



Cass County and Williams County TANF Pilot Projects Outcome Evaluation

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Abstract

The Temporary Assistance for Needy Families (TANF) program provides time-limited cash assistance to eligible families with children. Recent reforms to the TANF program have stressed increasing client self-sufficiency through job preparation and work experience. In response to these reforms, Cass County and Williams County both implemented similar pilot projects to test new approaches to case management. This report summarizes the pilot projects and presents findings suggesting that they have been successful.

Background

For over 50 years, the traditional welfare program Aid to Families with Dependent Children (AFDC) provided cash assistance to needy families. In 1996, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) was signed into federal law, eliminating the old AFDC program and replacing it with the Temporary Assistance for Needy Families (TANF) program. The new law also allowed states to design their own TANF programs and granted them the authority to test policy changes.

In response to welfare reform and based on local initiative, similar pilot projects were implemented at two sites: Cass County and Williams County. The two projects were designed to test an intensive case management approach that emphasizes employment and self-sufficiency. Eligibility workers, supervisors, and program partners such as Job Service and the Regional Human Service Centers developed the policy alternatives based on their experience with the TANF program and its clients. The North Dakota Department of Human Services assisted by providing technical assistance, facilitation of planning discussions, additional resources, and evaluation.

We evaluate each pilot project separately: Cass County in the next section and Williams County in the subsequent section.

Cass County Pilot Project

Program Changes

Cass County, North Dakota's most populated county, assists approximately 300 families per month, or approximately 10% of the total TANF caseload in North Dakota. The pilot project in Cass County was implemented in August 2000. The following were the primary areas addressed in the pilot project:

JOBS Program Collaboration and Co-Location

Welfare reform emphasizes employment for TANF clients. Therefore, most TANF adult clients are required to participate in the Job Opportunity and Basic Skills (JOBS) program. The JOBS program assists TANF clients in obtaining paid employment with activities such as resume preparation, job search skills, an assessment of work history, and creation of an employment development plan.

In the pilot project, the TANF case manager and JOBS coordinator work together to facilitate the client's enrollment into JOBS concurrent with the TANF application interview. They also work together to improve involvement if a client is not actively participating in work activities. In an effort to facilitate this new cooperation, the JOBS coordinator is now co-located in the same facility as the TANF case manager.

Mental Health Collaboration and Co-Location

National studies suggest that nearly one-third of adult welfare clients are in need of mental health and/or substance abuse services. Because TANF case managers are not usually trained to identify and address mental health and substance abuse problems, screenings administered by TANF case managers may fail to uncover these client needs.

Therefore, the pilot project worked to develop collaboration between TANF case managers and mental health professionals. To help accomplish this, a mental health/substance abuse professional is now co-located with the TANF program in the county social service office. The professional provides assessments for mental illness and substance abuse problems, monitors medication, participates in the staffing/review of cases, and assists county staff in the understanding of mental health needs.

Sanction Policy

A TANF client is “sanctioned” if he/she is required to participate in the JOBS program but fails to do so. Prior to the pilot project, the “progressive sanction policy” had an impact on how a family’s benefit amount was calculated. Under that policy, the sanctioned individual was not counted toward the size of the family, thus reducing the benefit amount by about \$150 per month. Repeated sanctions resulted in “progressively” longer sanction periods, which typically lasted one to three months. In addition, the sanctioned adult was not allowed to participate in the JOBS program during the sanction period.

The pilot project implemented a new approach to sanctioning. Rather than removing the sanctioned adult from the grant and the JOBS program, the adult continues to be involved in JOBS while attempting to clear the sanction by complying with the work requirements. However, failure to clear the sanction within one month results in full case closure and a loss of all TANF assistance.

Educational/Training

The pilot project encourages education and training to help families move toward self-sufficiency, if the training meets the client’s needs. The pilot project also allows the client two years in which to pursue education and training instead of one year.

Study Methodology

To examine the effectiveness of the pilot project, data for TANF clients in Cass County was compared to client data in North Dakota’s other 52 counties (balance of the state), before and after the start of the pilot project. It was hypothesized that clients in Cass County would be more likely to move toward self-sufficiency following the implementation of the pilot project compared to clients in the balance of the state. We examined outcomes related to two areas:

1) Implementation of the Pilot Project

Before examining measures related to self-sufficiency, several “Implementation Checks” were calculated to establish whether the program changes were implemented as intended.

2) Clients Moving Toward Self-Sufficiency

Three measures of self-sufficiency were examined to determine whether the pilot project helped clients move toward that goal. The three measures were: 1) timeliness to exit TANF; 2) remaining off TANF; and 3) the amount of earned income after exiting TANF.

The evaluation of the pilot project was conducted in the spring of 2003 primarily by using TANF administrative data captured on the state’s VISION computer system. For some analyses, we merged data together from several department databases. We utilized information from the TECS computer system, Child Care Assistance Program data, earnings data obtained from Job Service of North Dakota, and mental health and substance abuse data from the ARIS computer system. Information from different computer systems was linked together by using common identifiers.

In some instances, data for the time period before implementation of the pilot project was unavailable. Therefore, we were limited to the data that was available, data that often coincided with the pilot project implementation date. Because of these data limitations, we were also restricted to different time frames and units of time for the measures reported in the present study. Where applicable, the charts show the number of clients (N) included in each analysis. The numbers of clients in Cass County is reported first followed by the number of clients in the balance of the state.

Implementation of Pilot Project

JOBS Program Collaboration and Co-Location

The pilot project attempted to increase collaboration between TANF case managers and the JOBS coordinators, for the purpose of increasing JOBS participation for TANF clients. We examined two measures related to this: 1) The percentage of clients that were available for participation in the JOBS program, and 2) the average weekly hours of work activity by quarter for cases participating in JOBS. As seen in the charts below, following the implementation of the pilot project, clients in Cass County were more likely to be available for JOBS participation and participated in more hours of work activities once engaged in JOBS activities.

Chart 1: Percent of TANF Clients That Are Available for Participation in the JOBS Program by Month

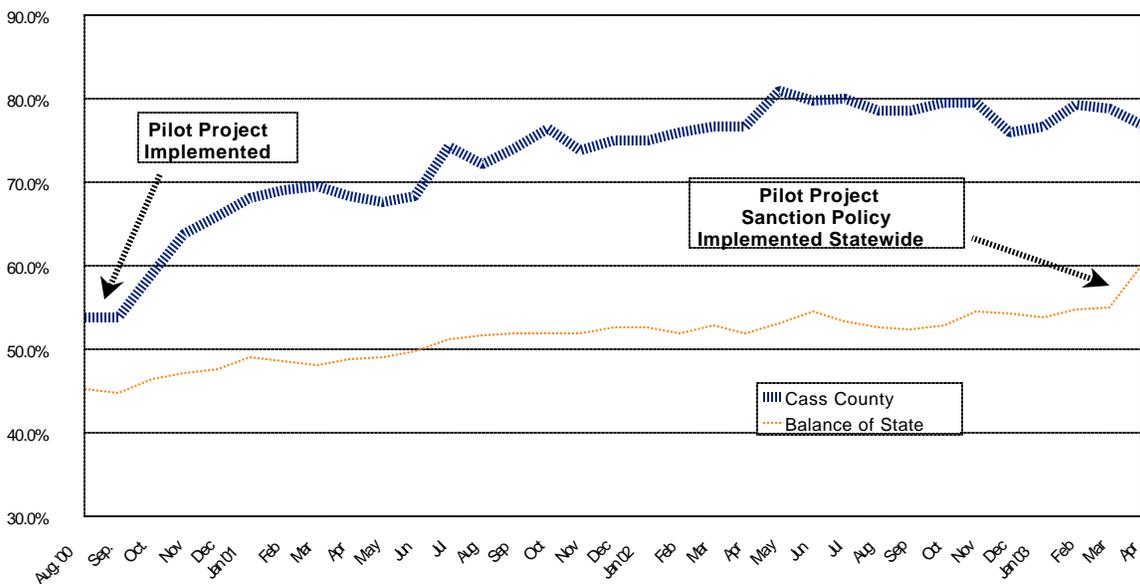
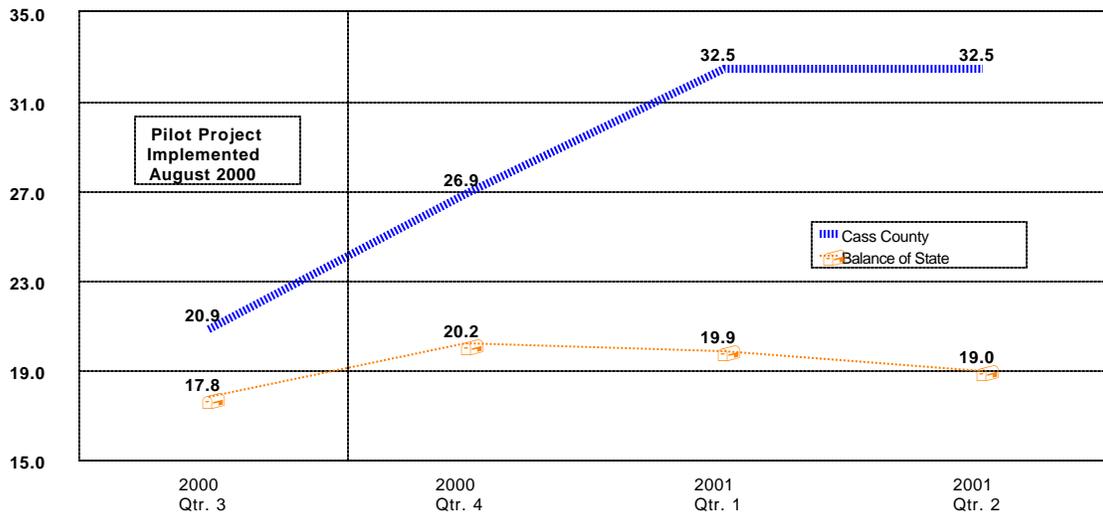


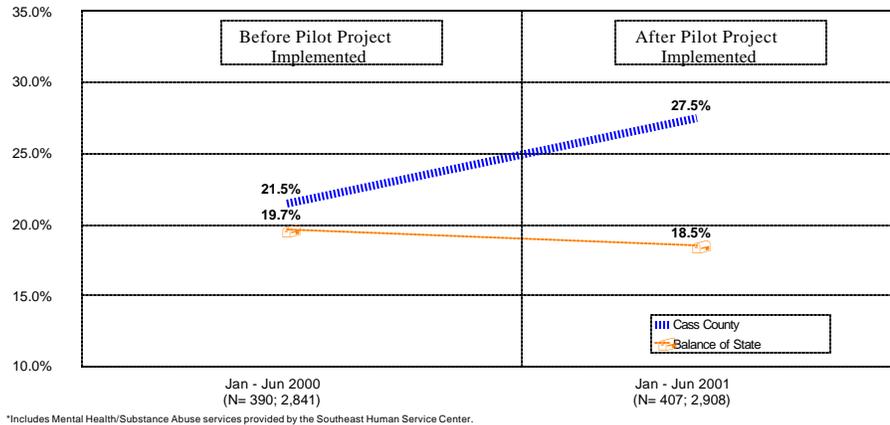
Chart 2: Average Weekly Hours Spent Participating In Work Activities (TANF Clients Who Participated in the JOBS Program)



Mental Health Collaboration and Co-Location

The pilot project also attempted to increase collaboration between TANF case managers and mental health professionals. This included co-location of a mental health professional from Southeast Human Service Center in the same facility as the TANF case manager. To examine whether this collaboration led to an increased use of mental health and substance abuse services at the center by TANF recipients, the percent of cases that received these services was calculated. As illustrated below, the percent of cases receiving these services increased in Cass County following implementation of the pilot project.

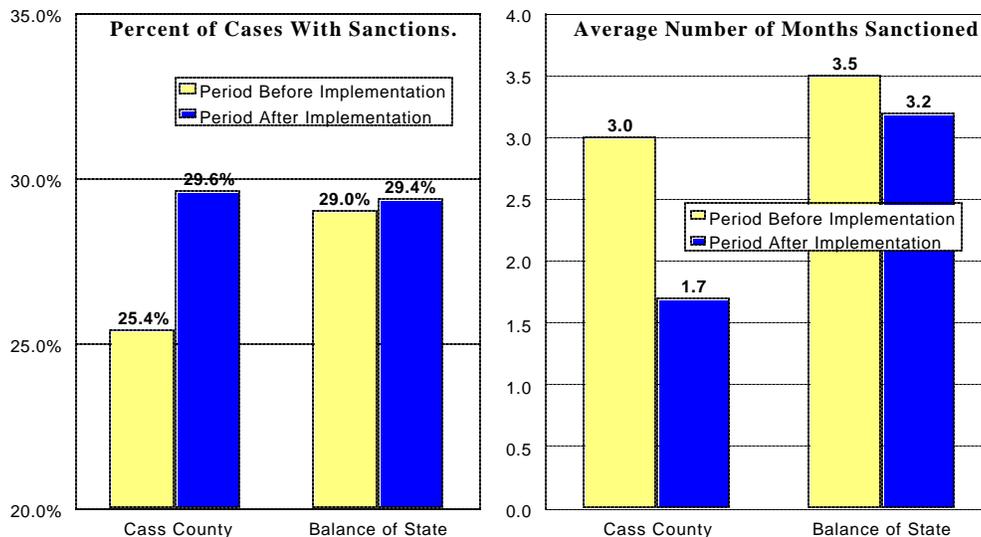
Chart 3: Percent of TANF Families Who Received Mental Health/Substance Abuse Services* While on TANF



Sanction Policy Change

To examine the implementation of the pilot project's sanction policy, TANF cases that received benefits in Cass County were compared to cases that had received benefits in the balance of the state during October 1998 to August 2002. The overall time period was divided into two parts: 1) the period before implementation of the pilot project and 2) the period after implementation. Following the implementation of the pilot project, a greater percent of Cass County cases (29.6%) were sanctioned than in the prior period (25.4%), but those cases were sanctioned for a shorter period of time (1.7 months compared to 3.0 months).

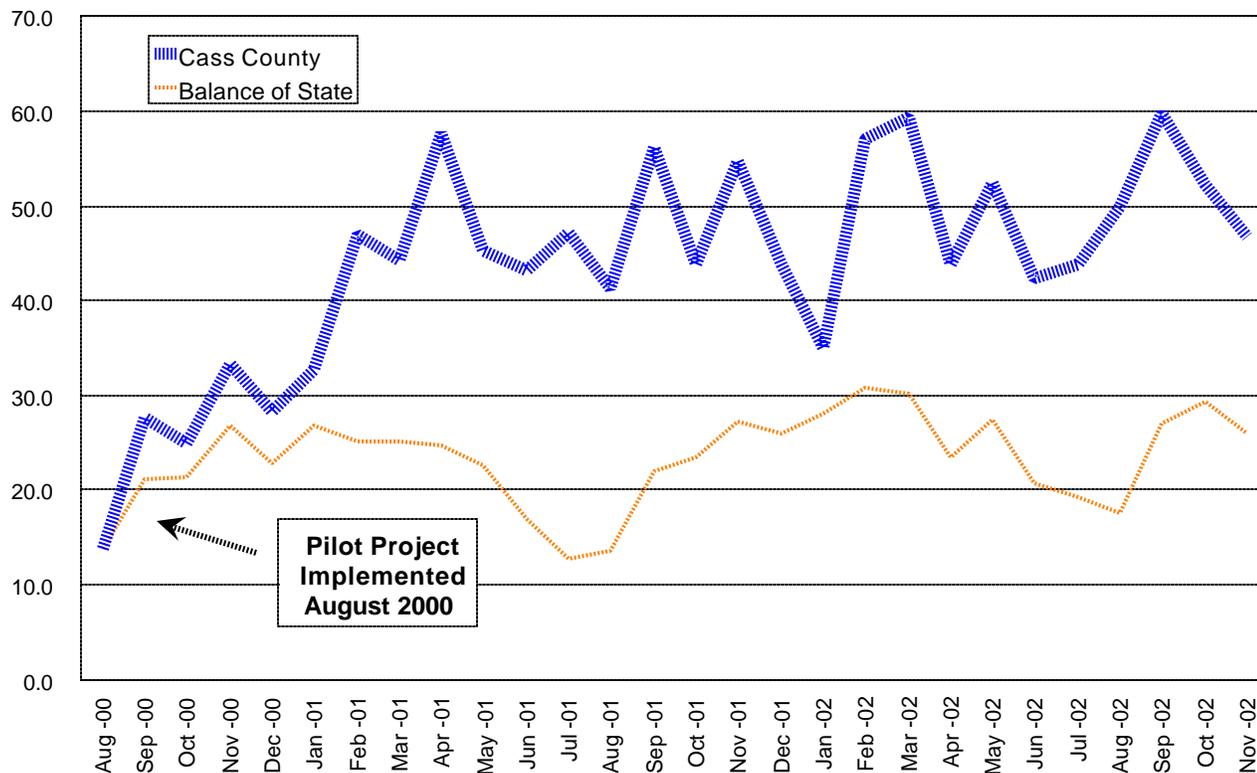
Chart 4: Percent of Cases Sanctioned and Average Number of Months Sanctioned



Education Training Encouragement

To determine the impact of the greater emphasis on education and training, the percentage of clients who met the federal work requirements by utilizing training or education was calculated. As seen in the chart below, Cass County and the balance of the state were nearly equivalent in August 2000, the start of the pilot project. However, Cass County's rate increased following implementation of the pilot project compared to the balance of the state.

Chart 5: Percent of Families Meeting Minimum Work Requirement With Adult in Education Component*



Note: As used in this document, "working" means participating in one or more JOBS program activities during the month for a weekly average of at least one hour. Based on TANF data used for Federal Reporting purposes.
 * Includes those in school, vocational education, and in education related to employment

Summary – Implementation of Pilot Project

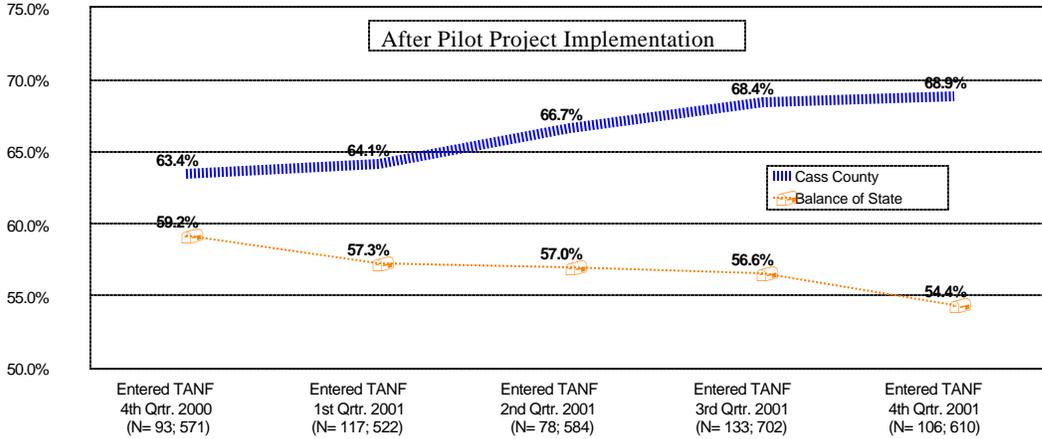
The data in this section suggests that the Cass County pilot project was implemented as intended. The data shows that following implementation, a greater percent of TANF cases in the pilot project was available to participate in the JOBS program and the average weekly number of work hours increased for those engaged in work activities. Also, clients were more likely to receive mental health and substance abuse services, are more likely to be sanctioned but for shorter periods of time, and were more likely to participate in education and training as part of their work requirement. The next section examines the net effect of these new strategies on moving TANF clients toward self-sufficiency.

Outcomes – Moving Toward Self-Sufficiency

Timeliness to Exit TANF

The first indicator examined in relation to moving toward self-sufficiency is how quickly families exited TANF. To examine this, we calculated the percent of families that exited TANF within four quarters (approximately 12 months) from the time of entry. As illustrated below, the percent of clients that exited the program within 12 months of entry increased following implementation of the pilot project.

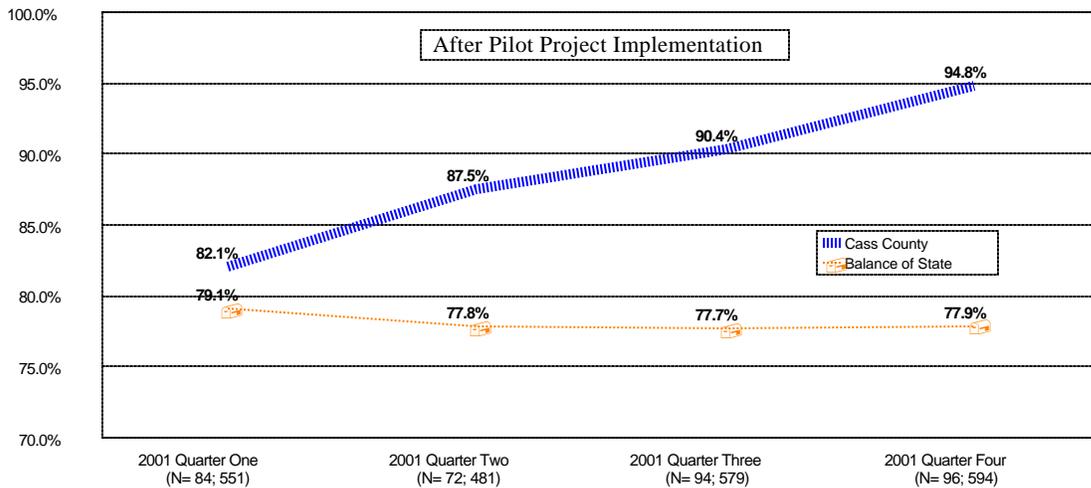
Chart 6: Percent of TANF Families That Exited TANF Within Four Quarters (Approximately 12 Months) From Time of Entry



Remaining Off TANF

Our second measure of self-sufficiency examined the percent of clients that did not return to the program once they exited. As seen in the chart below, this percentage was nearly the same in Cass County compared to the balance of the state shortly after implementation of the pilot project. However, this percentage increased in Cass County following implementation of the pilot project compared to the balance of the state.

Chart 7: Percentage of TANF Families That Did Not Receive TANF Four Quarters (Approximately 12 Months) Following Initial Exit From TANF

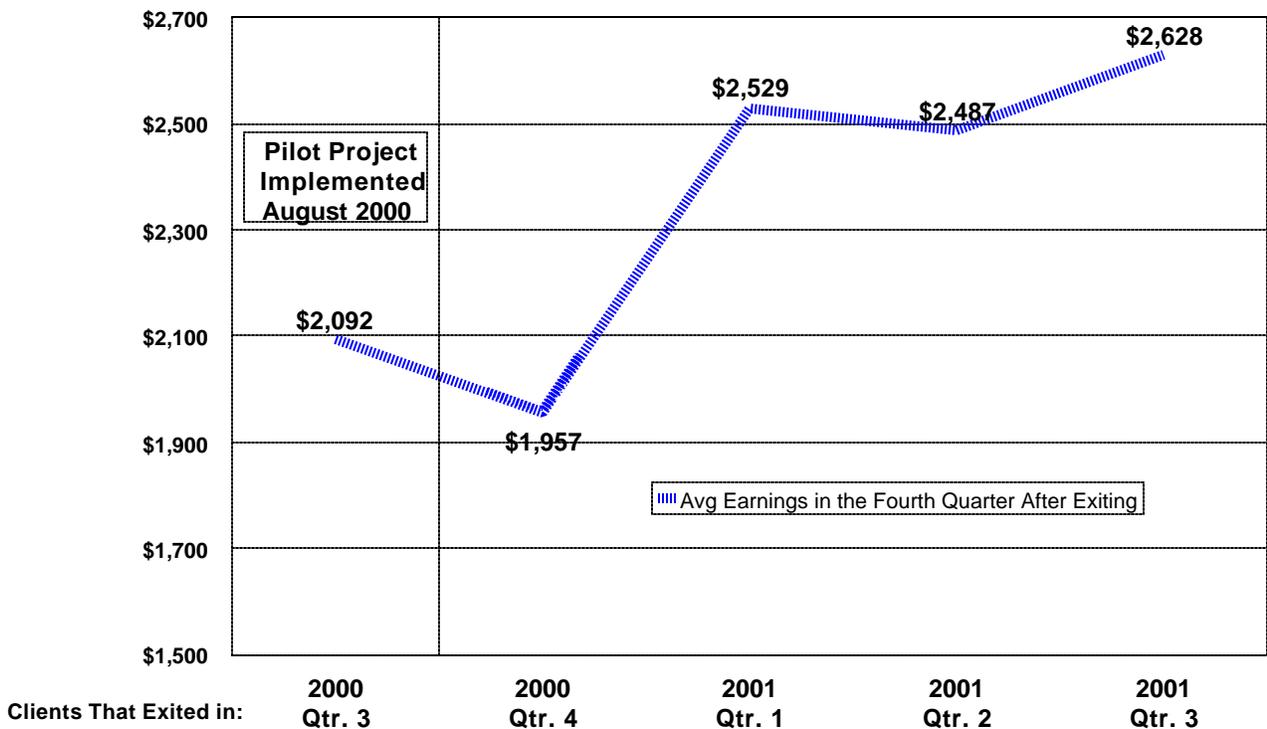


Amount of Earned Income After Exiting TANF

In the previous two sections, the data suggests that the percent of clients exiting TANF within 12 months of entry increased and were less likely to return once they exited. To determine if these patterns corresponded with increases in earnings, we analyzed earnings data over time to determine if there were changes following implementation of the pilot project. The earnings are reported averages by client with earnings four quarters after exiting TANF. Not all clients have earnings for each month in a quarter. Therefore, the average earnings reported per quarter may appear to be lower than if the earnings were reported for only these clients who had earnings for the entire quarter. However, we were primarily interested in the trend, not the absolute earnings in a quarter. Therefore, a trend of increased earnings on this measure would suggest clients are earning more following implementation of the pilot project.

As illustrated below, cases that exited TANF in Cass County in the third quarter of 2000 (the pilot project was implemented August 2000) earned an average of \$2,092 in the fourth quarter after exiting the program. Following implementation of the pilot project, client average quarterly earnings in the fourth quarter after exiting were, \$2,529, \$2,487, and \$2,628 for cases that exited in the first, second, and third quarter of 2001, respectively. These amounts were higher than the average for the quarter prior to the start of the project.

Chart 8: Average Earnings in the Fourth Quarter After Exiting TANF



Moving Toward Self-Sufficiency – Summary

The analysis of self-sufficiency measures found that following implementation of the pilot project, an increasing percent of clients exited TANF services within twelve months of entry; a growing percent were less likely to return during the year after they exited; and overall the average client earned more income in the fourth quarter after exiting TANF.

Williams County Pilot Project

Program Changes

Located in the Northwest corner of the state, Williams County is different both economically and demographically from Cass County. The pilot project in Williams County was implemented in stages, beginning in August 2000.

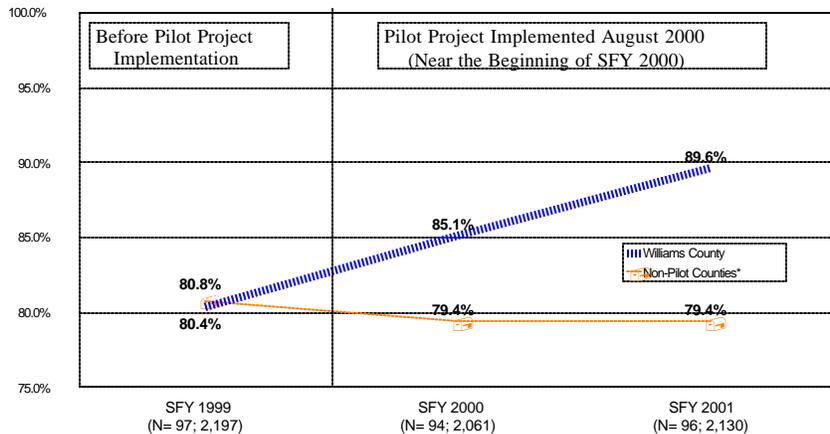
The following were the primary areas addressed in the pilot project:

- In Williams County, a mentor assists families including goal setting, moral support for crisis intervention, barrier resolution, resource referral, appointment assistance, money management, daily living skills, transportation needs, resolution of child care issues and parenting skills.
- Similar to the Cass County pilot project, the TANF case manager and JOBS coordinator work together to facilitate the client's enrollment into JOBS concurrent with the TANF interview and work together to address non-compliance.
- Williams County implemented a similar sanction policy as Cass County: full case closure for failure to comply with work requirements. The case is closed for one-month following the first sanction and three months for subsequent sanctions. Before imposing a sanction, the staff meets with the client to try to avoid the sanction by identifying and addressing underlying problems.
- The Williams County pilot project encouraged education and/or training if it met the client's needs and also increased the amount of time clients could pursue education and training.

Williams County Findings

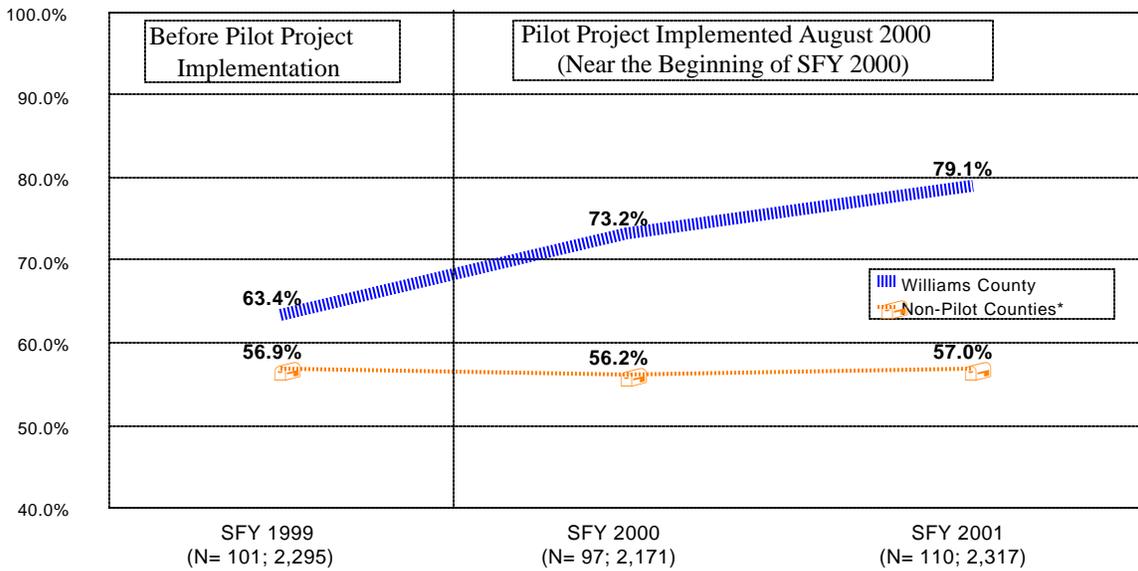
Outcome measures related to self-sufficiency that were utilized for the Cass County analysis were calculated for Williams County. Because there are fewer TANF cases in Williams County, we aggregated quarterly information into three state fiscal years (July to June). For similar reasons, we examined earnings in the quarter of exit instead of the fourth quarter following exit. As illustrated in the charts, the findings in Williams County are similar to the findings in Cass County. That is, an increasing percent of clients exited TANF services within twelve months of entry; a growing percent were less likely to return during the year after they exited; and the average client earned more income after exiting TANF.

Chart 9: Percent of TANF Clients Who Did Not Return to the Program Within 12 Months of Exiting



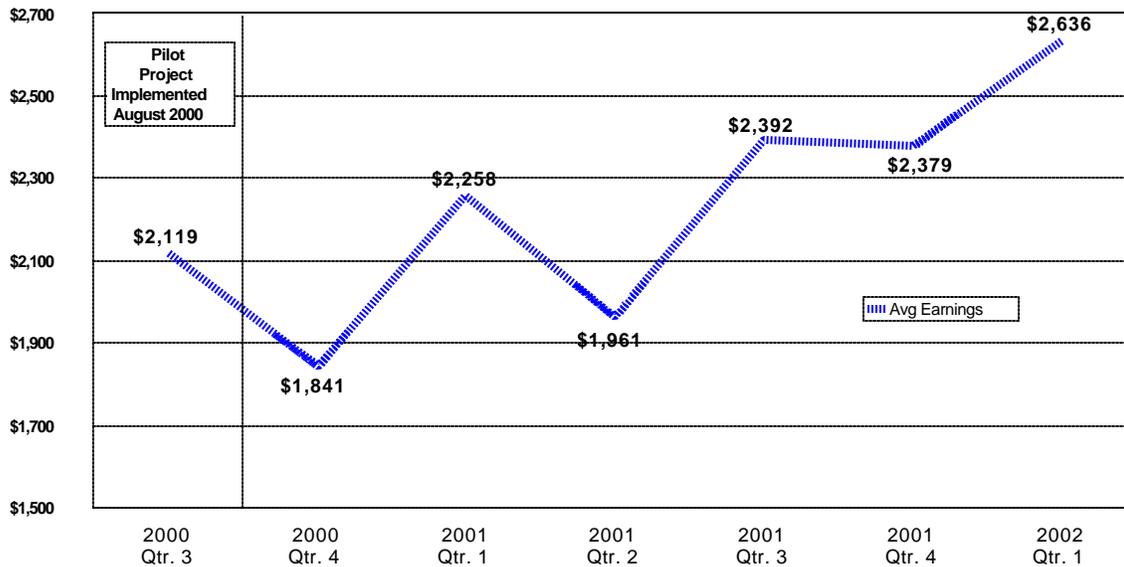
* Represents statewide cases excluding cases in Williams County and Cass County.

Chart 10: Percent of TANF Clients Who Exited Program Within 12 Months From Time of Entry



* Represents statewide cases excluding cases in Williams County and Cass County.

**Chart 11: Average Quarterly Earnings - Quarter of TANF Exit
Williams County Pilot Project**



Discussion

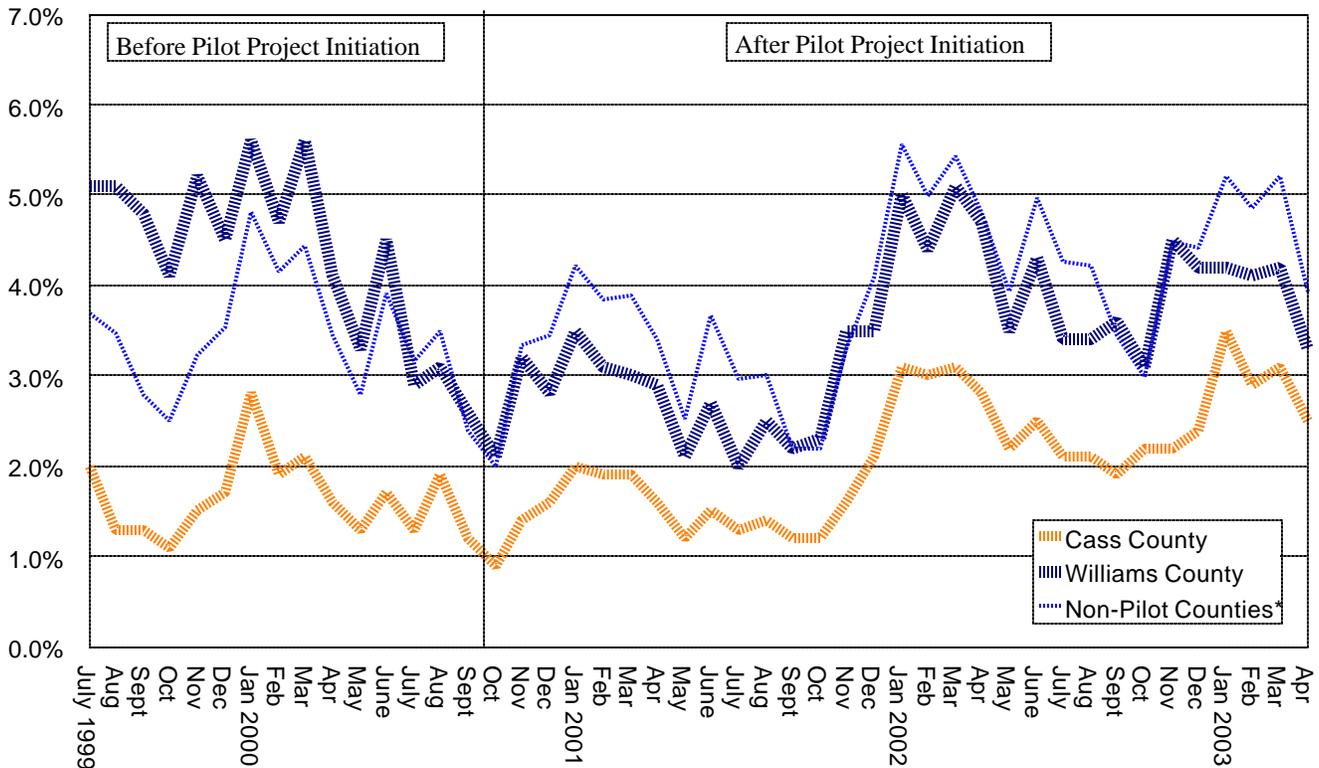
Economic and Demographic Differences

Although the pilot project was implemented in August 2000, this evaluation was planned and conducted in the spring of 2003. Without a strong research design in place from the start, it is more difficult to determine the effectiveness of the pilot projects. Because we were unable to randomly assign clients to the pilot projects, it is possible that the findings presented here are not indicative of their success, but rather reflect economic and demographic differences between Cass County and Williams County and the balance of the state. However, we believe these alternative explanations are diminished for the following two reasons:

1) No Corresponding Changes in the Local Economies

If the improvements on the self-sufficiency measures presented here could be best explained by economic differences, economic changes should coincide with these improvements. However, the pattern of economic indicators, such as unemployment rate, did not change in the pilot projects counties from before to after the start of the pilot project in comparison to the balance of the state.

Chart 12: Unemployment Rates by Month



Footnote: Unemployment rates are not seasonally adjusted.

* Represents statewide cases excluding cases in Williams County and Cass County.

2) Two Different Locations

Cass County and Williams County implemented similar pilot projects. Because both counties showed similar results, even through they are different economically and demographically, it is less likely that the outcomes of the pilot projects are attributable to economic and demographic factors.

Conclusion

Recent reforms to the welfare program have stressed reducing dependency through job preparation and work. In response to the reforms, Cass County and Williams County implemented similar pilot projects to test new approaches to case management.

To determine if the components of the pilot projects were implemented as intended, we examined the percent of TANF clients available for work participation, the average weekly number of hours worked once participating in the JOBS program, the percent of families who received mental health and substance abuse services at the human service center, the rate and average length of time of sanctions, and utilization of education and training in the JOBS program. The data suggests that the key elements of the pilot projects were implemented as intended.

We then examined client outcomes related to self-sufficiency. The analysis found that after implementing the pilot project, the percent of clients who exited TANF services within 12 months of entry increased; a growing percent stayed off TANF for 12 months; and clients had increased earnings after exiting TANF. Additional analyses suggest that these outcomes cannot be explained by economic or demographic differences between the pilot counties and non-pilot counties. Taken together, these findings suggest that the pilot projects had positive effects on moving clients toward self-sufficiency.