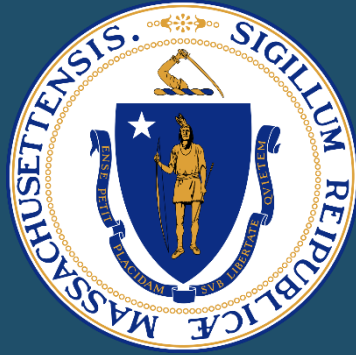


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Transitional Aid to Families with Dependent Children Consolidated Report

January 2020



**DEPARTMENT OF TRANSITIONAL ASSISTANCE
TRANSITIONAL AID TO FAMILIES WITH DEPENDENT CHILDREN
CONSOLIDATED REPORT
JANUARY 2020**

OVERVIEW

The Department of Transitional Assistance (DTA) is pleased to submit this comprehensive report on the status of the Transitional Aid to Families with Dependent Children (TAFDC) program, as required by sections 2(B) and 5 of Chapter 18 and section 3C(d) of Chapter 118 of the Massachusetts General Laws.

DEPARTMENT OF TRANSITIONAL ASSISTANCE MISSION

DTA's mission is to assist and empower low-income individuals and families to meet their basic needs, improve their quality of life, and achieve long-term economic self-sufficiency. DTA offers a comprehensive system of programs and supports to help individuals and families achieve greater economic mobility, including food and nutritional assistance, economic assistance, and employment supports. Currently, DTA serves one out of every nine people in the Commonwealth including working families, children, elders, and people with disabilities.

TAFDC PROGRAM OVERVIEW & FY 2020 HIGHLIGHTS

TAFDC is a state and federally funded program that provides cash assistance and employment supports to families with children and pregnant women with little or no income or assets. TAFDC is operated under the federal Temporary Assistance for Needy Families (TANF) block grant.

The goal of TAFDC is to support families as they transition from financial hardship to stability. Over the past three years, DTA has placed renewed emphasis on removing barriers to economic mobility and helping families find their own best paths to success. The Department has pursued a three-pronged approach:

1. Reforming policies that get in the way of families achieving their goals,
2. Expanding and diversifying employment support programming options for TAFDC clients through new purchasing approaches and partnerships, and
3. Exploring new approaches to conducting DTA business and engaging with families.

With the support of the Legislature, in FY2020, the Administration implemented important updates to TAFDC policies. These included eliminating the "family cap" rule, providing child care for working relative caregivers, excluding one household vehicle from the asset limit for TAFDC eligibility, and eliminating a grant reduction for homeless families. These policy changes better support working caregivers and further align TAFDC policies with those of other means-tested benefit programs in the state. Much of these changes also constitute a simplification of TAFDC program rules, ensuring that families can understand their options, and can better plan for life after TAFDC.

In the past year, DTA has enhanced its partnership with the MassHire Career Centers to better track employment outcomes for shared customers and expand opportunities for SNAP clients. DTA expanded its partnership with the Massachusetts Rehabilitation Commission (MRC) to engage parents with a disability who have historically had trouble accessing effective employment supports. The Department also re-procured the Competitive Integrated Employment Services (CIES) program, DTA's largest training and employment services program. Through this procurement, DTA significantly changed the payment structure to require and pay for outcomes related to placement in career-path jobs that pay a living wage. Finally, eligibility for DTA's employment programs has been expanded to include non-custodial parents of children on TAFDC in recognition that the health, wellbeing, and economic stability of both parents is important for a child's healthy development.

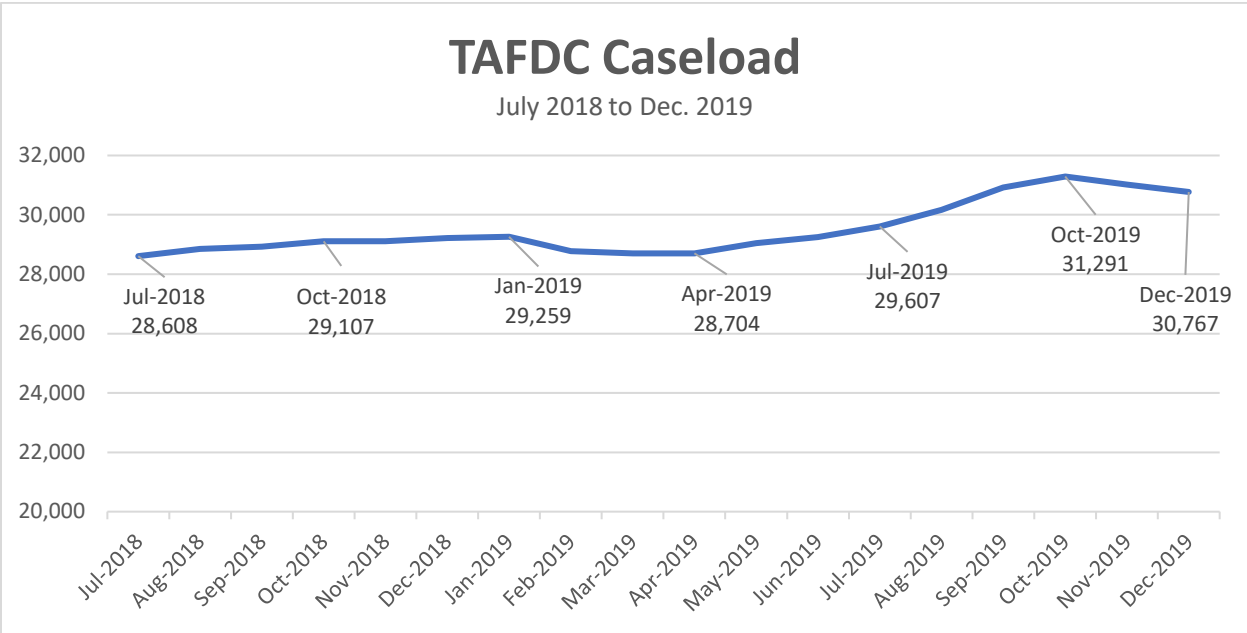
This year, DTA was selected to participate in the federal TANF Policy Academy for Innovative Employment Strategies (PAIES) through the Office of Family Assistance under the federal Administration for Children & Families. PAIES offers a series of technical assistance activities developed to help state TANF programs design, plan, and implement innovative and comprehensive approaches to increase employment outcomes for TANF participants through coaching and career pathways. The goals DTA has identified for this academy are:

- Create better partnerships with families to help them set and achieve personally meaningful goals on their path to family economic stability.
- Increase in the number of clients engaged in employment-related activities that will lead to a career path and family-sustaining wages.
- Construct better partnerships with staff to help them set and achieve personally meaningful career goals.

While participation will continue through April 2020, DTA has already implemented several learnings from the Academy. Specifically, the Department has made several changes to the way it manages its work program-required cases to focus on early engagement and "right fit" employment programs referrals. In addition, all young parents (14 – 23 years of age) now receive the services of a Self-Sufficiency Specialist (SSS), a specialized case manager who has been trained in coaching techniques to better support young parents and their children as they work on completing their education and getting on a career path.

TAFDC CASELOAD

As of December 2019, the total TAFDC caseload was 30,767, a slight increase from 29,219 in December 2018. This increase is primarily due to the implementation of the family cap rule change, as well as the policy changes referenced above, which are designed to support families for additional time during which they build assets, increase earnings, and plan for life after TAFDC. The chart below shows the TAFDC caseload over time.



TAFDC BENEFIT AND GRANT LEVELS

DTA has been engaged in a multi-year effort to reform the TAFDC grant structure in order to untangle and simplify the program’s rules. Reforms implemented in this fiscal year, along with those in FY2018 and FY2019, have reduced the number of different payment levels from eight to two, which are based on a client’s housing situation. With the exception of a 2.75% increase in FY2019 to grants for clients who were not exempted from the program’s work requirement grant levels have not been adjusted since 2000. The current grant structure is depicted in **Table 1**.

| TABLE I TAFDC MONTHLY GRAN/BENEFIT LEVELS BY HOUSEHOLD SIZE | | |
|--|------------------------------|-----------------|
| Household size | Public or subsidized housing | Private housing |
| 1 | \$388 | \$428 |
| 2 | \$491 | \$531 |
| 3 | \$593 | \$633 |
| 4 | \$691 | \$731 |
| 5 | \$792 | \$832 |
| 6 | \$896 | \$936 |
| 7 | \$997 | \$1,037 |
| 8 | \$1,097 | \$1,137 |
| 9 | \$1,197 | \$1,237 |
| 10 | \$1,298 | \$1,338 |
| Each additional household member | +\$105 | +\$105 |

In some cases, households receiving TAFDC may be eligible for a number of special payments in addition to their monthly grant, including, but not limited to:

- An annual clothing allowance, which is was set at \$350 per child for FY2020,
- A crib and layette payment up to \$300 for a newborn infant, and
- A relocation benefit up to \$1,000 to assist in a client's transition to permanent housing.

TAFDC WORK PROGRAM

Clients who receive TAFDC benefits are required to participate in work-related activities as a condition of eligibility, unless specifically exempted. Through DTA's Employment Services Program (ESP), the primary goal of which is to promote economic mobility through education, training, and work, DTA case managers and Full Engagement Workers (FEWs) assist clients to set and achieve meaningful goals on their paths to economic stability. FEWs are stationed in each local office and play an important role in connecting DTA clients with employment and training opportunities by helping them set goals and informing them of options. FEWs also conduct orientations to explain opportunities such as the six-month earnings disregard and ESP options available in their area. Case Managers help identify programs that are a good match for a client's goals, experience, strengths and needs and then provide a referral for them to enroll. ESP providers then assist TAFDC clients in resolving barriers to employment, enrolling in training, education or certification programs and finding a job. In FY2019, DTA was able to fund ESP slots to help approximately 4,081 clients.

TAFDC clients that participate in work-related activities, including paid employment, are eligible to receive child care and transportation supports. Based on a change in federal regulation in the past year, parents who are enrolled in an approved employment activity are now able to keep their child care for a full year before needing to reauthorize, thus supporting stable employment for parents and consistent education and care for their children. Participants with an active employment plan are also given an \$80 per month stipend to assist with transportation costs associated with getting to work or a training program.

State law requires clients who receive TAFDC benefits who meet certain criteria to be exempted from the work program requirement, including if:

- Their youngest child is younger than two,
- They have a verified disability,
- They are in their 33rd week or third trimester of pregnancy,
- They are a teen parent attending school full time,
- They are over age sixty, or
- They are caring for a disabled household member.

Those who have a child younger than two and those who have a documented disability make up the greatest portion of exemptions, jointly comprising 42% of the exempt caseload. While not given an exempt status, relative caregivers who receive benefits only for children are not subject to work program requirements.

In the TAFDC caseload there are currently 8,285 adults required to be working or participating in a work-related activity such as education, training, or work readiness coaching. There are 23,212 clients currently exempt from the work program requirements. While exempt clients are

not required to participate in the work program, they are encouraged to work or voluntarily participate in any of the ESP programs. As of September 2019, approximately 16.2%, of exempt households are volunteering to work and/or participate in ESP, despite having an exemption. This number is up from 13.8% in September 2018. Of the exempt households that have chosen to participate, 9.8% have a child under 2 and 1.6% have a documented disability.

EARLY RESULTS OF THE SIX-MONTH EARNINGS DISREGARD

A six-month earnings disregard was instituted through the FY2019 budget as part of the overall reform to the TAFDC program. This initiative was designed to better promote work and allow clients to build assets and employment experience before losing eligibility. Early results show that this policy reform is having the intended effect of encouraging more clients to work and allowing them to hold onto more income and assets before they transition off TAFDC. Some key outcomes from April to October 2018 compared to April to October 2019:

- Number of clients with earned income is up to 10,169, an increase of 89%.
- The average number of hours worked by clients has increased to 21 hours per week, up 34%.
- The average hourly wage has increased to \$14 per hour, a 10% increase.
- The number of households with assets has increased 21% for a total of 1,352 households with assets.
- The dollar amount of assets per household has increased to an average of \$473 per household, up 46%.

The Department will continue to closely monitor, analyze, and report the results of this policy reform to ensure that it is continuing to increase participation in the workforce and helping clients exit from TAFDC.

ADDRESSING CLIFF EFFECTS — LEARN TO EARN

DTA is also a key partner in Governor Baker's Learn to Earn Initiative (LTE), a cross-secretariat Working Group (K-12 Education, Higher Education Child Care, SNAP, TANF, Medicaid, Housing, Workforce Development) convened to analyze and map existing "safety net" benefit programs and develop policies to address cliff effects and promote employment, wage growth, and permanent exit from public benefits. The LTE Interagency Workgroup functions to solve problems across systems, identifying internal policy, regulatory and procedural reforms at the state level to better incentivize work for clients across systems and to promote a two-generational approach to disrupting the multi-generational cycle of poverty.

Learn to Earn is focused on four key work streams:

- **Learn to Earn Pilot Grants:** Developing and testing employment and training innovations for public benefit recipients connected directly to high demand industries that pay family sustaining wages.
- **CommonCalc:** On-line tool for case managers and clients to understand the impact of work and earnings on public benefits, and plan for economic independence.
- **Policy Reforms:** Individual agency reforms to enable clients to keep more of their earnings while they pursue career advancement.

- **Data Sharing:** New data sharing agreement to capture information on a broad cohort receiving benefits to understand the full benefits “package,” cliff issues, and gaps in support.

EMPLOYMENT PARTNERSHIPS AND PROGRAMS

DTA is also an essential partner in Massachusetts’ implementation of the federal Workforce Innovation and Opportunity Act (WIOA). WIOA seeks to integrate states’ workforce systems to better serve employers and jobseekers. Signed into law in 2014, WIOA reauthorized the nation’s employment, training, adult education, and vocational rehabilitation programs for the first time in 16 years. WIOA’s emphasis is on targeting low-income adults and youth with limited training and skills as well as individuals with disabilities to help them overcome barriers to economic success.

Since the passage of WIOA, DTA has worked closely with the Executive Office of Labor and Workforce Development (EOLWD) to implement a new, more integrated system of workforce development for DTA clients and others with significant barriers to work. The aim of this collaboration is to:

- Develop meaningful pathways to work and economic self-sufficiency for low-income, disabled and chronically un/underemployed individuals/families, and
- Ensure that DTA clients and families with significant barriers can access the workforce system with the support needed to attain and sustain employment.

This partnership has allowed DTA to provide additional employment supports to TAFDC clients through the network of MassHire Career Centers. Located throughout Massachusetts, each MassHire Career Center offers services to DTA clients through the Work Participant Program (WPP). Through the WPP, clients receive access to individualized career counseling and guidance, workshops, job fairs, employer recruitment, and access to free resources to assist with their job search and applications.

Massachusetts was recently awarded \$1.6 million in SNAP Employment & Training dollars intended to expand offerings to all SNAP clients, including at-risk Able-Bodied Adults Without Dependents (ABAWDs), through the Work Participant Program. DTA is using these funds to double its financial contribution to the MassHire Career Centers and increase SNAP client participation. DTA will also be adding Full Engagement Workers (FEWs) in Transitional Assistance Offices (TAOs) to better engage SNAP clients, including ABAWDs, in work-related activities through both Career Centers and other employment programming.

PATHWAYS TO SELF-SUFFICIENCY ASSESSMENT

Pathways to Self-Sufficiency (PSS) is another tool DTA uses to assist clients to set economic mobility goals. PSS is an assessment tool launched in 2016 to facilitate positive client engagement and targeted supports that lead to employment, career pathways and long-term economic stability. PSS is designed to identify clients’ strengths and employment challenges.

Based on the PSS assessment process, DTA works with clients to develop an individualized employment plan to meet the specific needs and goals of each client.

The initiative also requires a pre-benefit job search period and an orientation to explain opportunities such as the six-month earnings disregard and Employment Services Programs available in their area.

CONCLUSION

This year, DTA has implemented many substantial changes to the TAFDC program that the Department believes will help families transition off TAFDC permanently. As the Department move forward, DTA will continue to identify and implement program improvements to better meet the needs of individual families, including engaging clients who are currently exempt from the work program requirement. As the Department continues to simplify program rules and provide more access to resources, it is expected that fewer families return to TAFDC once they have transitioned off and started down their path to economic mobility.