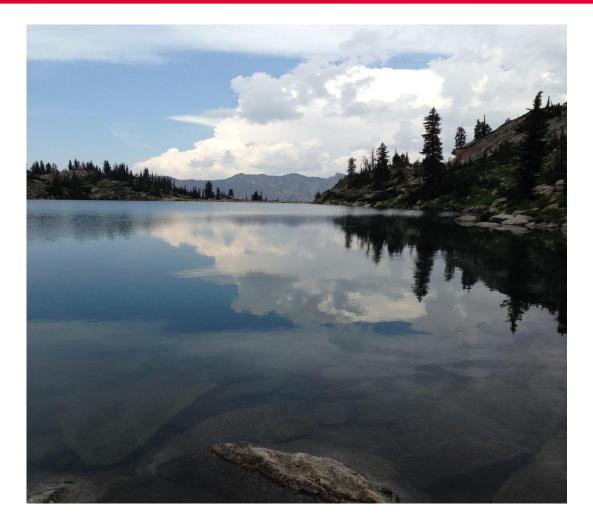
# **Evaluating Program/Policy Changes**



### Recommendations

- Start by identifying the intended outcomes and activities implemented to achieve them
- Decide the type of evaluation that is feasible
  - Implementation evaluation: How did the program operate?
  - Impact evaluation: Did the program make a difference?
- Ideally, use both implementation and impact evaluation to test and understand program success
- Emergence of "Opportunistic Experiments" or rapidcycle evaluation

### **Success!**





# **For More Information**

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