

CAF Self Sufficiency

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Self Sufficiency programs: Helping families and individuals in need

Themes

- The economic crisis has the greatest effect on low-income families.
 - Demand for services across all programs continues to increase as the crisis expands.
 - Self Sufficiency programs are a primary part of the safety net for very-low-income families.
 - Reduced availability of job opportunities limits the capacity of families and individuals on public assistance programs to leave and transition to independence.
- Current staff shortages and reduced program resources significantly challenge capacity to meet basic needs of growing client populations.
- The ability of the TANF programs to meet stabilization and self-sufficiency goals of HB 2469 for families is greatly diminished.

Self Sufficiency programs

- Food Stamp Program, renamed nationally in 2008 to Supplemental Nutritional Assistance Program (SNAP), provided services to 269,623 households (520,649 Oregonians) statewide in December 2008.
- Medical Eligibility provided ongoing medical eligibility services for 300,560 individuals in November 2008. This represents CAF's portion of the total DHS medical population of 428,325 during November 2008.
- Temporary Assistance for Needy Families (TANF) and TANF-related programs such as the State Family Pre-SSI/SSDI (SFPSS), Pre-TANF, Family Support and Connections (FS&C), and Post-TANF provided services to 23,887 families in December 2008.
- Job Opportunity and Basic Skills (JOBS) provided services to 15,513 mandatory adults in December 2008. The service array was reduced in November 2008.
- Temporary Assistance for Domestic Violence Survivors (TA-DVS) provided services to 479 families in December 2008.
- Employment Related Day Care (ERDC) provided services to 10,968 families in December 2008.

DHS-SSP partners to Self Sufficiency

Self Sufficiency

Community Partners

oregonhelps.org
WIA
AD/MH

HeadStart
Education
Housing
Food
Pantries

DHS – CAF – SSP

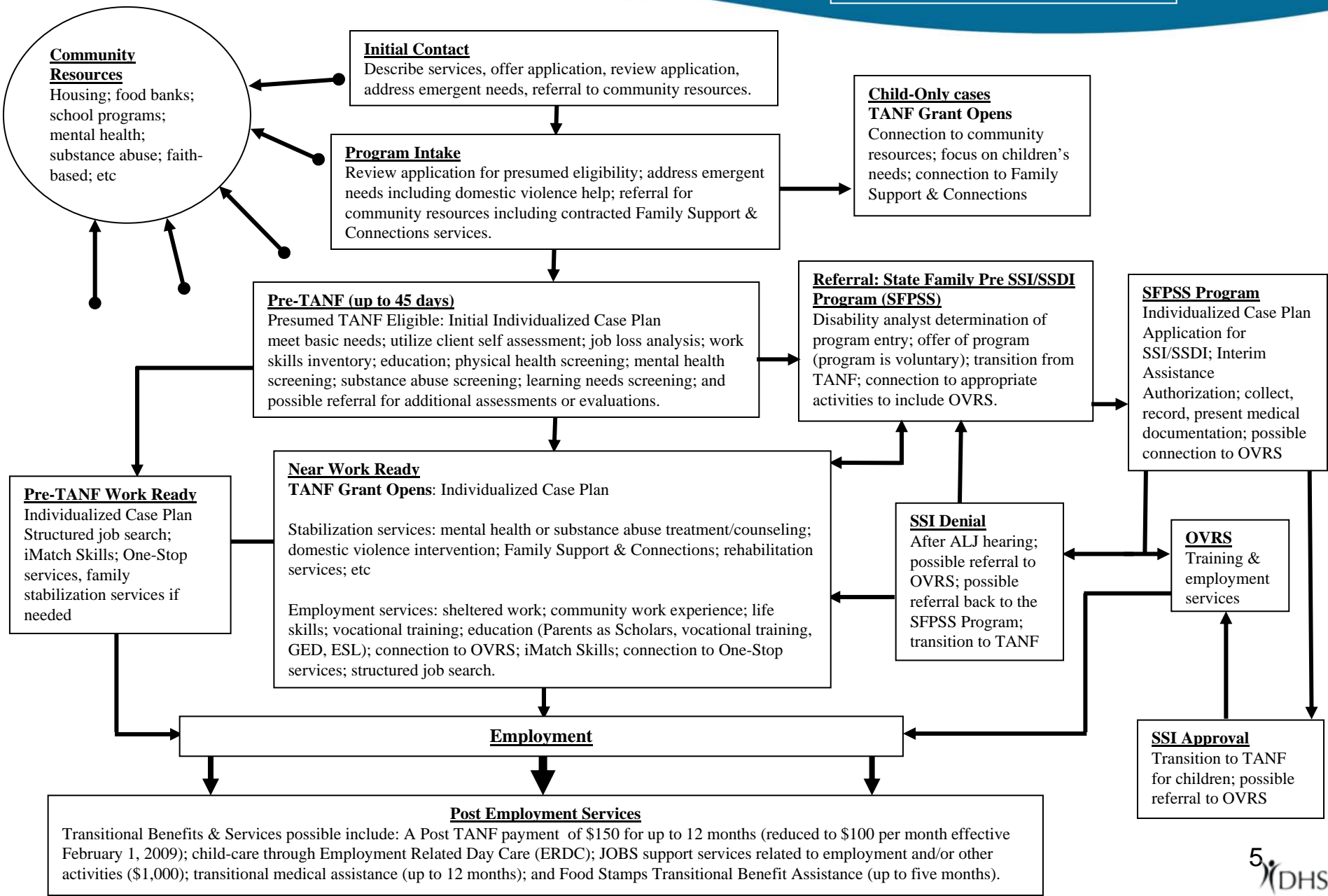
Services

PostTANF
FS&C
TBA
PAS
JOBS
JOBS+

Programs

SFPSS
TA DVS
ERDC
SNAP
TANF
Medical

Oregon TANF design



Self Sufficiency: Training

Accomplishments

- Waiting lists for training have been reduced through increased capacity.
- Portland State University helped develop and deliver specialized skill-development training including strength-based caseworker training.
- Computer-based and other alternative training formats are being developed to provide more training options for staff.

Challenges

- Capacity to support needs of the division's transformation efforts.
- Additional training capacity still needed for staff; current capacity supports approximately 16 hours per-person ongoing training needs. McKinsey & Co. recommends 35 hours of training per staff member.

Self Sufficiency: Quality assurance efforts

Ongoing review and analysis of program delivery

- 3,000 cases are reviewed each month primarily related to Food Stamp and medical program areas.
- Targeted reviews provide local offices with performance data from which goals are established and monitored.
- Quality Control Unit conducts more than 350 federally mandated Food Stamp case reviews per month, validating eligibility decisions. Results of these reviews establish official error rates based on federal assessment of program performance.
- Individualized training is developed and delivered by Quality Assurance staff based on review results.

Self Sufficiency: Caseload and budget drivers

- Oregon's economy – Loss of jobs increases the need for Self Sufficiency programs and other DHS services.
- Changes in federal policy and funding – Recent example:
 - Federal TANF rule changes related to reauthorization caused Oregon to redesign its program to meet client needs along with new federal program requirements.
- Changes in Oregon policy – Recent examples include:
 - Increased eligibility and provider reimbursement rates in the ERDC program.
 - The TANF program redesign in HB 2469 (2007).
- Population growth and changing demographics – Birth rates and in-migration both can impact the number of individuals eligible for assistance.

Self Sufficiency: Recent caseload trends

- Unanticipated caseload growth within the TANF, Food Stamp and medical programs reflect the accelerated decline of the economy (unemployment rate increasing from 5.5 percent in June 2008 to 9 percent in December 2008).
- Anticipated results of 2007-2009 investments and program redesigns included:
 - More access to affordable child care through ERDC.
 - Improved transition to employment through new Post-TANF component.
 - Increased approvals for SSI/SSDI. The Pre-SSI/SSDI program efforts have resulted in over 300 families becoming eligible for SSI/SSDI, almost three times the level before implementation.

Self Sufficiency Caseload Trend over last 12 months				
	Dec-07	Dec-08	1 yr diff	Y/Y Pct Chg
TANF	18,554	21,607	3,053	16.5%
Food Stamps (persons)	451,929	520,649	68,720	15.2%
ERDC	9,376	10,929	1,553	16.6%
TADVS	506	479	(27)	-5.3%
Post TANF	975	3,116	2,141	219.6%
Pre-SSI/SSDI	540	985	445	82.4%
Medical eligibility (Nov #s persons)	272,121	300,560	28,439	10.5%

Self Sufficiency: Workload staffing model and efforts

- Caseload model looked only at the number of cases to determine staff need.
- The new workload model looks at the actual activity (time) required for the job.
- The workload models were developed by Public Knowledge and McKinsey & Co.
- Future budget documents and rebalance displays will rely on the more accurate workload/staffing comparisons

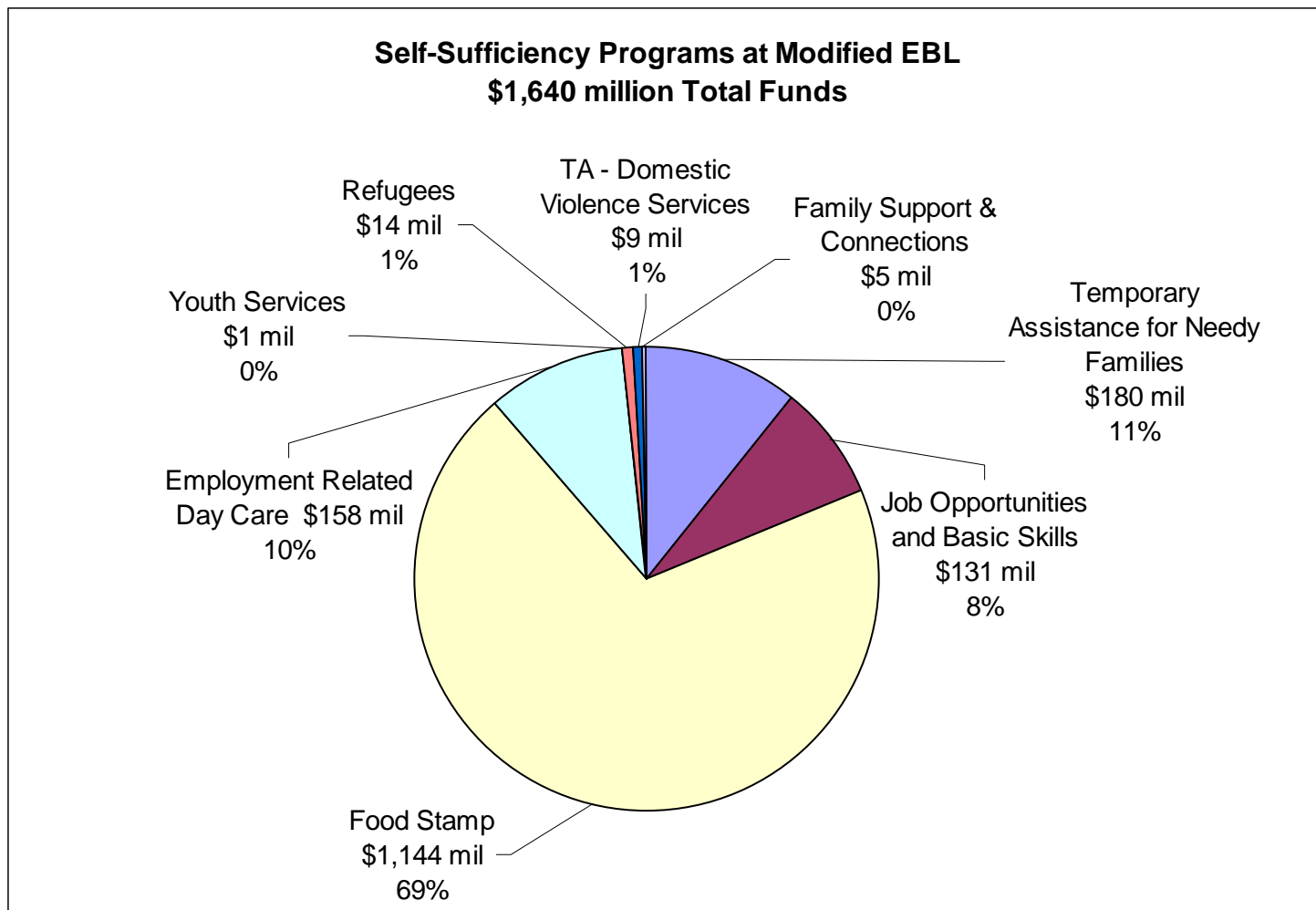
Self Sufficiency

Position Type as of December 2008	Positions Currently Authorized	Positions Earned (Caseload)	Percent of earned (Caseload)	Positions Earned (Workload)	Percent of earned (Workload)	Difference (Current to Workload)
Eligibility Workers	539	914	58.9%	904	59.6%	-365
Caseworkers	236	284	83.2%	458	51.5%	-222
Support Staff	418	599	69.8%	681	61.4%	-263
Line Supervisors	91	120	76.0%	142	64.1%	-51
Totals	1284	1917	67.0%	2185	58.8%	-901

Self Sufficiency: Strategic efforts to address workload issues

- New intake model for clients accessing programs.
- Addition of 60 limited duration Food Stamp positions approved by December 2008 Emergency Board.
- Redeployment of central office staff to assist local branches with transformation and ongoing workload issues.
- Implementation of local district and branch prioritization strategies to address workload challenges.
 - Focus staff on eligibility and benefit issuance.
 - Case management activities limited in scope.

Self Sufficiency: Programs at modified EBL



Self Sufficiency: 2009-2011 base to modified EBL “build”

	General Funds	Other Funds	Federal Funds	Non-Limited Federal Funds	Total Funds	Pos	FTE
Base Budget:	153,255,297	94,104,109	224,659,000	1,139,633,844	1,611,652,250		
Essential Packages:							
10-Vacancy Factor/Non-PICs	-	-	-	-	-		
21-Phase Ins	14,107,228	-	987,595	-	15,094,823		
22-Phase Outs	(114,406)	-	-	-	(114,406)		
30-Inflation and CPI	4,287,944	2,634,915	6,290,451	-	13,213,310		
40-Mandated Caseload	-	-	-	-	-		
50-Fund Shift	-	-	-	-	-		
60-Technical Adjustments	1,133,188	-	-	-	1,133,188		
Total Essential Budget Level (EBL)	172,669,251	96,739,024	231,937,046	1,139,633,844	1,640,979,165	-	-
70-Revenue Shortfalls	-	(183,606)	(325,986)	-	(509,592)		
Total Modified EBL:	172,669,251	96,555,418	231,611,060	1,139,633,844	1,640,469,573	-	-

Self Sufficiency: Modified EBL

- Roll up Child Care Improvement POP 101-1 (\$7.4 million TF)
 - Restored eligibility to 185 percent of Federal Poverty Level
 - Increased rates to providers
 - Reduced co-pays for families
- Roll up TANF Redesign (HB 2469) POP 101-4 (\$7.6 million TF)
 - Enhanced JOBS contracts and services
 - Increased funding for Family Support and Connections
 - Created Post-TANF benefit
 - Created state-only programs
- Funding for increases in cost-per-case and caseloads in mandated Food Stamp program

Self Sufficiency: Modified EBL

The Self Sufficiency modified EBL does not fully cover costs related to forecasted increases in caseloads, increases in costs-per-case or increased staffing needs in current but non-mandated caseloads, primarily due to the TANF block grant being “capped.”

- TANF, JOBS and ERDC programs (\$100 million TF)
- More than 120 additional staff “earned” under the workload model necessary to provide non-mandated Self Sufficiency services (\$16 million TF) (point-in-time estimate based on Fall 2008 Forecast)

Self Sufficiency: 2009-2011 modified EBL to GRB “build”

	General Funds	Other Funds	Federal Funds	Non-Limited Federal Funds	Total Funds	Pos	FTE
Total Modified EBL:	172,669,251	96,555,418	231,611,060	1,139,633,844	1,640,469,573	-	-
Adjustments to Achieve the Governor's Recommended Budget:							
90-Dec E-Board Adj	-	-	-	-	-		
90-Analyst Adj (Error correction)	-	(2,671,790)	-	-	(2,671,790)		
90-Analyst Adj (Reductions)	(85,638,040)	(100,121)	(24,043,957)	-	(109,782,118)		
Total Adjustments:	(85,638,040)	(2,771,911)	(24,043,957)	-	(112,453,908)		
Policy Packages included in the Governor's Recommended Budget:							
POP 184 CAF Revenue Shortfall	40,466,448	-	24,110,544	-	64,576,992		
POP 505 Healthy Kids	-	-	-	-	-		
Total Policy Packages:	40,466,448	-	24,110,544	-	64,576,992	-	-
Governor's Recommended Budget:	127,497,659	93,783,507	231,677,647	1,139,633,844	1,592,592,657	-	-

GRB proposed reductions – ERDC

Package 090 totals \$112.5 million TF in reductions, including \$44.2 million of reductions to the Employment Related Day Care (ERDC) program (excludes program support and admin costs of \$1.3 million (4 positions (9.82 FTE))):

- Limit ERDC to families leaving TANF within the past 24 months; impacts 3,168 families per month (\$29.3 million)
- Eliminate ERDC for undocumented parents with children who are citizens; impacts 280 families per month (\$3.9 million)
- Eliminate ERDC for self-employed parents; impacts 150 families per month (\$2.0 million)
- Increase average co-pay by 6 percent (\$1.4 million TF)
- Eliminate reduced first-month co-pay; estimated to reduce caseload by 233 families per month (\$3.4 million TF)
- Reduce payments to ERDC providers (\$4.2 million TF)
- Numbers above account for the \$2.7 other funds correction in package 090

GRB proposed reductions – TANF

Package 090 totals \$112.5 million TF in reductions, including \$54.8 million of reductions to the Temporary Assistance for Needy Families (TANF) program (excludes program support and admin costs of \$7.5 million (47 pos (50.81 FTE))):

- Establish an income test for non-needy caretaker relatives at 185 percent FPL; estimated to eliminate assistance to 1,676 families per month (\$12.0 million TF)
- Include SSI benefit amount received by parents in calculating eligibility and benefits; impacts 1,415 families per month (\$18.0 million TF)
- Eliminate Cooperation Incentive Payment as a supplement to TANF grants July 1, 2010; impacts 16,907 families per month (\$7.0 million TF)
- Eliminate the TANF two- parent family program as of July 1, 2010; estimated to eliminate 777 families from the program per month (\$4.7 million TF)
- Continue Post-TANF benefit at \$100 per month and reduce to \$50 per month July 1, 2010; impacts 3,760 families per month (\$6.8 million TF)
- Expand the TANF Job Quit penalty to single parent families; would deny benefits to 291 families per month (\$5.6 million TF)
- Reduce Pre-SSI staffing and reduce pre-TANF payments (\$0.7 million)

GRB proposed reductions – Other

Package 090 totals \$112.5 million TF in reductions including:

- December 2008 Emergency Board Roll up (\$2.7 million)
- Elimination of 2.8 percent EBL inflation in Self Sufficiency programs (\$10.8 million)

Summary of total CAF impact of Package 090 reductions in ERDC and TANF including program support and admin impacts:

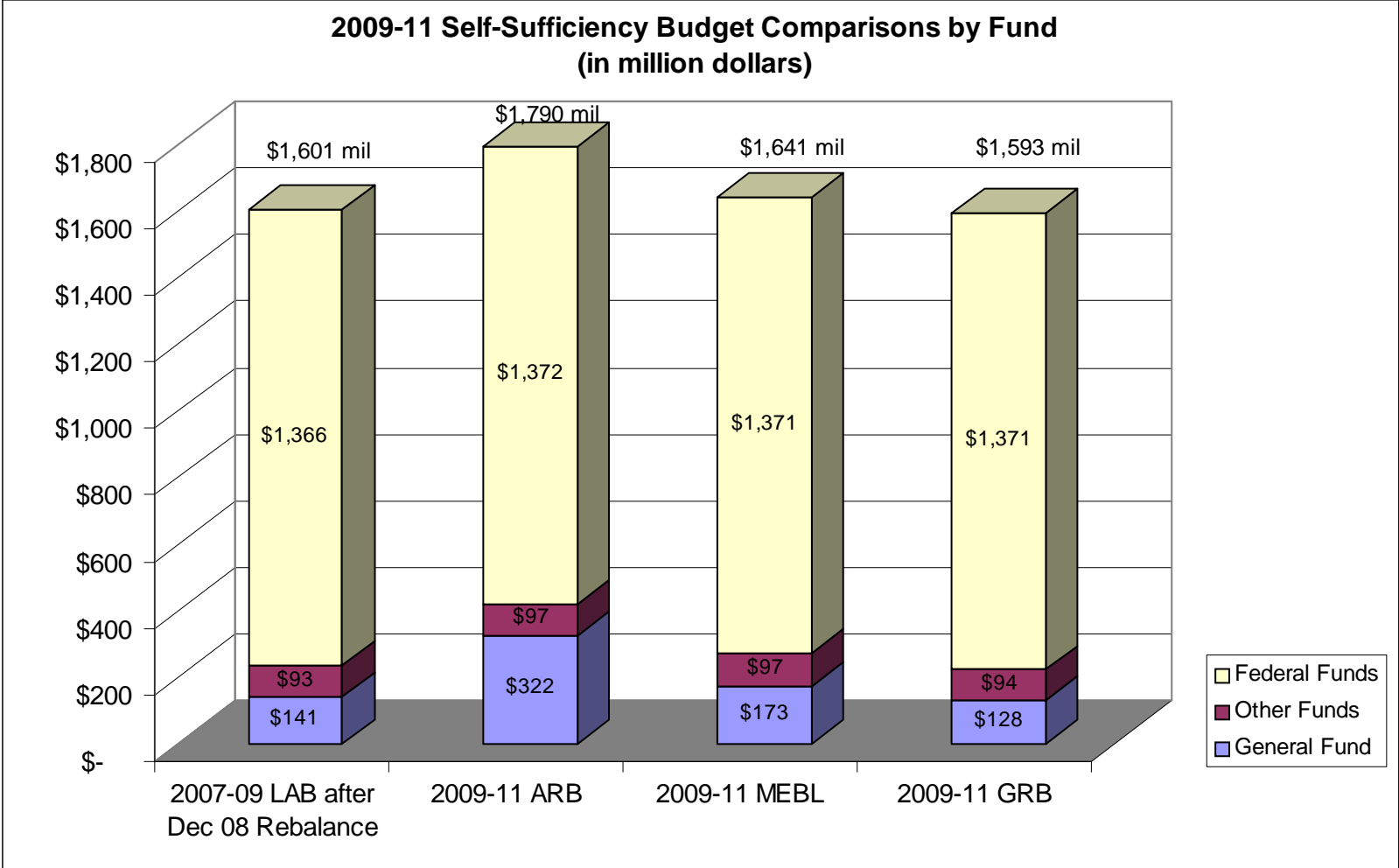
CAF Impact of Proposed SS Reductions			
Program	\$ in millions	Positions	FTE
ERDC	\$ (45.50)	(4)	(9.82)
TANF	\$ (61.10)	(47)	(50.81)
Pre-SSI	\$ (0.40)	(3)	(3.00)
Pre-TANF	\$ (0.80)		
TOTAL	\$ (107.80)	(54.00)	(63.63)

GRB proposed investments – POP 184

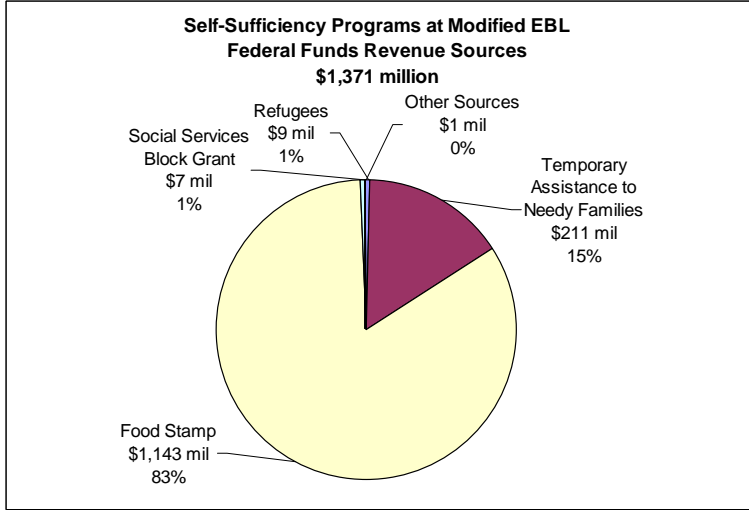
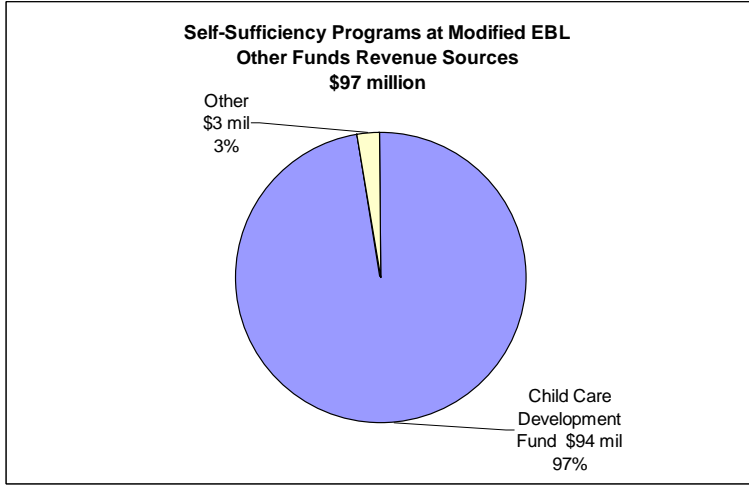
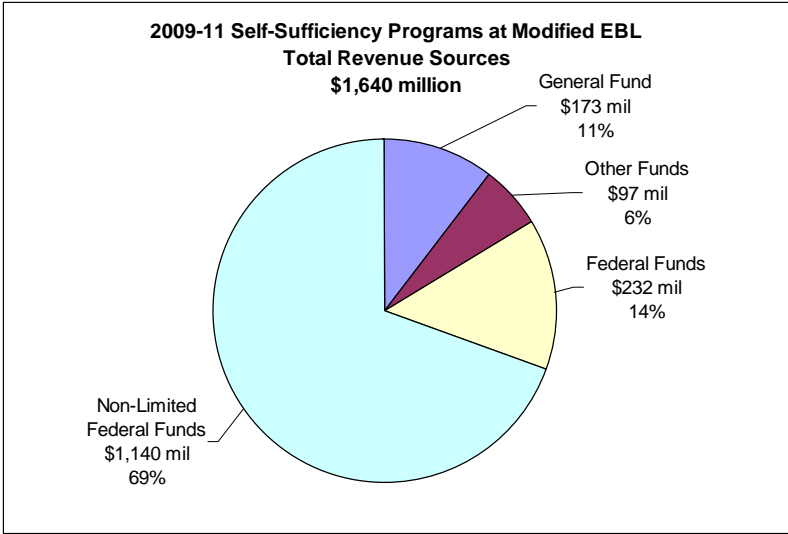
POP 184: \$64.5 million TF

- Partially backfills costs of increases in caseloads and costs-per-case in non-mandated programs (such as TANF, Post-TANF and TA-DVS) based on the Fall 2008 Forecast. Note: these actions are unrelated to 090 reductions.
- Backfill includes \$40.4 million GF to replace federal revenue shortfalls due primarily to the TANF Block Grant being a “capped” revenue source.
- POP 184 does not include an estimated \$34 million needed to fully fund the JOBS program as designed by HB 2469 (program budget “capped” by December 2008 Emergency Board and not included in EBL/GRB).

Self Sufficiency: 2009-2011 budget comparisons



Self Sufficiency: Revenue sources



TANF block grant

- Oregon's TANF Block Grant is \$166.8 million per Federal Fiscal Year (FFY)
- In the 2007-2009 Legislatively Approved Budget more than 25 percent of budgeted TANF funds were in non-Self Sufficiency programs such as Child Welfare.
- Historically Oregon has not spent the full TANF grant award during the first FFY and has had "carry-over" dollars each FFY.
- Due to investments made during the 2007 and 2008 Legislative sessions and more recently unprecedented increases in caseloads, CAF no longer anticipates having "carry-over" funding.
- This means that only \$333.6 million of TANF funds will be available in future biennia unless the grant award is increased at the federal level. This will mean increases in the amount of backfill necessary in both mandated and non-mandated programs funded with TANF revenues to sustain program levels.

TANF work participation

- Work participation requirements are that 50 percent of work-eligible families and 90 percent of two-parent families are working or participating in qualified activities such as job searches.
- Due to the recent federal changes in how work participation rates are calculated and recent caseload trends due to Oregon's economy, it is unlikely that Oregon will meet federal participation rates.
- Due to budget shortfalls, limits on services provided in the JOBS program will further impact Oregon's ability to meet these requirements.

TANF block grant and maintenance of effort (MOE)

- To receive the TANF block grant, Oregon must spend a minimum amount of state funds for TANF-related purposes. This is referred to as MOE.
- Oregon's MOE is a minimum of \$97.8 per FFY if federal work participation requirements are not met and \$91.6 per FFY if participation rates are met.
- Oregon's two-year MOE budget target for 2009-2011 is likely \$195.6 million.

TANF block grant MOE

- MOE requirement met through expenditures in multiple agencies.
- Changes in other agency spending may impact Oregon's ability to meet MOE.
- 2009-2011 EBL estimate exceeds MOE requirement.
- 2009-2011 GRB may leave Oregon short of meeting its MOE target.

Department of Human Services	180.1
Housing	1.0
Commission on Children and Families	9.0
Education	17.0
Oregon Student Assistance Commission	4.0
Department of Revenue	8.4
Department of Justice	2.4
Total	221.9

Department of Human Services	142.5
Housing	1.0
Commission on Children and Families	9.0
Education	17.0
Oregon Student Assistance Commission	4.0
Department of Revenue	8.4
Department of Justice	2.4
Total	184.3

2007-2009 investments in ERDC

- \$40 million TF was invested to improve access and affordability of quality child care for low-income families.
- Raised income eligibility limits from 150 percent to 185 percent of FPL.
- Anticipated reducing family co-pay requirement by an average of 20 percent.
- Increased subsidy rates paid to providers up to the 75th percentile of the 2006 Market Rate Study to increase availability.
- Invested in training for providers.

ERDC investment outcomes

Program on track to achieve intended outcomes:

- 2,204 additional families are accessing child care assistance as of December 2008.
- Overall average co-pay requirements were reduced by an average of 25.8 percent, with greatest gains for families between 75 percent and 185 percent of FPL.
- 700 license-exempt child care providers have received training.
- Oregon State University has estimated the increased subsidy rates for providers has expanded the available number of providers from 26 percent to 68 percent of the child care market.

2007-2009 TANF redesign and investment (HB 2469)

- \$31.5 million TF was invested to cover non-mandated program costs and fund the TANF redesign.
- Continued involvement of partners across the state in initial planning through implementation phases.
- TANF program and policy intent through HB 2469 focused on a more holistic family stabilization and economic security-based program.
 - Identified and directed program efforts to specific program population needs:
 - ✓ Strengthened capacity to identify barriers early on.
 - ✓ Enhanced efforts to reduce incidence of TANF families needing child welfare services
 - ✓ Enhanced capability of division to address needs of those applying for SSI/SSDI.
 - ✓ Strengthened tools directed at ensuring families who transition to employment are able to succeed through establishment of Post-TANF.

TANF redesign and investment outcomes

First-year of implementation, program on track to achieve intended outcomes:

- Employment placements increased 18 percent within the first six months starting in October 2007.
- Participation rate increased from 21.4 percent in September 2007 to 34 percent in October 2008.
- Post-TANF employment transition program provided services to 3,146 persons during December 2008.
- State Family Pre-SSI/SSDI program: More than 300 cases have had their federal applications approved; currently serving approximately 1,000 families.
- The Parents as Scholars program is being fully used: 226 slots are filled (a waiting list does exist).

TANF and ERDC program challenges

Evidence of initial progress has been eroding in several key areas during the past few months:

Placements have dropped to 457 in January 2009 from 862 in October 2008.

- Post-TANF cases have dropped to 2,958 in January 2009 from 3,250 in October 2008.
- Gains in participation levels have dropped to 26.5 percent in January 2009 from 34 percent in October 2008.
- ERDC caseload levels have dropped to 10,685 in January 2009 from 11,049 in October 2008.

Self-Sufficiency programs: Helping families and individuals in need

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- The economic crisis has the greatest effect on low-income families.
 - Demand for services across all programs continues to increase as the crisis expands.
 - Self Sufficiency programs are a primary part of the safety net for very-low-income families.
 - Reduced availability of job opportunities limits the capacity of families and individuals on public assistance programs to leave and transition to independence.
- Current staff shortages and reduced program resources significantly challenge capacity to meet basic needs of growing client populations.
- The ability of the TANF programs to meet stabilization and self-sufficiency goals of HB 2469 for families is greatly diminished.