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

November 7-9, 2013

**Presentation at Association for Public Policy Analysis & Management
Elizabeth Laird • Michelle Derr • Julia Lyskawa**

**MATHEMATICA
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 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

- **Please contact:**
 - **Michelle Derr, Project Director**
 - mderr@mathematica-mpr.com
 - (202) 484-4830
 - **Elizabeth Laird**
 - elaird@mathematica-mpr.com
 - (202) 250-3551