

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Human Services



FY 2016 Budget Request Fact Sheet on the TANF Employment Program

The FY16 TANF Budget builds on the success of the District of Columbia's TANF program and addresses the next sequence of service needs for TANF families in the District.

Over the last four years, the DC Department of Human Services (DHS) has redesigned the District's TANF Employment Program (TEP) to provide a more individualized approach to service delivery. It is a recognized model, designed around continual analysis and process improvement. Each year, the program has evolved and expanded. In FY 2014, DHS increased vendor capacity; partnered with the Department of Behavioral Health to provide services for TANF customers with mental health needs who are living with or are at risk of HIV/AIDS; and expanded the integration of TANF families in the homeless services continuum. DHS is currently in the process of adding vendor capacity and introduced an asset building component to the service delivery model, which helps customers manage and budget their resources. The very nature of the TANF program dictates that it must not stagnate. Analyses and evolution are givens.

Two key components of the Mayor's FY 2016 budget proposal related to TANF include:

1. DHS will expand services through improved deployment of resources and partnerships while slightly reducing the overall TANF Employment budget.
2. The Mayor's budget proposal extends the statutorily imposed TANF reduction, which would have otherwise led to the closure of over 6300 TANF families who have received benefits for greater than 60 months, by one year to October 1, 2016.

DHS is expanding TEP vendor capacity and making targeted improvements to better serve people who are not succeeding in their current program.

Although the Mayor's budget reduces funding for the TANF Employment Program (TEP) in FY 2016, DHS anticipates the program will have the capacity to not only serve more people in FY 2016, but also expand the array of services offered to address the needs of some of the families that are not being met by the current array of programs. DHS's FY 2015 budget allocated \$45 million to support TANF program activities with the intention of expanding capacity. Allocated among contracted providers, sister agency providers and community partners, the resources are intended to procure services to meet the diverse needs of the TANF population. Despite the continued growth in FY 2015, not all of the resources will be expended. DHS was not able to expand capacity at the rate that was anticipated, meaning unmet service needs remain. So while the TEP budget will decrease in FY 2016, the expenditures and service slots within the program will increase. In FY 2016, DHS estimates that, once the program is fully expanded, TEP will be able to serve over 11,000 customers at any given time—effectively eliminating wait times for service.

Here's how:

- DHS is in the process of **adding an additional 1,200 slots** to serve customers who are not employed. This represents an increase in not employed capacity by more than 30 percent.
- DHS is **partnering with Department of Employment Services (DOES)** job training and employment readiness services to procure 1,000 slots in career academies, apprenticeship programs and On the Job Training programs like the District's new L.E.A.P. Academy (Learn Earn Advance Prosper), which will train District residents for jobs in District Government.
- DHS is **taking action with community providers** to increase customer success. DHS recognizes that many of our TANF customers are already engaged with community-based service providers, and by working together, DHS and providers can better coordinate services, report activity and participation rates to meet the Federal

Government work participation requirements, and provide a more comprehensive and streamlined service to our shared customers.

- DHS is exploring **increasing intensive home visitation and case management services** for customers who do not succeed in the initial placement. National best practice suggests that many customers have unexposed or undiagnosed barriers that may prohibit them from engaging in services. DHS provides an array of services to customers; yet there are a significant number who have not engaged, which is consistent with other states' experiences. DHS expects more intensive services to improve engagement among these customers.
- DHS is **improving the contracting model**. While maintaining the expected outcomes, DHS is allowing vendors more flexibility in staffing requirements with the expectation this will lead to better outcomes. If, upon review after six months, DHS finds performance dips, the staffing requirements will be re-imposed.

DHS is extending TANF benefits for 60-month+ customers by an additional 12 months to protect the stability of families and increase the supply and availability of work supports.

District statute has stepped down the TANF grant for families who have received benefits for more than 60 months in increments over the last four years. District law provides that benefits will cease in October of 2015. While much has been done to serve these families – including comprehensive assessment for all as well as individualized service referrals—after thoughtful analysis, extending the benefits by one year more will allow DHS to take the next logical and sequential steps in the evolution of the TANF program to offer customers the opportunity to take advantage of enhanced services, which could help them establish more self-sufficiency.

Extending TANF benefits will give DHS time necessary to: conduct a comprehensive review of all TANF families who are within 12 months of hitting the TANF time limit to identify and address remaining barriers; increase the existing supply and availability of work supports, employment and training opportunities; conduct a short-turnaround study to better understand and provide supports tailored to the characteristics and needs of 60-month customers; and develop hardship extension criteria that can be programmed into the District's new eligibility system for implementation at the start of FY 2017. The TANF extension will be paid for with \$5 million in new one-time funds and by repurposing existing savings within the DHS budget.

There are 3 critical areas where DHS intends to make significant progress over the next 18 months:

1. Develop a fundamental understanding of customers who are not participating or partially participating in work activities among the families that are reaching the time limit. DHS is already working with local and national experts—such as the Center on Budget and Policy Priorities, Mathematica, and others-- on this.
2. Reduce the number of families that will lose all cash income when their benefits expire without employment or an alternative source of income (such as SSI) by putting into place a new array of services that are specifically designed to reach families with multiple employment barriers.
3. Develop a policy that DHS can implement through its new eligibility system that permits hardship extensions for families who meet a determined criteria. DHS has started working with experts to develop these criteria.

DHS would accomplish these three objectives through:

- A comprehensive review of all customers at ≥ 48 months, with a review of the initial assessment, as well as any subsequent assessments to determine whether the customer has any unidentified mental health; substance use; intellectual, physical and learning disabilities; and other substantial barriers to employment.
- Increasing the supply and availability in existing work support, employment and training programs and adding opportunities for additional capacity for TANF customers in employment programs administered by partner agencies.
- Expanding the menu of program options to include innovative and proven program models that are designed to meet the needs of customers who are not best served by the current array of programs (e.g. closely link employment services with mental health treatment).

- Conducting a short turnaround research study to better understand the TANF 60-month customer characteristics and supportive service needs to ensure that services added are responsive to the needs of this group.
- Adjusting existing TEP vendor agreements to provide service delivery flexibility, while retaining high standards; adding TEP vendor slots to increase access to services for TANF customers and reduce the waiting time for services.
- Developing proposed hardship extension criteria that can be programmed into the new eligibility system for implementation at the start of FY 2017.

FY 2016 Budget Proposal: Strategic investments in TANF Employment Services

DHS is in the process of conducting an in-depth analysis and planning of the quantity and types of slots to be added. Below is a preliminary summary overview.

Through these strategic actions and investments, DHS projects that the TANF Employments Program will serve between 11,000 and 15,000 customers at any point in time in FY 2016:

- **TEP Vendor Capacity:** A backbone of the program, DHS is increasing capacity to serve more customers who are not employed at any point in time through contracted providers.
- **Partnership with Department of Employment Services (DOES):** DHS is investing in established programs offered by DOES to increase capacity and serve additional customers.
- **Increase partnerships with agencies who offer supported employment and educational services:** DHS is partnering with District agencies who offer services that are targeted for customers with specific barriers to employment.
- **Community Providers:** DHS will partner with community providers who already provide supports to TANF customers to expand their ability to provide enhanced supports on employment efforts.
- **Home visitation:** DHS is exploring improvements to the home visitation model to provide a higher level of service for individuals who are assigned TEP services but are not engaging in services, and who may be more receptive to nontraditional methods of engagement.
- **Office of Work Opportunity (OWO):** DHS will continue to serve a core group of customers internally through OWO. Specifically, customers who are reengaging with the program, completed six months of employment and are in the process of being assigned to another provider are served by OWO.
- **Innovative additional program models:** DHS will identify gaps in service and design and implement programs models that are specifically aimed at engaging customers who are not adequately served.

Achieving these goals requires improved information technology and better data sharing

The DC Access System (DCAS) will replace the legacy ACEDS system with a modern, flexible, no-wrong-door platform for automated eligibility determinations and ongoing case management.

DCAS is already improving the District's administration of Medicaid by enabling "no-touch" cases (in which eligibility can be instantly determined with electronic data sources) and "passive" renewals (in which the same data sources can make long, complex renewal forms unnecessary). By October 2016, benefits like these will expand to TANF and SNAP as those programs are migrated from ACEDS to DCAS. DHS caseworkers will have better access to TANF and TEP program data, and contracted service providers—such as TEP vendors—will be able to view and update appropriate information as well. In addition, community-based organizations that also serve DHS customers will be able to assist residents with applications and program-required activities.

As more human services programs are added in 2017, DCAS will allow staff and partners to understand the big picture for individuals and families served by DHS, which will improve outcomes and data-sharing and reduce fraud by eliminating duplicative services. Upgrading the computer systems used to manage these programs is long overdue, and even though the associated projects are complex and challenging, their long-term payoff is worth the investment.