

State of the States: Serving Welfare Recipients in a Post-Recessionary Fiscal and Political Environment

August 18–21, 2013

Presentation at the National Association for Welfare Research and Statistics


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Policy Research

Study Context

- ❧ **TANF is a critical program in the economic safety net for low-income children and families**
- ❧ **During the economic recession, TANF has been less responsive than other safety net programs**
- ❧ **Real value of TANF block grant decreased by 30% due to not increasing funds and inflation**
- ❧ **Little is known about the TANF program in the post-recessionary environment**
- ❧ **There is some evidence that states are restructuring TANF policies and services based on the availability of resources**

Data Collection

 **Data were collected for the TANF Work Participation Study funded by the Office of Planning, Research, and Evaluation within the Administration for Children and Families**

 **Data sources**

- **Telephone interviews with 30 state TANF administrators**
- **Document review (for example, policy manuals, management reports, and organizational materials)**
- **Site visits to 11 communities in eight states**
 - Sonoma County, CA; Hartford and Norwich, CT; Pinellas County, FL; Burlington, IA; Hennepin and Stearns counties, MN; New York City, NY; Dallas, TX; Wasatch Front North and South Regions, UT

Presentation Overview

- ❧ **TANF recipients and the job market**
- ❧ **Changes in TANF program philosophy**
- ❧ **TANF funding and contracting arrangements**
- ❧ **TANF program staffing and caseloads**
- ❧ **TANF services and supports**
- ❧ **Efforts to improve program efficiency**
- ❧ **Use of data and performance measures**

TANF Recipients and the Job Market

- ❧ **More competition in labor market where employers are hiring those with the best job skills and most work experience**
- ❧ **TANF recipients reportedly taking longer to get jobs**
- ❧ **Perception that more part-time than full-time jobs are available to TANF recipients**
 - 17 of 30 states report increasing part-time work

Changes in TANF Program Philosophy

- ❧ **Emphasis on work-first approach in select site visit states**
 - Utah work-first approach
 - New York City work-first model
 - Texas “Big Three”
- ❧ **Focus on immediate engagement in program activities**
- ❧ **Shift toward improving the efficiency of service delivery through technology and other improvements**

TANF Funding and Contracting Arrangements

- ❧ **States experienced significant budget cuts**
 - 25 of 30 states experienced budget cuts
 - Funds often used for programs under other purposes of TANF (e.g., child welfare, emergency assistance)
- ❧ **Five of the 30 states reduced the amount of their TANF grants**
- ❧ **More than half (57%) reduced the total contract amount with service providers or paid a lower cost per participant than they had in the past**
- ❧ **Increase in use of performance-based contracts**

TANF Program Staffing and Caseloads

Staff reductions are common

- Not filling vacancies, layoffs, and furloughs increases workloads of remaining workers
 - 24 of 30 states (80%) experienced staff reductions
- Degree of staff reductions varies considerably across the 30 states

Almost half (14 of 30) of states report increased TANF caseloads during recession

Increase in all 30 states' SNAP caseloads causes reallocation of staff resources to meet demand

TANF Services and Supports

Implementation of strategies to increase the work participation rate

- Pre-application requirements to immediately engage clients in work activities
- Use of solely state-funded programs to remove those who might not count from the TANF caseload

Activities more narrowly focused, reportedly due to resource constraints

- Focus primarily on job search, unsubsidized employment, and basic education

TANF Services and Supports (cont.)

- ❧ **Some interest in expanding post-secondary education, but limited progress**
- ❧ **Decrease in resources available to address personal and work-related needs**
 - **57% (17 of 30) states reduced funds for support services**

Efforts to Improve Program Efficiency

- ❧ **Use technology for more efficient application processing and eligibility determination**
 - Call centers, document imaging
- ❧ **Develop formal initiatives to improve business processes**
 - Utah's Theory of Constraints/Throughput Operational Strategy
- ❧ **Specialize workers for different functions**
 - Florida specialized workers for data entry

Use of Data and Performance Management

Increasing focus on performance management to raise awareness about caseload trends and activity

- Performance management reports
- Formal case reviews (audits of select)

Use of caseload activity reports

- Used as a supervisory tool
- Helps case managers identify those not engaged

Formal processes for developing performance goals

Conclusions

- ❧ **States are operating in a changing and uncertain landscape with fewer resources available to serve TANF recipients**
- ❧ **Many states are reevaluating their TANF programs, looking for ways to improve efficiency and effectiveness**
- ❧ **Changes in program policies and service delivery create important evaluation opportunities**

For More Information

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