

**TANF CASELOAD REDUCTION REPORT**  
**For Federal Fiscal Year 2009**

**State of Connecticut**  
**Department of Social Services**

**December 30, 2008**

## **TANF CASELOAD REDUCTION REPORT FFY 2009**

### INTRODUCTION

The State of Connecticut, Department of Social Services is required to complete and submit annually, Form ACF-202, the Caseload Reduction Report for the Federal Fiscal Year (FFY), to the U.S. Department of Health and Human Services, Administration for Children and Families, in accordance with federal regulations at 45 CFR 260 et seq.

The federal Temporary Assistance for Needy Families (TANF) block grant includes specific performance expectations and requirements to help federal and state governments measure program success. All states are required to meet specific work participation rates, which reflect the percentage of families receiving TANF assistance that must be engaged in federally-defined work activities.

The caseload reduction report provides an analysis of case activity including activity related to changes in eligibility criteria. The caseload reduction credit for FFY 2009 reduces the state's work participation rate for that fiscal year based on the decline in the FFY 2008 assistance caseload compared to FFY 2005. The methodology and the case number estimates used are included in this document.

A notice to solicit public comments was published in the Connecticut Law Journal on December 9, 2008. Comments were to be submitted on or before December 24, 2008. A few requests for copies of the plan were received. No comments regarding the Caseload Reduction Report were submitted or received.

During FFY 2008, Connecticut operated three assistance programs under the authority of the federal Temporary Assistance for Needy Families (TANF) block grant<sup>1</sup>. These three programs are claimed as TANF Assistance programs:

- Temporary Family Assistance (TFA)
- TFA Cases with Certain Exempt Adults
- Foster Care Maintenance (FCM)

In FFY 2008, there were no assistance cases claimed under separate state programs (SSP). The Two-Parent Temporary Family Assistance program, previously funded as a separate state program, is funded as a solely state funded program, effective as of October 1, 2007.

Effective October 1, 2005 the state did not utilize TANF federal or state Maintenance of Effort dollars for the Transitional Rental Assistance (T-RAP), previously a separate state MOE assistance program. Therefore T-RAP has no impact on the caseload, as this was implemented prior to October 1, 2006 and thus is no longer included in the Caseload Reduction Report.

Effective June 30, 2006 the state discontinued operation of the separate state MOE assistance program - Temporary Rent Subsidy Program (TRSP) that provided rental assistance to families. Therefore TRSP has no impact on the caseload, as this was implemented prior to October 1, 2006 and thus is no longer included in the Caseload Reduction Report.

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<sup>1</sup>Connecticut's TANF State Plan also lists Energy Assistance. However, during FFY 2008, TANF dollars were not actually claimed for this program.

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

## TANF ASSISTANCE PROGRAM NARRATIVE & METHODOLOGY

Changes in eligibility criteria that the state has made on or after October 1, 2006, that could cause the state's caseload to decrease or increase are described below.

### **Temporary Family Assistance (TFA-TANF) & Certain Exempt Temporary Family Assistance**

The Temporary Family Assistance (TFA) program provides cash assistance for ongoing basic needs. All TFA cases are time-limited unless all adults in the family are exempt from the time-limit provisions. These programs are descendants of the AFDC program, but have been modified extensively since FFY 1995, first under welfare reform demonstration waivers, then pursuant to changes associated with TFA becoming a TANF-based assistance program, and a third time effective 10/1/01. The eligibility and policies regarding this program have not been modified since 10/1/06. These programs constitute the vast majority of the state's overall assistance caseload.

Effective as of October 1, 2007, Certain Exempt TFA households, previously funded as a Separate State Program, are funded as regular TFA through Federal TANF & Commingled funds.

### **Foster Care Maintenance (FCM-TANF)**

Connecticut uses TANF funds to provide Foster Care Maintenance (FCM) to children who are in the custody of the Department of Children and Families (DCF). TANF covers the portion of the maintenance services that were authorized under the prior Emergency Assistance (EAF) program for clients who would have qualified for Emergency Assistance under that prior program. Benefits are funded by TANF for up to twelve months of care, but only those issued for more than four consecutive months fall under the definition of "assistance." The caseload figure shown above represents the average monthly caseload for FCM assistance.

Because FCM as a TANF assistance program begins with the fifth month of benefits, there is no application process *per se*. Assistance simply begins for cases that meet the durational criterion in addition to the other criteria described under EAF and the TANF state plan.

Because the state only began to use TANF funds for months 5-12 FCM (assistance) effective 10/1/00, in the context of the TANF block grant, the program effectively began on that date, and there have been no eligibility changes since. Therefore, no case closures are evaluated for their effect on the overall assistance caseload. The FFY 2008 FCM average monthly assistance caseload is simply added into the TANF assistance caseload for FFY 2008.

### **Safety Net Basic Needs (Program No Longer TANF MOE)**

Effective September 30, 2006 the State stopped claiming as a TANF state maintenance of effort expenditure the Safety Net "Basic Needs" Program for families who exhausted time-limited TFA and who were not eligible for extensions for reasons other than having income over the TFA payment standard. The program continues to operate outside of the TANF program. The Safety Net Basic Needs program provides eligible families with vendor payments for basic needs such as food, rent, utilities, and clothing. This component was categorized as a Separate State MOE *assistance* program. The caseload for this program in FFY 08 from non-TANF funds are "added back" to the average FFY 2008 Caseload for Caseload Reduction Credit comparison to FFY 2005.

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### **Two-Parent TFA (No TANF Federal, SSP or MOE Expenditures)**

Effective as of October 1, 2007, the Two-Parent Temporary Family Assistance program, previously funded as a Separate State Program, is funded as a solely state funded program. The Two-Parent Temporary Family Assistance program has been removed from the TANF Plan as an assistance program. Effective October 1, 2007, cash assistance is provided to two parent households as a solely state-funded program, although the families are eligible for non-assistance programs such as Employment Services. Since that date, there have been no changes in eligibility to evaluate for caseload effects. Therefore, the average monthly FFY 2008 Two-Parent TFA caseload would normally have been added to the State's overall assistance caseload. However, the state did not utilize TANF federal or state Maintenance of Effort dollars for this program as of October 1, 2007, and thus the effect was a reduction in the total SSP-MOE caseload. The caseload for this program in FFY 08 from non-TANF funds are "added back" to the average FFY 2008 Caseload for Caseload Reduction Credit comparison to FFY 2005.

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

### Analysis of the Effect of Policy Changes

For reasons articulated above, the State's analysis of the effect of policy changes on the overall caseload includes the and the removal of the Safety Net Basic Needs Program (SNBN), and the Two-Parent Temporary Family Assistance program from SSP-MOE to solely state-funded programs. These eligibility and funding changes impact the caseload reduction credit. For the purposes of analysis, the state has reviewed the monthly caseloads of Temporary Family Assistance (TFA), Certain Exempt TFA, and Two Parent TFA case data obtained from the Eligibility Management System (EMS), as well as Foster Care Maintenance, and Safety Net Basic Needs data obtained from the contractors, and other sources described in detail below, to arrive at the estimated impact of eligibility and caseload changes on Connecticut's total FFY 2008 assistance caseload.

### **TANF MOE EXCESS CASELOAD REDUCTION METHODOLOGY**

The methodology used to calculate the excess MOE Expenditures and Caseload ratios are based on total FFY 2008 TANF, state MOE, and separate state MOE expenditures. The total TANF expenditures equaled \$496,433,621. In FFY 08, the amount of MOE dollars required at 80% equaled \$195,649,127, actual MOE expenditures were \$256,324,324, resulting in an excess amount of MOE expenditures equal to \$60,675,197. Based on an average Assistance caseload cost of \$5,399 and expenditures on Assistance programs equal to \$102,960,175 or 21% of all TANF expenditures, the excess MOE - pro rata share for Assistance equals \$12,584,017 or an offset number of cases equal to 2,331.

Under CFR Part 261.43 "What is the definition of a "case receiving assistance" in calculating the caseload reduction credit?" states: "(2) A State that is investing State MOE funds in eligible families in excess of the required 80 percent or 75 percent basic MOE amount need only include the pro rata share of caseloads receiving assistance that is required to meet the basic MOE requirements."

The total average number of TANF and SSP cases served in FFY 2008 equaled 19,069. Due to program eligibility & policy changes, 1,057 cases are to be added back into the overall caseload when it is compared to the base year caseload of 24,088 in FFY 05. The adjusted caseload equals the 2008 TANF and SSP average monthly number of cases served - 19,069 minus the excess MOE caseload offset of 2,331 for a caseload equal to 16,738, plus the 1,057 "added back" or net impact cases that are no longer included because of eligibility or policy changes but are included to maintain comparable caseloads to the FFY 2005 program. The total adjusted caseload equals 17,795.

The difference between the base year caseload of 24,088 (FFY 05) and the adjusted caseload with net impact 17,795 (FFY 08) equals 6,293 which is divided by the base year caseload to establish a Caseload Reduction Credit for 2009 of 26.1%.

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

In Connecticut the pro rata share of excess Maintenance of Effort (MOE) for TANF and SSP expenditures and caseload was calculated as follows:

**CONNECTICUT**

**Fiscal Year to which credit applies:**  
**Date of Completion:**

**2009**

**Excess MOE Calculation Worksheet**

**Caseload Data**

FY 2005 TANF Caseload	19,830
FY 2005 SSP Caseload	4,258
<b>Total FY 2005 Caseload</b>	<b>24,088</b>
FY 2008 TANF Caseload	19,069
FY 2008 SSP Caseload	0
<b>Total FY 2008 Caseload</b>	<b>19,069</b>

**2-Parent Caseload Data**

FY 2005 2-p TANF Caseload	0
FY 2005 2-p SSP Caseload	1,571
<b>Total FY 2005 Caseload</b>	<b>1,571</b>
FY 2008 2-p TANF Caseload	0
FY 2008 2-p SSP Caseload	0
<b>Total FY 2008 Caseload</b>	<b>0</b>

**Adjusted Caseload Data**

Adjusted FY 2008 Overall Caseload	<b>16,738</b>
Adjusted FY 2008 2-parent Caseload	<b>0</b>

**Expenditure Data**

<b>Total Expenditures</b>	
FY 2008 Total Federal Expenditures	\$240,109,297
FY 2008 Total MOE Expenditures	\$256,324,324
<b>Total Expenditures (Federal + MOE)</b>	<b>\$496,433,621</b>

**Assistance Expenditures**

FY 2008 Federal Expenditures on Assistance	\$12,231,646
FY 2008 MOE Expenditures on Assistance	\$90,728,529
<b>Total Expenditures on Assistance (Federal + MOE)</b>	<b>\$102,960,175</b>
Percentage of Expenditures on Assistance	20.74%

**Expenditures Per Case**

Average Expenditures per Case	\$26,034
Average Expenditures per Case on Assistance	\$5,399

**MOE and Excess MOE**

Required MOE (80% or 75%)	\$195,649,127
Excess MOE Expenditures	\$60,675,197
Excess MOE Expenditures on Assistance	\$12,584,017

**Assistance Cases Funded by Excess MOE**

<b>2-Parent Assistance Cases Funded by Excess MOE</b>	<b>2,331</b>
<b>2-Parent Assistance Cases Funded by Excess MOE</b>	<b>0</b>

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

<b>Date of Completion</b> - 12/23/08	
<b>State: CONNECTICUT</b>	<b>Fiscal Year to which credit applies: 2009</b>
Overall Report <input checked="" type="checkbox"/> (check one) Two-parent Report <input type="checkbox"/>	Apply the overall credit to the two-parent participation rate? <input type="checkbox"/> N/A_ yes <input type="checkbox"/> no
<b><u>PART 1 –Eligibility Changes Made Since FY 2005</u></b> <b><u>(Complete this section for EACH change)</u></b>	
<p>1. Name of eligibility change: <b>Safety Net Basic Needs Program – No TANF or MOE Expenditures</b></p> <p>2. Implementation date of eligibility change: <b>October 1, 2006</b></p> <p>3. Description of policy, including the change from prior policy:</p> <p><b><u>Safety Net Basic Needs Program (SN-BN)</u></b></p> <p>Effective September 30, 2006 the State stopped claiming as a TANF or MOE expenditure the Safety Net “Basic Needs” Program for families who exhausted time-limited TFA and who were not eligible for extensions for reasons other than having income over the TFA payment standard. The Safety Net Basic Needs program provides eligible families with vendor payments for basic needs such as food, rent, utilities, and clothing. This component was categorized as a Separate State MOE <i>assistance</i> program. The caseload data for this group from the last report is listed as to be “added back” to the Average Monthly FFY 2008 Caseload.</p> <p>There had been no changes in eligibility to evaluate for caseload effects. Therefore, the average monthly SN-BN caseload would have been added to the State’s overall assistance caseload. However, the state did not utilize TANF federal or state Maintenance of Effort dollars for this program as of October 1, 2006, and thus the effect was a reduction in the total SSP-MOE caseload.</p> <p>4. Description of the methodology used to calculate the estimated impact of this eligibility change: (attach supporting materials to this form)</p> <p>The state does not utilize TANF or Maintenance of Effort dollars for this program as of October 1, 2006.</p> <p>The average monthly caseload between October 1, 2007 and September 30, 2008 equaled 38. These cases are not claimed in the Maintenance of Effort expenditures. There were no participants which may be claimed in the caseload from the Safety Net – Basic Needs. The impact of this establishes a reduction in the average monthly caseload by 38 cases. These 38 cases are to be “added back to the TANF caseload” to level the comparison to the FFY 2005 base year average monthly caseload.</p> <p>5. Estimated average monthly impact of this eligibility change on caseload in comparison year:</p> <p>Ave. Monthly Caseload FFY 2008 = 38 as compared to the Ave. Monthly Caseload FFY 2005 = 56</p>	

**FORM ACF-202 – TANF CASELOAD REDUCTION REPORT**

**Date of Completion** - 12/26/08

**State:** CONNECTICUT

**Fiscal Year to which credit applies:** 2009

6. Name of eligibility change: **Two Parent TFA Program – No TANF or MOE Expenditures**

7. Implementation date of eligibility change: **October 1, 2007**

8. Description of policy, including the change from prior policy:

**Two Parent TFA Program**

Effective October 1, 2007 the State stopped claiming the Two Parent component of the TFA program as TANF or MOE expenditures. Two-Parent Temporary Family Assistance program has been removed from the TANF Plan as an assistance program. Effective October 1, 2007, cash assistance is provided to two parent households in a solely state funded program. Two Parent families are eligible for non-assistance programs such as Employment Services.

There had been no changes in eligibility to evaluate for caseload effects. The average monthly caseload data for this group is “added back” to the Average Monthly FFY 2008 Caseload. Caseload numbers for Two Parent TFA in prior years had been shown in the Separate State Program (SSP) sections. The state did not utilize TANF federal or state Maintenance of Effort dollars for this program as of October 1, 2007, and thus the effect was a reduction in the total SSP-MOE caseload.

9. Description of the methodology used to calculate the estimated impact of this eligibility change: (attach supporting materials to this form)

The state does not utilize TANF or Maintenance of Effort dollars for this program as of October 1, 2007.

The average monthly caseload between October 1, 2007 and September 30, 2008 equaled 1,091, however none of these cases were claimed in TANF federal or state Maintenance of Effort expenditures. There were no participants which may be claimed in the caseload from the Two Parent Family assistance units. The impact of this establishes a reduction in the average monthly caseload by 1,091 cases. These 1,091 cases are to be “added back” to the TANF caseload to level the comparison to the FFY 2005 base year average monthly caseload.

10. Estimated average monthly impact of this eligibility change on caseload in comparison year:

Ave. Monthly Caseload FFY 2008 = 1,019 as compared to FFY 2005 = 1,571

**Date of Completion:** 12/26/08

**State:** CONNECTICUT

**Fiscal Year to which credit applies:** 2009

**PART 2 – Estimate of Caseload Reduction Credit**

Connecticut		Fiscal Year to which credit applies: Date of Completion:		2009
<b>PART 2 – Estimate of Caseload Reduction Credit</b>				
<u>Impact of All Changes</u>		<u>Caseload Reduction Calculation</u>		
		FY 2005 TANF Caseload	19,830	
		FY 2005 SSP Caseload	4,258	
		<b>Total FY 2005 Caseload</b>	<b>24,088</b>	
Two Parent Cases (No TANF or MOE Funding)	-1,019	FY 2008 TANF Caseload	19,069	
Safety Net Basic Needs (No TANF or MOE Funding)	-38	FY 2008 SSP Caseload	0	
		<b>Total FY 2008 Caseload</b>	<b>19,069</b>	
		Excess MOE Cases in FY 2008	2,331	
		<b>Adjusted FY 2008 Caseload</b>	<b>16,738</b>	
		Caseload Decline	7,350	30.5%
		Decline – Net Impact	6,293	
			Caseload Reduction Credit =	<b>26.1%</b>
<b>Net Impact</b>	<b>-1,057</b>			

Pro rata offset / Excess MOE (>80%) Eligible Families adjusted in TANF & SSP FFY 08 Caseload\*

\*Under CFR Part 261.43 "What is the definition of a "case receiving assistance" in calculating the caseload reduction credit?" states: "(2) A State that is investing State MOE funds in eligible families in excess of the required 80 percent or 75 percent basic MOE amount need only include the pro rata share of caseloads receiving assistance that is required to meet the basic MOE requirements."

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**Safety Net Basic Needs Program**  
 No TANF Federal or MOE Funds Claimed in FFY 08

Safety Net Basic Needs Program (SN-BN)  
 No TANF Federal or Maintenance of Effort Expenditures were claimed in FFY 08 for SN-BN Program

	Impact on Each Month in FY 2008												Grand Total		
	Oct-07	Nov	Dec	Jan-08	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			
<b>Time of Closure</b>															
Oct-07	-18														
Nov		-15													
Dec			-14												
Jan-08				-17											
Feb					-19										
Mar						-21									
Apr							-26								
May								-30							
Jun									-25						
Jul										-82					
Aug											-81				
Sep												-106			
<b>Total</b>	-18	-15	-14	-17	-19	-21	-26	-30	-25	-82	-81	-106			
	FY 2008 monthly average												-38		

No TANF Federal or Maintenance of Effort Expenditures were claimed in FFY 08 for the Safety Net Basic Needs Program. The impact shown on the average monthly caseload of the program operating with non-TANF Funds for the program year.

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

## Two Parent Program No TANF Federal or MOE Funds Claimed in FFY 08

### Two Parent Program FFY 2008

	Impact on Each Month in FY 2008													
	Oct-07	Nov	Dec	Jan-08	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
<b>Time of Closure</b>														
Oct-07	-972													
Nov		-964												
Dec			-970											
Jan-08				-964										
Feb					-915									
Mar						-986								
Apr							-1,055							
May								-1,065						
Jun									-1,039					
Jul										-1,062				
Aug											-1,109			
Sep												-1,132		
<b>Total</b>	-972	-964	-970	-964	-915	-986	-1,055	-1,065	-1,039	-1,062	-1,109	-1,132	-12,233	Grand Total
	FY 2008 monthly average												-1,019	

Program continues to operate as a Solely State Funded Program

There were no TANF Federal or Maintenance of Effort expenditure claims FFY 08 for the Two Parent Program. It is a Solely State Funded (SSF) Program.

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

**Date of Completion:** 12/26/08

**State:** CONNECTICUT

**Fiscal Year to which credit applies:** 2009

## PART 3 -- Certification

I certify that we have provided the public an appropriate opportunity to comment on the estimates and methodology used to complete this report and considered those comments in completing it. Further, I certify that this report incorporates all reductions in the caseload resulting from State eligibility changes and changes in Federal requirements since Fiscal Year 2005.

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(signature)

Michael P. Starkowski

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(name)

Commissioner, Connecticut Department of Social Services

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(title)

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Notice Published in Connecticut Law Journal on December 9, 2008

### TANF CASELOAD REDUCTION REPORT

Pursuant to federal regulations at 45 CFR 261.40 et seq., the Connecticut Department of Social Services is seeking public review and comment on the methodology and the case number estimates used in its Temporary Assistance for Needy Families (TANF) Caseload Reduction Report to calculate the state's TANF Work Participation Rate for Federal Fiscal Year 2009.

The federal TANF block grant includes specific performance expectations and requirements to help federal and state governments measure program success. All states are required to meet specific work participation rates. Federal law sets required work participation rates, which reflect the percentage of families receiving TANF assistance that must be engaged in federally-defined work activities.

To ensure that states receive credit for families that have become self-sufficient, Congress created the caseload reduction credit. States must complete form ACF-202, the Caseload Reduction Report, and provide the public with an opportunity to comment on its methodology and estimates. The reduction report provides an analysis of monthly caseload, case closure, and application activity, including activity related to changes in eligibility criteria, to arrive at the estimated impact of eligibility changes on the state's average assistance caseloads in FFY 2008 (October 1, 2007 – September 30, 2008).

The caseload reduction credit reduces the required participation rate(s) that a state must meet for a given fiscal year. It reflects the net percentage point reduction in the state's caseload in the prior fiscal year as compared to the caseload in base year FFY 2005. The Deficit Reduction Act of 2005 recalibrated the base year to be Federal Fiscal Year 2005. Thus, the caseload reduction credit for FFY 2009 reduces the state's work participation rate for that fiscal year based on the caseload decline in the FFY 2008 compared to FFY 2005. However, caseload declines attributable to state or federal changes in eligibility criteria do not count toward the caseload credit.

Statement of Purpose: to solicit public comments on the Caseload Reduction Report in accordance with federal TANF regulations.

Written comments on Connecticut's Caseload Reduction Report may be submitted to the Department by December 24, 2008 to the attention of:

Julie Bisi, Planning Specialist  
Department of Social Services  
Family Services Division  
25 Sigourney Street  
Hartford, CT 06106

A full copy of the report is available at no cost upon request to the Department. To receive a copy, contact Julie Bisi at [julie.bisi@ct.gov](mailto:julie.bisi@ct.gov) or (860) 424-5877.