Minnesota TANF and SSP-MOE Engagement Summary Report

for

March 2011

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Minnesota Department of Human Services
Program Assessment & Integrity Division 651-431-3936
444 Lafayette Road North
St. Paul, MN 55155

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Report Questions

Questions about this report should be submitted by email to:

Rita. M. Galindre
Minnesota’s Federal TANF Reports Manager
MN-DHS-Program Assessment and Integrity Division
P.O. Box 64245
St. Paul, MN 55164-0245
(651) 431-3992
Rita.Galindre@state.mn.us.
Minnesota TANF and SSP-MOE Engagement Summary Report for March 2011

Background
This is a summary of the data submitted in the federally mandated Report on Engagement in Additional Work Activities for Families Receiving Assistance under the Temporary Assistance for Needy Families (TANF) and Separate State Program – Maintenance Of Effort (SSP-MOE) Programs per the guidance provided in Transmittal No. TANF-ACF-PI-2011-03 dated February 14, 2011. The report submitted is disaggregated data. The Claims Resolution Act of 2010 set forth new reporting requirements on states as it extended the funding for the TANF financial assistance program through September 30, 2011. In addition, Sec. 812 Modifications to TANF Data Reporting, specifies that a summary of the data report be published on each state’s website.

This is the first submission of two new federally required reports: the first reporting period is for the month of March 2011; the second reporting period is from April 1 through June 30, 2011. These new reports supplement existing federal reports used to calculate the state’s Work Participation Rate (WPR).

Federal law requires that states meet at least a 50 percent (%) WPR for work eligible individuals (WEIs). A WEI is a caregiver who is included in the WPR and must meet the hourly work requirements (successfully participate). A reduction is applied to this WPR target if the state’s average monthly assistance caseload decreased the previous Federal Fiscal Year (FFY) in comparison to its average monthly caseload in FFY 2005 (baseline year under DRA).

Minnesota met the adjusted WPR target for both FFY 2008 and FFY 2009, with rates of 29.9% and 29.8%, respectively. Estimated WPR data show a rate of 40.2% in FFY 2010, and it is projected that the WPR will increase further in FFY 2011. Based on these estimated WPR data and projections, it is expected that Minnesota will continue to meet its adjusted WPR targets in FFY 2010 and FFY 2011.

Sample
Minnesota has both TANF and SSP-MOE Programs and used a sample size of 175 Work Eligible Individuals (WEIs) from each program for March 2011 as directed by the U.S. Department of Health and Human Services (DHHS), Administration for Children and Families (ACF). This sample was selected so case notes for cases with WEIs that were not participating could be examined manually to derive the principal reason for non participation. This first report includes 350 total WEIs. The second report will include a summary for April through June 2011 for a total of 1,050 WEIs.

1 Available at http://www.acf.hhs.gov/programs/ofa/policy/pi-ofa/2011/pi201103/pi201103.html
2 FFY 2010 is the first year Minnesota has a combined TANF and SSP-MOE rate. The Separate State Program – Maintenance Of Effort program is a subset of the Work Benefit (WB) program implemented on October 1, 2009. The WB program positively impacts our WPR.
Summary of WEI Engagement Results

Under Minnesota’s TANF waiver, all hours of activity were counted toward the state’s WPR calculation. When the waiver expired on October 1, 2002, Minnesota began reporting activity hours for activities that were not countable under the federal law as ‘Other Work Activities’ on the ACF-199/209. Those activities included assessment, participation in social services, and job search/job readiness assistance (JS/JRA) hours that were beyond the federal statutory limits. Beginning in October 2008, Minnesota added JS/JRA hours that did not contribute to the individual’s successful participation to the ‘Other Work Activities’ category. In the March 2011 Engagement Report sample, the JS/JRA hours account for 94% of the activity hours reported as ‘Other Work Activities’ for the WEIs who are not successfully participating.

The following charts and table represent the TANF and SSP-MOE WEIs programs. Refer to Appendix A: Table 3 – MN Summary of Engagement Report Data Submitted for March 2011 on page 6 for source data.

- 62 of the TANF WEIs who are unsuccessfully participating have monthly hours, although they are not meeting the work requirement hours, their activity hours may be helping to move the family towards self-sufficiency.
- 76 of the 175 TANF WEIs have a principal reason for non participation identified.
- The TANF program’s number one principal reason for non participation is “06 – Family disregarded from the participation rate” (54). The second most common reason was that the participant was in some stage of the sanction process (15)\(^3\).

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\(^3\) Minnesota policy allows 6 months in sanction.
Figure 2. March 2011 – Principal Reasons for Non Participation of 76 TANF WEIs

- 01 - Family’s first month on assistance and no work activity assigned, 8
- 02 - Individual assigned to a work activity that has not yet begun, 1
- 03 - State/Local agency (or its contractor) has failed to engage individual, 1
- 06 - Family disregarded from participation rate, 37
- 07 - State exempt, single custodial parent with child under age 1, not disregarded due to 12-month limitation, 1
- 08 - Individual in process of being sanctioned (including fair hearing process) or is subject to a sanction for refusing to work, not disregarded due to statutory limitations or subject to a non-work sanction, 15
- 14 - Other State Exemption, 2
- 99 - Other, 11

Figure 3. March 2011 – SSP-MOE Program WEI Engagement Results, 175 WEIs

- Successfully Participating, 166
- Unsuccessfully Participating and May Not Be Disregarded from the WPR, 9

NOTE: None of the SSP-MOE Program participants could be disregarded.
• 7 of the SSP-MOE WEIs who are unsuccessfully participating have some monthly hours although they are not meeting the work requirement hours. Their work hours may have recently been reduced.

• 2 of the SSP-MOE WEIs who are unsuccessfully participating have a principal reason for non participation identified.

• The SSP-MOE program’s principal reason for non participation is “99 – Lost Job.”

Table 1 shows a further breakdown of the 76 TANF WEIs and 2 SSP-MOE WEIs who are unsuccessfully participating because they have no monthly hours. The sample size is 175 for each program.

<table>
<thead>
<tr>
<th>Total WEIs Unsuccessfully Participating with no monthly hours:</th>
<th>TANF</th>
<th>SSP-MOE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample</td>
<td>% of Total</td>
<td>Sample</td>
</tr>
<tr>
<td>Can be disregarded from WPR</td>
<td>37</td>
<td>21%</td>
</tr>
<tr>
<td>Cannot be disregarded from WPR</td>
<td>39</td>
<td>22%</td>
</tr>
</tbody>
</table>

**Analysis Statement**

Although Minnesota has consistently met its WPR target for several years or avoided a potential penalty (FFY 2007), the DRA activity limits, lifetime limits, and economic downturn makes it challenging to do so. This prompted the implementation of new programs to better serve participants who need further Family Stabilization Services (FSS)\(^4\) assistance and count those WEIs who are successfully participating because they are employed full-time and in the WB program.

The data above demonstrates that 22% (39/175) of TANF WEIs and 1% (2/175) of SSP-MOE WEIs who are in the sample and are not disregarded have no monthly hours. The report format of the ACF-199/209 records 1-2 monthly hours in an activity as zero average weekly hours, therefore some WEIs appear to have zero hours of engagement in the quarterly reports. There were 3 such unsuccessfully participating TANF WEIs in Table 1.

Figure 2 and Table 3 show the principal reasons for their non participation (01, 02, 03, 07, 08, 14, and 99).

• Almost half of the WEIs in “Other” (99) were being evaluated for participation for the Non TANF program (FSS).

• 45% (62/138) of TANF WEIs and 78% (7/9) of SSP-MOE WEIs who are unsuccessfully participating have monthly hours and are engaged.

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Minnesota has always reported all hours of engagement that met the verification standards in the quarterly report submittal to ACF so there is no impact. The estimated March rates are 30.1% TANF, 96.1% SSP-MOE, and 43.7% overall monthly rate.

**Common Activities not Counted Towards WPR**

Per Form ACF-812 item “10a. – Insufficient hours of participation in countable work activities” there are 57 TANF WEIs and 7 SSP-MOE WEIs who participated in countable work activities that did not count because they were insufficient to meet the work requirements for the WPR.

Table 2 shows the most common countable activities included in the federal report for participants who are not counted in the MN WPR. They are not included because they did not have enough total hours to meet their work requirements.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Total WEIs in Activity</th>
<th>Total Hours of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsubsidized Employment (include public/private sector employment, on-the-job training, and self-employment)</td>
<td>31 6</td>
<td>1673 447</td>
</tr>
<tr>
<td>Work Experience</td>
<td>4 0</td>
<td>155 0</td>
</tr>
<tr>
<td>Job Search and Job Readiness Assistance</td>
<td>27 1</td>
<td>1025 11</td>
</tr>
<tr>
<td>Vocational Educational Training</td>
<td>5 0</td>
<td>217 0</td>
</tr>
<tr>
<td>Job Skills Training Directly related to Employment</td>
<td>3 0</td>
<td>151 0</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td><strong>70 7</strong></td>
<td><strong>3221 458</strong></td>
</tr>
</tbody>
</table>

*The unduplicated total TANF WEIs is 57 and they have no monthly hours.

These TANF WEIs averaged 57 (3221/57) monthly hours of participation and the SSP-MOE WEIs averaged 65 (458/7) monthly hours of participation for March 2011.

Unused job search is the most common “other” activity. There were 3 TANF WEIs who participated in JS/JRA, a countable work activity, but it did not count towards the WPR because the activity hours were beyond the statutory limit for reporting the hours of participation as countable work activities.
### Table 3 - MN Summary of Engagement Report Data Submitted for March 2011

<table>
<thead>
<tr>
<th></th>
<th>TANF</th>
<th>SSP-MOE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sample</td>
<td>% of Total</td>
</tr>
<tr>
<td>Work Eligible Individuals (WEIs)</td>
<td>175</td>
<td>100%</td>
</tr>
<tr>
<td>Successfully Participating</td>
<td>37</td>
<td>21%</td>
</tr>
<tr>
<td>Unsuccessfully Participating and May Be Disregarded from the WPR</td>
<td>54</td>
<td>31%</td>
</tr>
<tr>
<td>Unsuccessfully Participating and May Not Be Disregarded from the WPR</td>
<td>84</td>
<td>48%</td>
</tr>
<tr>
<td>Total WEIs Unsuccessfully Participating with No Monthly Hours</td>
<td>76</td>
<td>43%</td>
</tr>
</tbody>
</table>

**Principal reason for non participation (Item 14b.):**

- **01** - Family’s first month on assistance and no work activity assigned
- **02** - Individual assigned to a work activity that has not yet begun
- **03** - State/Local agency (or its contractor) has failed to engage individual
- **06** - Family disregarded from participation rate
- **07** - State exempt, single custodial parent with child under age 1, not disregarded due to 12-month limitation
- **08** - Individual in process of being sanctioned (including fair hearing process) or is subject to a sanction for refusing to work, not disregarded due to statutory limitations or subject to a non-work sanction
- **14** - Other State Exemption
- **99** - Other *

*Description of Item 14c. Specify Other Reason:*

<table>
<thead>
<tr>
<th></th>
<th>TANF</th>
<th>SSP-MOE</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEI Left Household</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Contractor Failed to Record Hours</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Miscommunication Between Agencies</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Evaluating WEI for Non-TANF Program</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Contractor Used Wrong Address for WEI</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Contractor Failed to Start Sanct Process</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Lost Job</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>