Contract No.: HHSP233000024T
MPR Reference No.: 6214-007

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Policy Research, Inc.

Using Work-Oriented Sanctions to Increase TANF Program Participation

Final Report

September 2007

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Disclaimer

The opinions and conclusions expressed herein are solely those of the authors and should not be construed as representing the opinions or policy of any agency of the federal government.

ACKNOWLEDGMENTS

The Study of Work-Oriented Sanctions to Increase TANF Program Participation was conducted by Mathematica Policy Research, Inc. (MPR) under contract to the Administration for Children and Families at the U.S., Department of Health and Human Services (DHHS). Many individuals within these organizations assisted in conducting the study and producing this report with support from many individuals in the eight sites included in the study.

At DHHS, Leonard Sternbach monitored each project task and provided useful suggestions for improving the study and final report. He was also responsible for all business aspects of the study. Naomi Goldstein, Karl Koerper, Nancye Campbell, Peter Germanis, Ann McCormick, and Reuben Snipper also reviewed the final report and provided useful comments.

At MPR, Jacqueline Kauff and LaDonna Pavetti led and participated in all aspects of the study from beginning to end. Michelle Derr led five of the eight site visits with support from Emily Sama Martin and Rob Buschmann. Lindsay Crozier, Jason Markesich, Amy Levy, and Ellen Seigel managed data collection for the telephone survey of frontline TANF workers, Jennifer McNulty managed the survey sample and survey data file, and Linda Gentzik coded survey responses. Emily Sama Martin and Dominic Harris conducted the programming needed to prepare and analyze the administrative data and telephone survey. Alan Hershey provided quality assurance reviews of all study products, and Carol Soble edited this report. Alfreda Holmes provided administrative support throughout the study.

This report would not have been possible without the cooperation and support we received from staff at all levels in each of the study sites. State and local TANF administrators, case managers and supervisors, eligibility workers and other TANF program line staff, administrators and staff at contracted services providers, and staff who handle data collection and reporting as well as management information systems spoke with us openly about sanction policies and procedures. In each site, one to four individuals were responsible for arranging MPR's in-person visit and serving as our primary contacts. These include Kimberly Staab in Suffolk County, New York; Denise Blackman and Peggy Feenan in Arizona; Eileen Schilling, Vicki Abrams, and Bryan Stone in Florida; Donna Gunter and

Betty Ricks in Georgia; Irma Allen, Debby Kratky, Nicole Verver, and Linda Franco in Texas; Brenda J. Williams and Mayindi Mokwala in Los Angeles County, California; Diane Rosso and Susan Price in Kern County, California; Chris Webb Curtis and Charr Lee Metsker in the state of California; and Sarah Brenna and Karla Aguirre in Utah.

We would like to thank all of these organizations and individuals for their important contributions to this study. The opinions and conclusions expressed herein are solely those of the authors and should not be construed as representing the opinions or policy of any agency of the federal government.

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EXECUTIVE SUMMARY

The 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) provided a block grant to states to create the Temporary Assistance for Needy Families (TANF) program. In doing so, it required states to engage certain minimum percentages of their TANF caseloads—50 percent of all families and 90 percent of two-parent families—in specified work and work-related activities for a specified number of hours per week. Sanctions, or financial penalties for noncompliance with program requirements, have long been perceived as a major tool for encouraging TANF recipients who might not be inclined to participate in work activities to do so. The logic behind sanctions is that adverse consequences—such as a reduction in the TANF cash grant (a partial sanction) or gradual or immediate termination of the TANF grant (a full-family sanction)—can help influence the participation decisions that welfare recipients make.

In reauthorizing the TANF program, the Deficit Reduction Act of 2005 (DRA) changed the way the work participation rates are calculated and thereby effectively increased the rates required of states. Work participation rates are calculated by dividing a numerator consisting of "participants"—families engaged in federally acceptable work activities for the requisite hours per week—by a denominator that is a count of "total families." Largely because states received credits in their participation rates for caseload reductions that occurred after 1995 and because the count of "total families" included only certain TANF recipients, the real rates that states had to meet prior to the DRA were substantially below 50 and 90 percent. As of fiscal year 2007, states will receive credits in their participation rates for caseload reductions that occur after 2005 and the count of "total families" will include TANF recipients as well as families receiving assistance through separate state programs that count toward maintenance of effort (MOE) requirements. Because of these changes, states now face the challenge of achieving participation rates that are considerably higher and close to the 50 and 90 percent standards set in the law. As states consider their options for meeting the higher work participation rates, they are likely to consider how they might redefine their TANF and separate state programs and make better use of sanction policies and procedures to encourage higher levels of participation in program activities.

Sanctions may influence the work participation rate in one of two ways. First, sanctions may encourage recipients who are not inclined to participate in program activities to do so. In this case, a state's work participation rate will be higher than it would be in the absence of sanctions because the numerator of the rate will increase. Second, when gradual or immediate full-family sanctions are applied to noncompliant recipients, they eliminate those clients from the TANF caseload (thereby removing them from the denominator of the TANF work participation calculation). Sanctions may also influence the participation rate indirectly if information about work requirements and penalties for noncompliance lead some people never to apply for assistance in the first place or to leave the caseload on their own.

States can use the sanction process in one of two ways to affect either the numerator or the denominator of the participation rate—they can change sanction policies or they can change sanction procedures. Examples of changes to sanction policies include changes to (1) the effect of the sanction on the TANF grant (i.e., whether it is reduced and by how much or whether it is terminated and when), (2) the length of time a sanction must remain in place, (3) what a family must do to be considered compliant again and resume full receipt of benefits after a sanction, or (4) the consequences for multiple acts of noncompliance. Examples of changes to procedures include (1) implementing new outreach and service strategies to encourage noncompliant recipients to begin participating and reduce the likelihood that a sanction is ever imposed, (2) implementing strategies to impose sanctions more quickly so that noncompliant clients do not remain in the caseload and in the denominator of the participation rate longer than necessary, and (3) implementing new initiatives to re-engage already sanctioned clients in program activities. Changes to procedures indirectly related to sanctions may also affect the participation rate—for example, changing the way participation is monitored so that noncompliance may be identified and addressed more rapidly.

This report documents how some jurisdictions are responding, in their sanction policies and procedures, to the new participation rate requirements imposed by federal law. It is based on a study conducted by Mathematica Policy Research, Inc. (MPR) of sanction policies and practices in eight sites located in seven states. With one exception, the sites included in the study did not introduce major changes to the basic structure of their sanction policies—that is, the effect of sanctions on the TANF grant. They did, however, implement changes to other aspects of sanction policy and/or procedures in an effort to increase engagement in work and work-related activities. After briefly describing the study's research questions and methodology, the Executive Summary of this report highlights key innovations implemented in the study sites and summarizes what we learned from the study sites' experiences. It concludes with a discussion of next steps for furthering our understanding of the impact of various sanctioning approaches on increasing participation in work activities and improving recipients' overall well-being.

RESEARCH QUESTIONS AND STUDY METHODOLOGY

The primary objective of the study was to provide states and localities with a broad view of sanction policies, procedures, and reengagement strategies that they could adopt to

improve their TANF programs and work participation rates. A secondary objective was to define a future research agenda to address outstanding questions about sanction policies and practices. Given the study's primary objective, sites were selected purposively to maximize variation along key policy and programmatic dimensions. Table 1 identifies the study sites and some key characteristics. To accomplish both objectives, the study addressed five key research questions:

- What sanction policies exist, how have they changed, and what has been the role of sanctions in encouraging participation in work activities?
- How are sanction policies implemented at the local level?
- What strategies do states/local sites use to avoid imposing sanctions?
- What strategies do states/local sites use to re-engage noncompliant clients?
- What future research could advance understanding of how sanctions increase engagement and participation rates?

To answer the research questions, MPR collected data from three sources: (1) in-depth case studies in all eight sites; (2) a telephone survey of frontline TANF program staff (primarily case managers and eligibility workers) in all eight sites; and (3) administrative data systems in three sites. The purpose of the case studies was to gather qualitative information from a variety of sources to create a comprehensive picture of the implementation of sanction policies and procedures. The purpose of the survey was to shed additional light on (1) how staff perceive the role of sanctions; (2) the extent to which staff understand sanction policies and procedures; (3) the extent to which staff use discretion in the sanction process; and (4) the way in which staff use sanctions to encourage program participation. The purpose of the administrative data analysis was to explore through outcome data the relationship between sanction policy and procedural changes and engagement in work and work-related activities.

Table 1. Study Sites

Site	Major City in or Closest to Site	Type of Sanction	County Work-Mandatory TANF Caseload[a]
Texas—Tarrant County	Fort Worth	Immediate full-family	5,800-6,000*
Florida—Duval County	Jacksonville	Immediate full- family	900*
Utah—Salt Lake County	Salt Lake City	Gradual full-family	1,600-1,700
Arizona—Pima County	Tucson	Gradual full-family	1,000-1,100
Georgia—DeKalb County	Decatur/Atlanta	Gradual full-family	700-800
California—Los Angeles County	Los Angeles	Partial	26,000-27,000
California—Kern County	Bakersfield	Partial	6,000-7,000
New York—Suffolk County	Long Island	Partial	1,000-1,500

[a] County or regional work-mandatory TANF caseloads reported during fall 2006. *Indicates regional, rather than county, TANF caseload.

KEY INNOVATIONS IMPLEMENTED IN THE STUDY SITES

The study sites made different decisions about better use of sanction policies and procedures to achieve work participation rates. Facing a scarcity of evidence on effective strategies for engaging large numbers of recipients in work and work-related activities, the study sites relied on their professional judgment to decide how to use their limited resources to increase participation in these activities. Several factors influenced their decisions including: the type of sanction policy already in place; how roles and responsibilities were allocated between staff in the welfare office and contracted service providers; the site's overall philosophy and approach for helping recipients make the welfare-to-work transition; the number of families subject to work-oriented sanctions; the availability of funds to implement special initiatives; the availability and use of information on the characteristics and needs of sanctioned families; and legislative or legal constraints. The strategies implemented by the sites with respect to sanctions fall into six broad categories:

- Changing sanction policies
- Defining and communicating information about work requirements
- Monitoring program participation and identifying noncompliance
- Re-engaging noncompliant clients before imposition of a sanction
- Revising processes to impose sanctions more efficiently
- Re-engaging noncompliant clients after imposition of a sanction

Most program administrators and staff in the sites perceived the changes they made in these areas as improvements that will contribute to increased participation rates. However, little to no data exist to provide evidence of their effectiveness. The bullets below highlight innovations among the sites in the six areas. Information in the text boxes presents findings from the administrative data analysis on the outcomes of strategies implemented in Texas, Georgia, and Los Angeles County. Despite the lack of proven effects, program administrators in other states and localities might want to experiment with some of the strategies listed below or use them as a springboard for other ideas on revising sanction practices or implementing new re-engagement initiatives.

Changing Sanction Policies

In recent years, many states have changed the basic aspect of their sanction policy—the effect of a sanction on the TANF cash grant—sometimes as part of a larger reform of their welfare systems. All states that have done so have moved to a more stringent model—that is, from a partial to a full-family (six states) or from a gradual full-family to an immediate full-family sanction policy (three states). Other states have made changes to other dimensions of their sanction policy, some of which have increased and others that have eased the stringency of sanctions, while maintaining the policy's basic structure with respect

to effects on the TANF grant. One of the states in the study—Texas—made major changes to the basic structure of its sanction policy and others made more minor changes along other dimensions.

- ***Shift from a partial to full-family sanction.*** In September 2003, Texas shifted from a partial to full-family sanction with strict cure requirements. Before 2003, failure to comply with work requirements resulted in a benefit reduction equal to the entire adult portion of the grant. Repeat acts of noncompliance had the same effect on the TANF grant but were subject to progressively longer minimum sanction periods. The new policy requires termination of the TANF grant for one month for all clients who fail to meet their work activity hours. During that month, clients remain on the caseload in sanction status. After a second consecutive month of noncompliance, Texas drops clients from the TANF rolls completely. To cure a sanction, clients must perform one month of work activities, and, to return to TANF after being sanctioned off the caseload, clients must complete 30 days of work activities within 40 days of their TANF eligibility interview.

Outcomes of the Shift from a Partial to Full-Family Sanction—The Case of Texas

In the wake of its new policy, Texas has experienced a substantial increase in its work participation rate—from 28.1 in FY 2003 to 34.2 in FY 2004. Administrative data suggest that the increase in Texas' work participation rate likely resulted from several different factors. First, the number and proportion of cases participating in work activities was higher immediately after the implementation of full-family sanctions than before, but declined over time to levels similar to those among cases subject to partial sanction policies. More importantly, however, the caseload—the denominator of the participation rate—declined. The rate of sanctioning in Texas did not change when the state shifted to an immediate-full-family sanction policy. However, substantially more cases subject to the full-family policy left the caseload over the course of a year than those subject to the original partial sanction policy. Either they were sanctioned off the caseload or they left voluntarily, perhaps after taking the work requirements and stricter consequences for noncompliance into account. After the policy change was implemented, many families left the caseload for employment (and more did so than before the policy change), however, they do not affect the work participation rate because they are no longer part of the TANF caseload. In addition, while 1.7 times as many people left TANF with or for employment in the year after the policy change than in the year before it, 2.5 times as many left TANF without employment. The administrative data, however, cannot distinguish the effects of changes in sanction policies from the effects of other factors, such as other changes in TANF policy or practice, economic influences on the behavior of low-income families, or changes in policy or practice in other programs serving low-income families.

- ***Increased penalties for multiple sanctions.*** In 1994, using federal waivers, Utah began using a gradual full-family sanction to encourage clients to participate. Within the last year, Utah restructured its sanction policy by decreasing the time it takes to impose a sanction and increasing the stringency of the penalties for repeat sanctions. Before, all sanctions resulted in a $100 grant reduction for two months followed by case closure for continued noncompliance. Now, first sanctions result in $100 reduction in cash assistance for one month followed by case closure for continued noncompliance. Second

sanctions result in immediate case closure for at least one month and all subsequent sanctions result in immediate case closure for at least two months.

- ***Elimination of durational sanctions.*** California eliminated durational sanctions in an effort to reengage clients in federally countable work activities sooner. In the past, a first sanction could be cured immediately, a second sanction resulted in a reduction of cash assistance for at least three months, and a third sanction resulted in a grant reduction for at least six months. Now, clients may cure any sanction at any time and thus return to the numerator of the participation rate sooner than before.

Defining Work Requirements and Communicating Information about Them

The DRA's Interim Final Rules reduced the flexibility afforded to states to define what activities count toward the work participation rates. States still have the flexibility, however, to decide what recipients are required to do and may allow participation in activities other than those that count toward the work participation rate. Similarly, although PRWORA explicitly defines the number of hours a recipient must participate in work activities to count toward a state's work participation rate, states can modify those hours by setting either higher or lower requirements for some or all recipients (though only those participating for at least an average of 30 hours per week may be included in the numerator of the participation rate). Acknowledging that many TANF recipients do not understand either what is expected of them or the consequences for not meeting those expectations, all of the sites tried to do a better job of communicating information about work requirements and sanctions to clients. Their hope was that the more clients understand about program rules, the more likely they would be to abide by them, and the more clients understand about sanctions, the more likely they would be to avoid them.

- ***Employability plans that go beyond hours of work required for federal work participation rate.*** Half of the study sites require work-ready clients to participate in program activities for more than the average of 30 hours per week needed to count toward the federal work participation rate for the month. Other sites inform clients that they must participate for more than 30 hours per week but penalize them only if they participate for fewer than 30. For instance, Pima and Duval counties tell clients that they must participate for 40 hours per week but will accept (and ultimately expect) 30 hours. This permits clients to miss some hours of activities because of unforeseen circumstances—such as doctor's appointments or caring for sick children—yet still meet the minimum federally acceptable level of participation.

- ***Employability plans that include a broad range of activities.*** Most study sites allow a broader set of activities than specified in the DRA for clients with difficult life challenges. Offering a broad menu of activities can make it feasible to provide limited or no exemptions from work participation requirements. Utah, for example, provides no exemptions from work requirements but offers substantial flexibility for clients with respect to activities. Work-ready clients

typically are assigned to job search followed by placement in a work experience, vocational education, or training program. However, clients with substantial personal and family changes may be assigned to a treatment or crisis counseling program and those with documented disabilities may be referred to a program that offers intensive case management and help with work accommodations through a collaborative effort between TANF and vocational rehabilitation agencies.

- ***Home visits during the TANF application process.*** In Los Angeles County, eligibility workers make home visits to help potential TANF clients complete their TANF applications. Home visitors provide information orally and in writing on program requirements, consequences for noncompliance, and available services. They also try to identify clients who may be exempt from work requirements or are already in school or working. Home visits guarantee that clients receive information about work requirements (though they don't guarantee that clients understand the information).

- ***A statewide social marketing campaign.*** In 2004, Georgia initiated a statewide social marketing campaign entitled, "The Right Work the Right Way." The goal was to change the culture of the welfare agency by reeducating administrators, welfare program staff, contracted service providers, and clients about the importance of work. In addition to encouraging counties to engage more TANF recipients in work and work-related activities, the initiative encouraged counties to move more TANF applicants away from the welfare rolls and toward stable employment. While Georgia always had an upfront applicant job search requirement in place, many counties—in response to the initiative—modified the way in which they implement the upfront job search process.

Outcomes of a Statewide Social Marketing Campaign—The Case of Georgia

Georgia's TANF caseload has declined consistently and substantially since 2004 and, at the same time, its participation rate has been rising sharply—from 10.9 percent in FY 2003 to 24.8 in FY 2004 and 69.0 percent by April 2006. Administrative data suggest that the state has moved more TANF applicants away from the rolls, but has not increased the absolute number of recipients engaged in work activities. Since the implementation of the initiative there has been no net increase in the number of families meeting the federal work requirements. It does appear, however, that the strong messages about work and program expectations communicated by program staff to applicants may be dissuading families from ever applying for TANF. The number of TANF applications steadily increased between FY 2000 and FY 2003 and then steadily decreased between FY 2003 and FY 2006. Application approval rates have also decreased substantially, and those who do apply are increasingly being denied because of failure to cooperate with eligibility requirements (most typically the up-front job search) or voluntary withdrawal of their applications. It is likely that many of those who could not or would not comply with work requirements during application would not be able or willing to comply with work requirements once on the rolls. Trends in outcomes, however, cannot be definitively linked to changes in the state's initiative rather than concurrent changes in policy or other factors.

Monitoring Program Participation and Identifying Noncompliance

To ensure that clients comply with program requirements, TANF agency staff in all sites closely monitor clients' participation in required activities. Some sites attempted to improve the processes of monitoring participation to identify noncompliance more quickly. Their goal was to decrease the amount of time clients remained noncompliant and in the denominator of the participation rate without being in the numerator.

- ***A specialized monitoring and tracking unit.*** In an effort to create an efficient system for collecting information on program participation, Suffolk County created a specialized monitoring and tracking unit in which staff members are solely responsible for collecting participation data. Each staff member is assigned to one of five types of employment services (employment, work experience, job search, education and training, or medical follow-up) and collects participation information for all clients receiving that service. Staff members in other units handle other time consuming functions such as employment plan development and case management.

- ***A web-based reporting system.*** Utah created a new web-based management information system called YODA (Your On-line Data Access) that allows case managers to monitor the work participation of each client in real time. Program administrators, supervisors, and front-line staff can view clients' participation hours and activities from their workstations at any time. Case managers use reports from the system regularly to identify those meeting the federally defined work participation rate and to alert them to clients in need of reengagement. Supervisors also use reports from the system regularly to hold case managers accountable for assigning clients to appropriate work activities and hours and monitoring their ongoing program compliance.

- ***Liaisons between contracted service providers and case managers.*** In DeKalb County, three staff members, called community resource specialists, act as liaisons between contracted service providers and case managers. In addition to receiving daily participation reports from providers, they visit providers several times a week to collect more detailed information about clients with personal and family challenges and to problem-solve directly with clients. The specialists relay information about clients' circumstances to case managers and immediately inform case managers when a client stops participating, allowing case managers to act quickly. Rapid action prevents issues from remaining undetected or ignored due to lags in communication between providers and case managers.

Re-engaging Noncompliant Clients Before Imposition of a Sanction

Some sites have established formal processes that provide noncompliant clients with an opportunity to address participation issues and conciliate impending sanctions. Typically, discussions between noncompliant clients and program staff about participation issues occur

informally and during impromptu telephone or in-person conversations. In the absence of specific procedures for addressing participation issues before a sanction, however, the likelihood of any dialogue between client and case manager often depends on the client-case manager relationship. Establishing a protocol can ensure that all noncompliant clients have the same opportunities to present evidence of good cause for their nonparticipation and/or to work with program staff to resolve barriers to participation and develop a plan for future compliance.

- ***Problem solving sessions with highly skilled staff.*** Utah provides nonparticipants with an opportunity to identify and resolve issues before the imposition of sanctions through a two-phase problem solving process. The first phase is a meeting between the client, case manager, and a social worker. The second is a case conference with a wider variety of staff and partners such as child welfare agency staff, employment service providers, probation officers, and mental health therapists. Including these individuals provides different perspectives on how best to assist the client in resolving participation issues and identify available supports. It also ensures that several people review a case before it is sanctioned off TANF, providing a check on the decisions of case managers who have substantial discretion in initiating the sanction process.

- ***Mediation sessions with on-the-spot decision-making.*** In Suffolk County, a TANF agency staff member who is responsible for imposing sanctions and a mediator (who is employed by the county) meet with each noncompliant client. The meeting provides an opportunity for the client to explain his or her circumstances and present evidence of good cause. To create a relaxed atmosphere and avoid confrontation between the client and the staff member who recommended the sanction, employment services counselors (or case managers) do not participate in the meeting. The county has recently expedited the mediation process. Staff used to take a few days to weeks to decide whether a sanction was warranted based on the mediation and used to notify clients of the decision by mail. Now, they make decisions on the spot so that clients who are not sanctioned as a result of the meeting can re-engage in program activities immediately. The mediator physically walks clients back to the employment services staff who re-engage them then and there.

- ***Home visits to encourage compliance planning.*** California requires all noncompliant clients to attend a meeting to determine whether good cause exists and, if not, to develop a written plan for the client's return to compliance. The compliance plan is distinct from the client's original employment plan in that it specifies the activities in which the client must participate in order to avoid a sanction. It usually includes the activity in the original employment plan that is associated with the client's noncompliance. However, it may also include additional or alternative activities that may be more reasonable for the client to accomplish or that may be useful for the client's continued participation. In Los Angeles County, clients are notified by mail that a home visit will occur one day after the meeting if the client does not attend. The notification of possible

home visit alone seems to "shock" clients into complying. Most never actually receive a home visit. Rather, they receive notification that a home visit might occur and develop a compliance plan to avoid the visit.

Outcomes of Home Visits to Encourage Compliance Planning—The Case of Los Angeles County

In the first year of implementation of the home visiting project, 41,233 TANF recipients in Los Angeles County were deemed noncompliant and potentially subject to home visits. Among them, 77 percent successfully resolved their noncompliance sanction and only one in ten of those required a home visit; 11 percent were sanctioned and 12 percent were pending. The number of recipients sanctioned in Los Angeles County has been declining since implementation of the home visiting project due to both a reduction in new (initial and subsequent) sanctions and an increase in the number of sanctions cured or resolved. However, factors other than the home visiting initiative may have influenced the rates of sanction and sanction resolution, and the changes in those rates have not translated into an increase in the county's work participation rate. Many noncompliant clients had their cases resolved in a manner that presumably would have a positive effect on the county's work participation rate; 22 percent agreed to participate in work activities, and another 7 percent were employed. At the same time, many other cases were resolved in a manner that would have an adverse effect on the county's work participation rate; one-third were found to be exempt from work requirements or to have good cause for not participating. Many of these cases likely would remain in the denominator and out of the numerator of the participation rate.

Revising Processes to Impose Sanctions More Efficiently

In most of the study sites, case managers had high caseloads and multiple responsibilities. With high caseloads or workloads, case managers often are able to identify and address clients' personal and family challenges only after a finding of noncompliance and then only to a limited extent. In addition, the process of imposing sanctions can be complicated and time consuming for case managers or eligibility workers who may put the process off in the face of competing demands for their time. Inefficiencies in sanction processes can hurt work participation rates. Thus, some sites took steps to improve the efficiency of the process for imposing sanctions and implementing re-engagement efforts to reduce the amount of time noncompliant recipients spent in the denominator without being in the numerator.

- ***Specialized staff for imposing sanctions.*** Pima County, AZ and Duval County, FL counties have designated one staff person, and Tarrant County, TX and Suffolk County, NY have designated a separate unit that is solely responsible for imposing sanctions. In Pima and Suffolk counties specifically, responsibility for imposing sanctions used to lie with eligibility workers, but heavy and diverse workloads prevented them from imposing sanctions in a timely manner. Both counties made the change in structure in an effort to speed the sanction process and have indeed minimized the time clients spend in the denominator of the participation rate while awaiting sanction processing.

- ***Specialized staff for sanction prevention or re-engagement activities.*** Four counties in the study—Los Angeles County in CA, Kern County in CA,

Suffolk County in NY, and DeKalb County in GA—have hired staff specifically and exclusively dedicated to one or more sanction-related functions, such as home visits, other outreach efforts to noncompliant clients, and formal or informal conciliation with noncompliant clients. Such specialized staff can focus all of their time and energy on participation issues while case managers or other in-house staff must divide their time among many responsibilities.

- ***Time constraints on imposing sanctions.*** California requires that sanctions be imposed 21 days after the identification of noncompliance unless participation issues are adequately resolved in the interim. In Los Angeles County, sanction functions are automated and thus the time clock is enforced rigidly. As soon as a case manager notes in the management information system that a client is noncompliant, a sanction clock starts; if the case manager does not stop or reset the clock, the system automatically imposes a sanction 21 days later. The automated 21-day clock keeps staff and clients focused on completing all re-engagement efforts in a timely manner.

Re-engaging Noncompliant Clients after Imposition of a Sanction

Program administrators in most sites believe that, while necessary, sanctions are not beneficial to anyone. They hurt clients by limiting financial assistance to families and they can hurt counties and states with partial sanctions by adversely affecting work participation rates. To reduce the number of clients in sanction status, some sites continue to work with sanctioned clients to identify and address the root causes of their nonparticipation and to encourage participation in work-related activities. Initiatives to engage sanctioned clients can be beneficial to both clients and agencies. Clients benefit if the initiatives help them progress toward self-sufficiency while in sanction status. Agencies benefit because compliant clients may be included in the numerator of the federally defined work participation rate during their sanction, when their sanction period ends, or immediately when they return to TANF.

- ***Outreach and group information sessions.*** In Kern County, two staff members are charged solely with contacting all sanctioned clients in the county at least once every six months. They discuss barriers to employment and inform clients about resources available to address those barriers. They also attempt to identify clients who can be removed from sanction status, such as those who are working but failed to report their employment. In addition, staff inform clients about the steps necessary to cure their sanction, including attendance at a group orientation session for sanctioned clients. During the session staff emphasize the importance of the work requirements, schedule appointments for clients to develop compliance plans, and inform clients about in-house and community resources for addressing personal and family challenges.

- ***Barrier identification and resolution.*** Suffolk County contracts with a local social service agency to re-engage sanctioned clients in program activities. Agency staff meet with clients in a first sanction to explore the reasons for

noncompliance, help ameliorate the conditions that led to the sanction, and encourage clients to re-engage in program activities. All meetings with the agency are a condition of eligibility; failure to participate results in TANF case closure. Program administrators and staff believe that the contractors—particularly those that are community-based organizations—will be more successful than TANF case managers in motivating sanctioned clients to comply because clients may perceive contractors as more committed advocates for their needs. And, Suffolk County administrators believe that TANF and employment service program staff are often overburdened and do not have time to delve into personal issues with clients, while contracted agencies are devoted solely to this task.

- ***Immediate job placement.*** Suffolk County also contracts with a local social service agency to meet with clients in a second or subsequent sanction to identify how they live on a reduced grant and whether they are in fact immediately employable. After the visit, the agency refers clients immediately employable to a temporary employment agency for job placement. Use of a temporary agency to place sanctioned clients into jobs is mutually beneficial; the temporary agency increases its volume of business and the TANF agency and its clients gain access to employers.

- ***Job search and job preparation services.*** Tarrant County contracts with a local social service provider to engage sanctioned clients in 40 hours of work-related activities per week for 4 consecutive weeks. Activities include job search, community service, transitional jobs, or others as needed. In addition, agency staff tap community partners to assist in providing sanctioned clients with specialized services such as mental health treatment.

- ***Provision of work supports.*** Georgia tries to encourage sanctioned clients to find jobs or participate in program activities by providing them with work supports that are highly valued. Given that Georgia's cash grant is relatively low (the cash grant for a family of three is $280), many families applying for TANF are more interested in childcare assistance than cash assistance. In Georgia, however, all TANF sanctions automatically discontinue childcare and transportation assistance. Recently, to encourage clients to work or participate in activities while in sanction status, the state restored access to these supports to clients who do so.

LESSONS LEARNED FROM THE STUDY SITES' EXPERIENCES

The experiences of the study sites provide several lessons for state and federal policymakers and for program administrators. Broadly speaking, their experiences expand our knowledge of the range of approaches used by states and local TANF offices to engage more recipients in work and work-related activities. But this study also has another contribution to make: identifying what we have learned from the sites' experience in implementing policy and programmatic changes that can help decision makers consider the

limits and possibilities for using sanction policies and procedures to increase participation in work and work-related activities. The bullets below identify lessons from the study sites' experiences.

- Although nearly all TANF recipients are included in a state's work participation rate calculation, most of the study sites continue to exempt clients with serious personal and family challenges from work requirements; none of the study sites narrowed its exemption policies in response to the DRA.

- Case managers devote substantial time to gathering and verifying participation data, limiting the time they have to provide personal support to help recipients resolve participation barriers. To address this issue, some of the sites have hired dedicated workers either to gather and verify work participation data or to provide specialized support to recipients who need it.

- Sanction conciliation processes are an important safeguard for clients; in particular, those that involve a variety of staff can assist case managers in making difficult decisions.

- While there were exceptions, the sites with partial sanction policies focused more intensively than sites with full-family sanctions on reducing their sanction rates.

- To meet high work participation rates, it is not enough for states with partial sanction policies to reduce their sanction rates; they must actively assist nonparticipants to comply with program requirements.

- The highest work participation rates are in full-family sanction sites and reflect primarily fewer nonparticipating clients on the caseload rather than more clients engaging in program activities; while some families who leave the TANF rolls find employment, many do not.

- Additional research on effective strategies for engaging large numbers of recipients in work and work-related activities is necessary; in the absence of such research, the sites relied on their professional judgment to decide how to use their limited resources to increase participation in program activities.

NEXT STEPS

The study sites are good examples of how states and local TANF offices use sanction policies and procedures to achieve higher work participation rates. However, absent a rigorous experiment designed to test the impacts of these approaches, we cannot know whether any of them will, in fact, have a positive impact on increasing participation in program activities or what impact they will have, if any, on other key outcomes of interest such as employment and material hardship.

Given the keen interest in increasing participation in work activities and the limited information on effective strategies for doing so, the current policy and programmatic environment provides an opportunity to rigorously test the impact of sanction policies and procedures on program participation, employment, and material hardship. For instance, states and local welfare offices are looking for new approaches to increase work participation rates, and some large states (e.g., California and New York) are investing additional financial resources in county welfare offices for the purpose of experimenting with new sanction-related approaches. Large numbers of recipients are involved in these efforts, as demonstrated not only by those who have been touched by Los Angeles County's home visiting outreach project, but also by the many recipients who remain in sanction status in Los Angeles County and other large counties/cities in California and New York.

Random assignment demonstration projects could test the effects of both major sanction policy changes and alternative sanction procedures. First, several states have recently moved from a partial to a full family sanction policy and more states may soon follow suit. This shift could provide a natural laboratory for rigorously evaluating proponents' claims that full family sanctions encourage greater participation in work activities and opponents' claims that such sanctions simply remove families from the caseload—especially those facing personal and family challenges—without increasing participation in work activities. In states planning to move from partial to full sanctions, the new policy could be phased in by randomly assigning applicants and current recipients to treatment and control groups. The treatment group would be subject to full family sanctions, while the control group would continue to be subject to the partial sanction. Second, some of the study sites made a special effort to reach out to and/or provide additional services for families at risk of sanction or already sanctioned. To test the effectiveness of these services, a demonstration project could be designed to leave the current sanction policy intact while varying the procedures and/or services that accompany the implementation of the policy. In this experiment, all recipients would be subject to the same sanction policy, but the treatment group would be offered additional services, either at the point at which a recipient is notified of the work requirements, when a sanction is being considered, or after it has been levied.

In the current environment, sanctions are perceived as a crucial tool for encouraging TANF recipients to participate in work activities. In light of increased pressures to meet high work participation rates, sanctions will continue to be of interest as states and counties seek innovative ideas that will help to boost their rates. Today's environment is ideal for testing whether some of the strategies implemented by the study sites have the potential to significantly increase work participation and employment rates without significantly increasing material hardship.

CHAPTER I

INTRODUCTION

The 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) provided a block grant to states to create the Temporary Assistance for Needy Families (TANF) program. In doing so, it required states to engage certain minimum percentages of their TANF caseloads in specified work and work-related activities for a specified number of hours per week. States that do not meet these required work participation rates are financially penalized. In reauthorizing the TANF program, the Deficit Reduction Act of 2005 (DRA) effectively increased the work participation rate required of states by changing the way the rate is calculated. As of October 1, 2006, each state is required to engage 50 percent of all families and 90 percent of two-parent families in work activities, although these standards will be adjusted downward for any caseload decline that occurs after 2005 for reasons other than changes in federal requirements and changes in state rules since 2005 that directly affect a family's eligibility for assistance. The work participation rate achieved by each state will be calculated by using a base (that is, a denominator) that includes not only families receiving TANF assistance but also families receiving assistance in separate state programs that count toward maintenance of effort (MOE) requirements. This is a substantial change from previous law, which also set standards of 50 and 90 percent but adjusted the requirements downward for caseload declines that occurred after 1995. Moreover, the work participation rate was previously computed by using as the base only families receiving TANF assistance and not those in state-funded MOE programs. Largely because of how the caseload reduction credit was defined, the real participation rates for active cases that states had to meet before the DRA were substantially below 50 and 90 percent. As of fiscal year 2007, states face the challenge of achieving participation rates that are considerably higher and close to the 50 and 90 percent standards set in the law.

Sanctions, or financial penalties for noncompliance with program requirements, have long been perceived as a major tool for enforcing program requirements and for encouraging TANF recipients who might not be inclined to participate in work activities to do so. They may be particularly useful in motivating recipients to work toward employment before exhausting their time limit on cash assistance. The logic behind sanctions is that

adverse consequences—such as a reduction in the TANF grant (a partial sanction) or gradual or immediate termination of the TANF cash grant (a full-family sanction)—can help influence the decisions that welfare recipients make. Therefore, as states consider their options for meeting the higher work participation rates, they are likely to consider how they might make better use of sanction policies and procedures to encourage higher levels of participation in program activities.

Sanctions may influence the work participation rate in one of two ways. First, sanctions may encourage recipients who are not inclined to participate in program activities to do so. In this case, a state's work participation rate will be higher than it would be in the absence of sanctions because the numerator of the rate will increase. This effect may vary, depending on the type of sanction. If gradual or immediate full-family sanctions induce more recipients to participate than do partial sanctions, all else equal, work participation rates would be higher in states with full-family sanctions. Second, when gradual or immediate full-family sanctions are applied to noncompliant recipients, they eliminate those cases from the TANF caseload, thereby removing them from the denominator of the TANF work participation calculation.

States interested in modifying their sanction policies and procedures are likely to seek strategies that can help them meet the effectively higher participation requirements. Given that families sanctioned and still on the caseload for more than 3 months in a 12-month period remain in the denominator of the participation rate, states with partial-sanction policies may consider several alternatives to raise their participation rate. First, they can move to a gradual or immediate full-family sanction to eliminate noncompliant cases from the caseload.[1] Second, they can implement new outreach and service strategies to encourage sanctioned recipients to come into compliance with program requirements, or to reduce the likelihood that a sanction is ever imposed. Third, they can reduce the amount of time a sanction must be in place before it can be "cured" by a participant's compliance (e.g., from 6 to 3 months) or eliminate entirely the minimum sanction durational requirements. States with a gradual or immediate full-family sanction policy in place may aim to impose full-family sanctions more quickly. For states with gradual full-family sanction policies, rapid imposition of full-family sanctions could mean reducing the time to move from a partial to a full-family sanction (e.g., from 6 to 3 months). States with gradual or immediate full-family sanction policies may consider changing how they implement such policies in order to ensure that all sanctions are imposed more swiftly.

This report documents how some jurisdictions are responding, in their sanction policies and practices, to the new requirements imposed by federal law. The study focuses on sanction policies and practices in eight sites located in seven states. It provides information on changes these jurisdictions have made with respect to sanctions and ways in which they use the sanction process to increase engagement in program activities—information that

[1] Although the shift from a partial to a full sanction policy could result in a substantial decline in the TANF caseload, any decline that results from the change would not count toward a state's caseload reduction credit because it is the result of an eligibility change that a state must net out of its credit.

may be useful to other states and counties considering whether adjustments in sanction policies can increase participation in program activities. This chapter describes the study and the context in which it was conducted. Chapter II describes the study sites and the reason for their selection. Chapters III through V discuss the approaches the study sites have taken with respect to three major program components of the sanction process: (1) defining and communicating program requirements; (2) monitoring participation in program activities; and (3) re-engaging noncompliant clients in program activities. Chapter VI reports on an analysis of the relationship between sanction policies and practices and work participation and related outcomes such as employment. Finally, Chapter VII summarizes our findings, identifies unanswered research questions, and presents opportunities for future study.

A. STATE POLICY CONTEXT

The most crucial aspect of a sanction is its effect on a family's TANF grant. There are four basic categories of sanction policies with respect to their effect on the TANF grant (1) partial grant sanctions; (2) gradual full-family sanctions; (3) immediate full-family sanctions; and (4) pay-for-performance. When a partial sanction is imposed, a family's cash grant is reduced—by a specified dollar amount, by a specified percentage, or by the noncompliant adult's portion of the grant—but the family continues to receive some portion of its benefits. When a gradual full-family sanction is imposed, the first instance of noncompliance results in a partial grant reduction for a specified period. The full grant is then restored for families that come into compliance, or the case is closed for families that do not. Depending on the state, a second or subsequent instance of noncompliance may result in immediate TANF case closure. When an immediate full-family sanction is imposed, a family loses all of its cash assistance either immediately or soon after it is identified as noncompliant. Under the pay-for-performance model, which only Wisconsin has implemented to date, a family receives assistance only for the hours it participates in required work activities; families that do not participate at all receive no assistance, and families participating for fewer hours than required receive proportionately reduced assistance.

In recent years, many states have shifted the basic structure of their sanction policy, sometimes as part of a larger reform of their welfare systems. All states that have done so have moved to a more stringent model—that is, from a partial to a full-family (six states) or from a gradual full-family to an immediate full-family sanction policy (three states). Table I.1 compares states' sanction policies at the time of an earlier review of sanction policies Mathematica Policy Research, Inc. (MPR) conducted in March 2003 (see Pavetti et al. 2003) to their current sanction policies. At present, six states have partial- sanction policies, 23 states have gradual full-family sanction policies, and 21 states have immediate full-family sanction policies in place.

Table I.1. State Sanction Policies: March 2003 and March 2007[a]

Sanction Policy in 2003 and Change to 2007	States
Partial-Sanction States in 2003	
Partial Sanction in March 2007	CA, DC, ME, MO, NY, VT
Gradual Full-Family Sanction in March 2007	*IN, MN, NH, RI, WA*
Immediate Full-Family Sanction in March 2007	*TX*
Gradual Full-Family Sanction States in 2003	
Gradual Full-Family Sanction in March 2007	AK, AL, AR, AZ, CO, CT, DE, GA, IL, MA, MT, NJ, NM, ND, OR, SD, UT, WV
Immediate Full-Family Sanction in March 2007	*LA, NC, NV*
Immediate Full-Family Sanction States in 2003	
Immediate Full-Family Sanction in March 2007	FL, HI, IA, ID, KS, KY, MD, MI, MS, NE, OH, OK, PA, SC, TN, VA, WY

[a] Policies reflect the most stringent policies in the state. States in italics made changes to the basic structure of their sanction policy between 2003 and 2007. The table does not include Wisconsin, which operates a pay-for-performance system and reduces benefits by an amount equal to the minimum wage multiplied by the number of hours the individual failed to participate in required activities. Wisconsin also imposes "strikes" for noncompliance within each program component. After imposition of a third strike, the case is permanently ineligible for benefits in that component.

In addition to the effect on the TANF grant, four other major dimensions define the structure and stringency of a state's sanction policy: (1) the minimum duration of the sanction, (2) the steps a recipient must take to reverse or cure a sanction, (3) the agency response to multiple acts of noncompliance, and (4) the sanction's effect on Medicaid and food stamp benefits. The minimum duration of the sanction is the length of time a sanction must remain in place. This period varies—among states and for repeated instances of noncompliance within a state—from 1 to 12 months, or it can simply last until program compliance. The requirements to reverse or cure a sanction dictate what a family must do to be considered compliant again and resume receipt of full benefits. Some states simply require the noncompliant adult to indicate a willingness to comply while others require a minimum level of participation in program activities. Jurisdictions also vary in how they deal with multiple acts of noncompliance—that is, how they treat families that move in and out of sanction status. Typically, states increase the stringency of the sanction with each act of noncompliance either by intensifying the effect on the TANF grant or by imposing longer minimum durations or stricter cure requirements. Finally, in some states, sanctions result in loss of Medicaid for the adult and/or in a reduction of the family's food stamp benefit; in other states, neither is affected. The effect of TANF sanctions on food stamps in particular is critical to the overall effect of sanctions on disposable income. The food stamp benefit calculation and benefit levels are established at the federal level (with some state options) and take TANF income into account. Thus, for states with lower TANF benefits and in which sanctions do not affect food stamp benefits, the effect of full-family sanctions on

disposable income may not differ very much from the effect of full-family sanctions in states that have higher TANF benefits and in which sanctions do not affect food stamp benefits. Since MPR's last review in 2003, some states have made changes along these four dimensions while maintaining the basic structure of their sanction policy, though no comprehensive information is available on which states have made such changes. Some of these changes increased and others eased the stringency of sanctions.

B. STUDY QUESTIONS AND METHODOLOGY

There are two primary objectives of the current study of sanction policies and practices. The first is to shed light on how sanctions are used in efforts to increase participation in program activities. The second is to define a possible research agenda to address outstanding questions about sanction policies and practices. To accomplish these objectives, the study addresses five key research questions:

- ***What sanction policies exist, how have they changed, and what has been the role of sanctions in encouraging participation in work activities?*** To understand the role of sanctions in encouraging participation in work activities, it is important to develop a picture not only of the details of states' sanction policies—including how and when sanctions affect cash and other benefits, minimum sanction periods, cure requirements, and approaches to repeat acts of noncompliance—but also of the goals of the sanction policy and the underlying philosophy about when, why, and how sanctions should be used. Exploring recent changes in sanction policy—the nature of the changes, the impetus for change, who was involved in making the changes—can help us understand the underlying philosophy as well as the observed changes in sanction rates and related outcomes over time. We examine staff perceptions of the role of sanctions in encouraging participation in work activities and examine administrative data as well. We pay particular attention to (1) how sanction rates and engagement in activities have changed with the growing emphasis on achieving higher work participation rates, and (2) the contribution that explicit sanction policy, procedural, or service delivery changes may have made to these trends.

- ***How are sanction policies implemented at the local level?*** A review of state sanction policy can provide basic information about the consequences of noncompliance in theory but reveal little about how policies play out in practice. Procedures for implementing sanction policy can vary across local welfare offices or even among staff within the same office. The way in which policies are applied may depend on how well local welfare office staff understand sanction policies and procedures, how and how well local welfare staff communicate work requirements and sanctions for noncompliance to recipients, how local staff perceive the role and utility of sanctions, how much discretion local staff may exercise in implementing sanctions, and how staff make decisions regarding sanctions. Understanding how sanction policies are implemented in practice can shed light on how existing policy can be best used,

and can help explain variation in sanction rates and related outcomes between states or localities with similar policies.

- ***What strategies do states/local sites use to avoid imposing sanctions?*** An important use of the sanction process is to encourage program participation before recourse to a sanction becomes necessary. The extent to which efforts to avoid sanctions are successful may depend on when and how local welfare office staff identify barriers to participation, the services available to address those barriers, and how participants gain access to those services. An exploration of the work requirement exemptions developed by sites, how sites define good cause, how sites assign and monitor work activities, and how quickly and when participants move from one activity to another can shed light on who is most likely to be at risk of sanction, how quickly noncompliance may be identified, and perhaps when noncompliance may be more likely to occur in the service delivery process. Some state and local welfare offices have developed specific processes for conciliating acts of noncompliance in order to avoid sanctions. The extent to which these efforts are successful may depend not only on the design of the process but also on the degree to which program staff use the process to encourage participation.

- ***What strategies do states/local sites use to re-engage noncompliant clients?*** Once clients are sanctioned, many welfare offices have minimal contact with them and most of that contact occurs for purposes of managing ongoing monthly benefits and/or supportive services in partial-sanction states. Other offices, however, have developed unique initiatives targeted specifically to sanctioned clients for purposes of re-engaging them in program activities. In study sites that have developed such initiatives, we explore the extent to which local office staff set priorities for re-engaging sanctioned clients and preventing recurring sanctions, the nature of services and supports for sanctioned clients, who provides such services/supports, when and for how long, how clients access them, and how much they cost. We also examine the extent to which sanctioned clients cure their sanctions or return to TANF.

- ***What future research could advance understanding of how sanctions increase engagement and participation rates?*** At the completion of this study, questions about the role of sanctions in encouraging participation in work and work-related activities will undoubtedly remain. We identify the questions and how they might be best addressed in future evaluations.

To answer the study's research questions, we selected eight counties in seven states and collected data from three sources: (1) in-depth case studies in all eight sites; (2) a telephone survey of frontline TANF workers in all eight sites; and (3) administrative data in three sites.[2]

[2] Chapter II identifies and describes the study sites and the site selection process.

1. Case Studies

The purpose of the case studies was to gather qualitative information from a variety of sources to create a comprehensive picture of the implementation of sanction policies and procedures. We conducted in-person visits to one local welfare office in each county in fall 2006. While some states had already solidified revisions to their sanction and related policies, many state and local programs were, at the time of our visits, still in the process of determining their approach to addressing the new requirements under the DRA, which took effect in October 2006. Thus, the case studies may not reflect all the ways in which the selected sites have responded to the DRA.

For most sites, a two-person team conducted the in-person visits, which lasted two to three days each. The visits involved one-on-one interviews and small group meetings. Using semi-structured guided discussion techniques, we collected data from local welfare office administrators, case managers, eligibility workers, and employment service providers in each site. Where applicable, we gathered data from specialized staff such as those responsible for conciliating or imposing sanctions and those responsible for conducting home visits or other outreach to noncompliant clients. In each site, we asked case managers to identify a small number of clients who had most recently been sanctioned and we reviewed the case files of those clients. The case file reviews enriched the interview data by providing concrete examples of the concepts and issues raised by interviewees. Finally, we obtained written reports and copies of sanction notices and other relevant material in each site and conducted telephone interviews with state TANF administrators.

2. Telephone Survey of Frontline Workers

Concurrent with the case studies, we conducted a telephone survey of frontline staff in each local office to which we made a site visit in order to interview those involved in the sanction process. For purposes of the telephone survey, "front-line staff" was defined as case managers, eligibility workers, and staff with specialized roles in the sanction process (such as staff responsible for conciliating or imposing sanctions and those responsible for conducting home visits or other outreach to noncompliant clients). The primary goal of the survey was to shed additional light on (1) how staff perceive the role of sanctions; (2) the extent to which staff understand sanction policies and procedures; (3) the extent to which staff use discretion in the sanction process; and (4) the way in which staff use sanctions to encourage program participation. The 25-minute telephone interview asked respondents about their role in:

- Deciding who is required to meet TANF work requirements and what an individual must do to meet the requirements
- Informing clients about the work requirements and consequences for nonparticipation
- Monitoring clients' participation in program activities

- Deciding whether a client should be sanctioned for nonparticipation in program activities
- Carrying out procedures to impose a sanction
- Contacting clients who are in sanction status for purposes of re-engaging them in program activities

In each site, we attempted to interview either the complete universe of staff or, in larger offices with substantially more staff, a random subset. In total, we completed 161 interviews—ranging from 9 in one site to 30 in another—from a sample of 176. Table I.2 presents the sample size and total number of completed interviews by site. Throughout the report, we cite selected findings from the survey. The survey instrument, or questionnaire, may be found in Appendix B. A full compendium of tables presenting data from the survey may be found in Appendix C along with a more complete description of the telephone survey methodology.

Table I.2. Sample Size and Response Rate for Telephone Survey of Frontline Workers

	Total Sample Size	Nonrespondents[a]	Completed Interviews	Response Rate (%)
Suffolk County, NY	29	1	28	96.6
Pima County, AZ	9	0	9	100.0
Duval County, FL	16	1	15	93.8
DeKalb County, GA	29	3	26	89.7
Tarrant County, TX	12	1	11	91.7
Los Angeles County, CA	24	3	21	87.5
Kern County, CA	30	5	25	83.3
Salt Lake County, UT	27	1	26	96.3
Total	176	15	161	91.5

[a]Nonrespondents include those who refused to participate in the survey and those who were unavailable during the survey fielding period.

3. Administrative Data

To explore the relationship between sanction policy and procedural changes on the one hand and engagement in work and work-related activities on the other, we obtained and analyzed administrative data from management information systems or detailed management reports in two of the states—Texas and Georgia—and one of the counties—Los Angeles—included in the study. We focused on these sites because they had implemented major sanction-related changes, at least in part, to increase their participation rates. Moreover, these sites introduced the changes recently enough that the changes reflected the current

policy environment, but not so recently that ample data were not available to track outcomes of the changes over an extended period. We examine participation rates and related outcomes (for instance, employment rates) before and after the changes went into effect (1) to explore whether there is any correlation between policy and programmatic changes and changes in participation rates and (2) to consider the ways that policy and programmatic changes may influence the rates. Without data on what work participation rates and related outcomes would have been in the absence of sanction policy and procedural changes, we cannot draw rigorous conclusions about the effect of the changes on these outcomes. This is because we cannot distinguish the effects of changes in sanction policies from the effects of other factors, such as other changes in TANF policy or practice, economic influences on the behavior of low-income families, or changes in policy or practice in other programs serving low-income families.

Our objective in analyzing data in Texas was to learn about how the number of recipients participating in work activities and the employment rate changed with the implementation of major statewide sanction policy changes. We analyzed TANF and Unemployment Insurance data for one cohort of cases that were on TANF one year before the policy changes and one cohort of cases on TANF in the month before the changes. The state shifted from a partial to an immediate full-family sanction in September 2003. The first cohort consisted of the 131,556 cases on TANF in August 2002 and the second cohort of the 138,916 cases on TANF in August 2003. We tracked the TANF, work participation, sanction, and employment status of each cohort for one year to determine the extent to which outcomes differ across clients subject to different sanction policies.

Our objective in analyzing data in Georgia was to learn about how changes in applicant job search procedures may have affected who entered the TANF caseload and thus became subject to sanctions and how the new procedures may have affected the work participation rate. In 2004, the state implemented a new employment-focused initiative that prompted many counties to change the way in which they were implementing their TANF applicant job search processes. In January 2005, the state implemented changes to its gradual full-family sanction policy. We analyzed data on the TANF caseload, TANF applications, TANF case closures, and sanctions for each month from January 2001 through December 2006. For each month, we obtained the total number of applications received statewide, the percentage of applications approved and denied, and the reasons for denial. We also obtained the number of sanctions imposed, the number of TANF cases closed, and the reasons for case closure. Using these data, we tracked trends over time—particularly before and after implementation of the new initiative and new sanction policies—and we attempt to identify correlations between (1) recent caseload declines and work participation rate spikes and (2) changes in application, case closure, and sanction rates.

Finally, our objective in Los Angeles County was to assess the outcomes of the county's home visiting process, which was designed to avoid the imposition of sanctions. We obtained program management reports on the 41,233 TANF recipients who were noncompliant and subject to the county's home visit process in the first year of its existence. We examined the percentage of cases successfully resolved (and resolved with and without a

home visit), sanctioned, or unresolved. We also looked at trends in the sanction rate over time.

C. Review of Literature on the Role of Sanctions in Welfare Reform

Although consensus holds that sanctions have been one of the most important policy changes implemented through state welfare reform efforts, they are among the least studied. Most studies to date have focused on the incidence and duration of sanctions and the characteristics and circumstances of sanctioned families. We refer to this literature where relevant throughout the body of the report. Fewer studies have focused on those aspects that are most relevant to the current study—the relationship between sanctions and participation in work and related activities, and the implementation of sanction policies in practice. In this section, we briefly summarize the existing literature in these two areas and describe how the current study adds to the literature. It is important to note that all of the previous studies rely on the use of simple descriptive statistics and/or non-experimental methods (primarily regression analyses) to explore the relationship between sanctions and outcomes of interest; thus, none of the studies provide rigorous evidence of the impact of sanctions or causal relationships between sanctions and outcomes.

1. The Relationship Between Sanctions and Participation in Work-Related Activities

Sanctions are intended to change TANF recipients' behavior by encouraging those who would not otherwise participate in work activities to do so; yet, research on the success of sanctions is scant. A few studies from 1999 and 2000 that address the impact of sanctions suggest that more stringent sanction policies may lead to greater welfare exits and TANF caseload declines, though they offer little insight into how these changes occur (Hofferth, Stanhope, and Harris 2000; Rector and Youssef 1999; Mead 2000). An earlier study suggests that high rates of caseload declines may result from differences in office performance (Mead 1997). Researchers found that well-performing welfare offices make program expectations clear and threaten sanctions for nonparticipation but rarely need to impose sanctions. Conversely, welfare offices that do a poor job of clearly stating recipient expectations and perform poorly in job placement and other performance measures frequently sanction recipients. Large caseload declines may thus occur because agencies either do well in pressing recipients to find work and leave the caseload, or do poorly in communicating expectations such that many recipients leave the caseload without work.

More recent studies have attempted to discern whether sanctions motivate behavioral change. For example, Lee et al. (2004) distinguish sanctions imposed from sanctions that were initiated but lifted before benefits were reduced. They label the latter a "threat to sanction" and hypothesize that if sanctions induce behavioral changes, a threat to sanction would predict employment and welfare behavior as well as, or better than, imposed sanctions that result in actual grant reduction. If, on the other hand, sanctions are primarily a punitive tool, we would expect greater effects on behavior from imposed sanctions. Using longitudinal survey and administrative data to perform multivariate analyses, Lee et al. found (1) that there is no evidence that sanctions are correlated with less dependency on welfare

and, in fact, are correlated with less work and lower earnings, and (2) that threats to sanction are not systematically related to formal work and welfare outcomes, although they are positively related to informal work and job training. The authors conclude that sanctions do not appear to promote work or reduce welfare dependency and that any induced behavioral change occurs in the context of information about work and job preparation. They caution, however, that causal relationships between welfare grant reductions and observed outcomes cannot be ascertained because the characteristics of sanctioned and non-sanctioned recipients are likely to differ in other unmeasured ways.

Hasenfeld et al. (2004) postulate that sanctions intended to change behavior assume (1) that welfare recipients can comply with work requirements but do not do so because they are unmotivated or not truly needy, and (2) that recipients understand and can calculate the costs and benefits of compliance. Their study, however, calls both assumptions into question. Findings from the study run counter to the first assumption in that sanctioned recipients in the study faced a greater number of barriers to the work requirements than non-sanctioned recipients despite no differences between groups in whether they looked for work in the past 30 days (a proxy measure for motivation to work). Annual household income from all sources was lower among sanctioned families than non-sanctioned families, indicating the former group's relatively greater financial need. These findings suggest that many sanctioned recipients fail to comply with program requirements not because they are resistant to them but rather because they face barriers that make it difficult for them to meet such requirements. The researchers find the second assumption equally questionable because a significant proportion of recipients, whether sanctioned or not, reported that they were poorly informed about sanction policies. There are seven reasons why a TANF recipient may be sanctioned in California, but almost one-fifth of the sample only knew of three or fewer rules. Almost two-thirds of the sample was unaware that they could be sanctioned for not participating in an assigned activity. Other studies have also found that clients are unaware of program rules and the consequences of violating them (Nixon et al. 1999; U.S. Department of Health and Human Services 1999).

Other findings suggest that sanctions may have their desired effect. Wu et al. (2004) find that many TANF recipients cure their sanctions and remain in sanction status for relatively short periods. They interpret the results as suggesting that sanctions may change behavior toward program compliance. However, they note that some sanctioned recipients moved off TANF altogether. More research is needed on whether such cases leave the program because they are employed, or whether they and their families leave even though they face serious economic distress (the former suggesting that perhaps sanctions had their desired effect, and the latter suggesting that they did not).

2. The Implementation of Sanctions

In an earlier literature review, MPR highlighted uncertainties about factors that cause variation in sanction rates across local welfare offices. Several recent studies find substantial variation in the implementation of TANF sanctions not only between different agencies within the same locality but also between staff members within the same agency. These

studies point to a variety of factors that can affect implementation of sanctions and sanction rates:

- ***Personal Judgment and Decision-Making.*** Three recent studies illustrate the extent to which the staff of local welfare offices use personal judgment in applying policy. In a study by Los Angeles County (2005), case managers reported basing their sanctioning decisions on their perceptions of participants' motivation, attitude, needs, and likelihood of benefiting from the program. In a study by Berkley Planning Associates (2004), case managers in some local welfare offices in Louisiana said that their usual practice was to avoid sanctioning clients if at all possible. Case managers in other local offices throughout the state, although given the same amount of discretion, were more likely to use sanctions whenever the circumstances justified so doing, without any personal judgment. And a study by the Wisconsin Department of Workforce Development (2004) found that case managers within and across agencies in the state made markedly different decisions with respect to sanctioning when presented with the same case scenarios.

- ***Variation in Personal Perceptions of the Purpose and Effectiveness of Sanctions.*** Research indicates that caseworkers differ in their philosophy about ways to ensure program compliance among TANF recipients. Caseworkers in the Los Angeles County (2005) study fell into two camps: (1) those who use sanctions as a way of removing from the caseload those who fail to comply; and (2) those who use the sanction process as a way of working with participants to encourage their involvement. In the BPA (2004) study, 45 percent of program managers across Louisiana agreed or strongly agreed that sanctions are an effective way to help program participants become more self-sufficient while 25 percent disagreed or strongly disagreed.

- ***Variation in Personal Background Characteristics Among Staff.*** The Los Angeles County (2005) study explored the relationship between caseworkers' backgrounds and their use of sanctions (self-reported). Case managers with more years of employment experience had a 54 percent greater probability of curing more than 30 sanctions over the past year than those with less experience. The researchers suggest that those with more work experience may more thoroughly understand sanction policy and the implications of sanctions.

- ***Variation in Office Structure and Performance Measurement Practices.*** Fording et al. (2005) find two noteworthy variations. First, they find that TANF cases in Florida managed by for-profit providers are more likely to be sanctioned than cases managed by government or nonprofit agencies. They also find that regions in the state where the rate of welfare exits to employment is low appear to sanction clients more heavily than regions that perform better.

- ***Variation in the Local Welfare Office Environment.*** The Los Angeles County (2005) study suggests that various aspects of the work environment,

such as caseload size and the privatization of case management services, may affect sanction practices and rates. For instance, researchers found that large caseloads were significantly associated with higher sanction frequencies. In contrast to the Fording et al. (2005) study in Florida, the Los Angeles study found that contract caseworkers (from for-profit providers) had a lower probability of sanctioning than county caseworkers, although the finding may be at least partially attributable to differences in the types of participants served by the two types of caseworkers. Other aspects of the work environment—for instance, lack of coordination between the TANF and employment and training agency management information systems, lack of communication between the TANF and employment and training agency workers, or staff time and resource constraints due to a growing number new programs, new services, and increased workloads—have created challenges to implementing sanctions correctly and contributed to an increased rate of sanctioning.

- ***Variation in Sanction Policies and Procedures.*** The BPA (2004) study revealed varied staff responses to Louisiana's policy shift from partial to full-family sanctions in August 2003. Staff in six local offices in the state reported using sanctions more often after the switch, staff in four offices reported using sanctions at the same rate, staff in two offices reported using sanctions less often, and staff in the other offices in the study could not come to consensus on how their use of sanctions might have changed. Hasenfeld et al. (2004) suggest that the way in which local welfare office staff communicate with TANF recipients also has implications for sanction rates. They found that, in a county that invested resources in counseling sanctioned recipients to help them cure their sanctions, 64 percent of recipients were aware of the rules governing sanctions. By contrast, in a county in which staff communicate with recipients primarily through formal notifications, only 41 percent of recipients were aware of how sanctions work. The authors conclude that interactions between workers and recipients play a significant role in the degree to which recipients understand program requirements and consequences and can respond rationally to them.

- ***Variation in the Social and Political Environment.*** Fording et al. (2004) and Keiser et al. (2004) suggest that the implementation of welfare reform and sanctions in particular is not race-neutral. Fording et al. (2005) find that clients are less likely to be sanctioned if they live in a county with a relatively large Hispanic population and more likely to be sanctioned if they live in a county with a relatively high wage rate. Keiser et al. (2004) find that, in any given county, nonwhites are more likely to face sanctions than whites with similar demographic characteristics, work histories, family structures, and welfare experience. Yet, in the aggregate, white TANF recipients are more likely to face sanctions than are nonwhites due to the fact that they are more likely to live in areas with higher sanction rates.

3. Contributions of the Current Study of Sanction Policies

Despite the literature just cited, there is still little research on how states and localities have used sanctions to increase work participation rates and the extent to which they have succeeded. In the absence of an experiment in which families are randomly assigned to groups subject to different sanction policies, it would be difficult to determine rigorously how sanctions affect work participation or related outcomes, and the extent to which sanctions lead to behavioral change among welfare recipients. The current study, however, explores the mechanisms by which sanction policies and procedures can help achieve desirable outcomes and presents opportunities for exploring the effect of sanction-related initiatives in future evaluations. It describes how policymakers and program administrators in selected states have either changed sanction policies or practices or improved implementation of existing policies and procedures specifically to increase participation rates. It also presents the challenges associated with such initiatives, the costs of the initiatives, and how sanction rates, work participation rates, and related outcomes differ before and after the implementation of the initiatives in some states. This information will be valuable to other states or counties, most of which are likely to be considering a range of options to increase their work participation rates in the wake of the DRA. This report should not be used to deduce the impact of various sanction policies and procedures; ideally states that choose to adopt sanction-related changes as a result of information from this report would study the impact of those changes using random assignment methodologies.

CHAPTER II

SANCTION POLICIES AND PROGRAM TRENDS: AN INTRODUCTION TO THE STUDY SITES

The primary goal of this study was to provide states and localities with a broad view of sanction policies, procedures, and reengagement strategies that they could adopt to improve their TANF programs and work participation rates. Given this goal, we selected sites purposively to maximize variation along key policy and programmatic dimensions. Including sites with different sanction policies (e.g., immediate full-family, gradual full-family, and partial sanctions) allows states to compare the advantages and challenges of each approach. Preference was given to sites that had made explicit changes in sanction policy or procedures. We were particularly interested in sites that made changes specifically as part of their efforts to increase their work participation rate. To maximize the utility of the study to other states and localities, we excluded sites that seemed atypical or idiosyncratic with respect to caseload size, geographic location, or general welfare policies. We also excluded three states that were the subject of an earlier study MPR conducted on the implementation of TANF sanctions—Illinois, New Jersey, and South Carolina (Pavetti et al. 2004).[3] Finally, to expose policy makers and program administrators to potentially promising practices, we included sites that implemented innovative sanction strategies, such as home-visiting reengagement programs, problem-solving or conciliation processes, sanction orientation meetings, or assistance with curing sanctions. With these criteria in mind, we selected eight sites in seven states to include in this study (see Table II.1).

[3] Where relevant, we weave findings from the previous study into this report.

Table II.1. Considerations in Site Selection

Site	Major City in or Closest to Site	Type of Sanction	County Work-Mandatory TANF Caseload[a]	Implemented Sanction Policy Changes	Implemented Innovative Sanction Strategies
Texas—Tarrant County	Fort Worth	Immediate full-family	5,800-6,000[b]	Yes	Yes
Florida—Duval County	Jacksonville	Immediate full-family	900[b]	No	No
Utah—Salt Lake County	Salt Lake City	Gradual full-family	1,600-1,700	Yes	Yes
Arizona—Pima County	Tucson	Gradual full-family	1,000-1,100	Yes	No
Georgia—DeKalb County	Decatur/Atlanta	Gradual full-family	700-800	Yes	No
California—Los Angeles County	Los Angeles	Partial	26,000-27,000	Yes	Yes
California—Kern County	Bakersfield	Partial	6,000-7,000	Yes	Yes
New York—Suffolk County	Long Island	Partial	1,000-1,500	No	Yes

[a]County or regional work-mandatory TANF caseloads reported during fall 2006.

[b]Indicates regional, rather than county, TANF caseload.

Sanctions are implemented in complex welfare environments. A variety of state and local factors may influence the way sanctions are implemented. For instance, work requirements and exemption policies, caseload size and characteristics, or the TANF program administrative and staffing structure may influence who is subject to sanctions and how sanctions are carried out. As a result, two sites operating under the same sanction policy may actually be using sanctions to achieve different goals and outcomes. In this chapter, we introduce the study sites, grouped by the type of sanction policy they have in place, and describe the sanction policy and the context in which the policy is administered. Table II.2 provides an overview of the sanction policy in each site. We also present information on recent trends or initiatives in the site that are critical for understanding the sanction policy environment.

Table II.2. Sanction Penalty and Cure Requirements

Site	Penalty for 1st Sanction		Penalty for 2nd Sanction		Penalty for 3rd Sanction		Cure Requirements
	Cost	Minimum Duration	Cost	Minimum Duration	Cost	Minimum Duration	
Texas (Tarrant County)	Grant termination	1 month	Grant termination	1 month	Grant termination	1 month	Comply for 30 consecutive days
Florida (Duval County)	Grant termination	10 days	Grant termination	1 month	Grant termination	3 months	Case manager discretion
Utah (Salt Lake County)	$100 reduction	1 month	Grant termination	1 month	Grant termination	2 months	Comply up to 2 consecutive weeks
Arizona (Pima County)	25% reduction	1 month	50% reduction	1 month	Grant termination	none	Verbally commit to participate
Georgia[a] (DeKalb County)	25% reduction	3 months	Grant termination	3 months	25% reduction[b]	3 months	Renegotiate employment plan
California (Los Angeles/Kern County)	Reduction by adult portion	None	Reduction by adult portion	none	Reduction by adult portion	none	Participate up to 30 days
New York (Suffolk County)	Reduction by adult portion	None	Reduction by adult portion	3 months	Reduction by adult portion	6 months	Renegotiate employment plan[c]

[a] In Georgia, the first instance of noncompliance results in a formal conciliation with no effect on the TANF grant. The first sanction results in a 25 percent reduction of the TANF grant for 3 months.

[b] After a 2nd level sanction, sanctions alternate between a 25 percent grant reduction for three months and immediate full TANF case closure for a year.

[c] Local districts in New York have the authority to require clients to demonstrate compliance for a period of time in order to cure their sanctions. The longest period of time local districts have required is 10 days.

A. IMMEDIATE FULL-FAMILY SANCTIONS

An immediate full-family sanction terminates the TANF grant for the first instance of noncompliance without good cause. Immediate full-family sanctions are a quick consequence for nonparticipation and could be a strong motivator to encourage program compliance. They may also help states achieve higher work participation rates because they remove nonparticipants from the TANF caseload and thus the denominator of the participation rate calculation. Ensuring that sanctions are implemented appropriately is particularly important in states with immediate full-family sanctions since the ramifications for clients are swift and severe.

Two of the seven states in the study, Texas and Florida, use immediate full-family sanctions. In 2003, Texas policymakers passed legislation authorizing a change in sanction policy, from a partial to an immediate full-family sanction. Just prior to these changes, one-third of the TANF caseload was in sanction status. Now, during an average month, approximately 10 percent of TANF clients are removed from the caseload due to a sanction. In both states, sanctions are imposed swiftly, typically less than two weeks after an initial warning notice is sent to clients. Immediate consequences for nonparticipation have likely helped both states achieve state work participation rates of about 50 percent.

1. Texas—Tarrant County

Sanction Policy. In Texas, program administrators encourage the use of sanctions as a tool to enforce the state's work first approach. The state establishes all sanction policies. The penalty for a sanction is elimination of the cash grant for a minimum of one month and loss of Medicaid for the adult. During that month, clients remain on the caseload in sanction status. To cure a sanction, clients must perform 30 consecutive days of work activities; if they do not, the TANF case is closed. To return to TANF after being sanctioned off the caseload, clients must complete 30 days of work activities within 40 days of their TANF eligibility interview. All sanctions result in the same consequences. The maximum cash grant for a family of three is $217. A TANF sanction does not affect food stamp eligibility or benefit amounts.

To offset the strict requirements for curing a sanction, Tarrant County decided to use existing TANF funds to support those seeking to cure their sanctions. The county contracted with a local service provider to operate REAP (Rapid Employment Attachment Program), a program designed to reengage sanctioned clients and assist those interested in curing their sanction. REAP offers sanctioned clients intensive support and guidance in structured job search classes and individualized help to address personal and family challenges so that they might fully participate.

Program Requirements. All TANF applicants are required to complete an orientation session, and most comply with the requirement. Once eligible for TANF, clients are required to participate for 30 hours a week in federally countable activities. Extensive exemption criteria, however, eliminate about a quarter of the TANF caseload from the requirement to participate, and case managers may modify clients' work hours and activities for those with documented good cause.

Administrative and Staffing Structure. In Texas, the state Health and Human Services Commission (HHSC) and Texas Workforce Commission (TWC), an agency that administers state workforce investment services, work in partnership to design and administer services for TANF recipients. In Tarrant County, Workforce Solutions, the local workforce investment agency, contracts for management and operations of the local Workforce Center that provides case management and employment and training services to TANF recipients. Workforce Solutions also contracts with 12 community agencies for specialized services not provided directly at the Workforce Center. Staff at a specialized HHSC sanction unit review and impose all sanctions requested by Workforce Solutions case managers.

Recent Trends and Initiatives. Between October 2003 and September 2006, the TANF caseload in Texas declined by nearly half, from 118,927 to 61,333 cases. TANF administrators speculate that shifting from a partial to a full-family sanction has contributed to this decline. In addition, Texas was in the process of shifting TANF eligibility functions from individual workers in welfare offices throughout the state to centralized call centers, but this transition was put on hold indefinitely in March 2007. Call center staff were to be responsible for obtaining, verifying, and calculating income and resources to determine client financial eligibility, for interviewing clients to gather information to determine non-financial

eligibility, for processing changes to client case status or benefits, and for addressing client problems or complaints. Problems with the transition, however, left fewer in-house workers to handle initial TANF eligibility determinations, which extended the time for processing TANF applications. As a result, fewer TANF applicants have been entering the TANF caseload.

2. Florida—Duval County

Sanction Policy. State and local TANF administrators in Florida see immediate full-family sanctions as an effective tool for holding TANF clients accountable and encouraging compliance. In Florida, repeat sanctions result in progressively stricter penalties. First level sanctions, which account for 60-70 percent of all sanctions imposed, lead to loss of cash assistance for at least 10 days. Second level sanctions result in the loss of cash assistance for at least a month. Third level and all subsequent sanctions result in loss of cash assistance for at least three months. Sanctions may extend beyond the minimum period if the client does not come back into compliance. To cure a sanction, clients are required to come into compliance as defined by the local workforce investment agency. In Duval County, case managers have discretion to define what individual clients need to do to cure their sanctions. Typically, case managers require that clients participate in activities for a few weeks. Local agencies also have the discretion to determine what constitutes grounds for good cause for noncompliance. The cost of a sanction—the full family benefit—is $303 for a family of three. However, families that do not have children under six years old and are not otherwise exempt from food stamp work participation requirements (about one-quarter of TANF clients) also lose their food stamp benefits. TANF sanctions do not affect eligibility for Medicaid.

Florida policy also includes a safety net for sanctioned families. Families in second level and subsequent sanctions may reapply for TANF at any time with a designated protective payee other than the parent, who manages the cash grant, so that the children continue to receive cash assistance. Months for which assistance is paid through a protective payee continue to count against the family's welfare time limit.

Program Requirements. TANF applicants in Duval County are required to complete an initial orientation and eight job search/job readiness workshops of 60 to 90 minutes each prior to approval for TANF. Once approved for TANF, clients are assigned to activities and hours that meet the federal work participation requirements; most are assigned to job search or community service activities. Opportunities to obtain post-high school/GED education are limited. Exemptions from work requirements are relatively broad and must be verified and reassessed every 90 days.

Administrative and Staffing Structure. Florida's Department of Children and Families determines initial and ongoing eligibility for TANF recipients through centralized processing centers. In Duval County, First Coast Workforce Development, Inc. (WorkSource), the local workforce investment provider, handles case management for TANF clients and provides job search and job readiness activities to help them find work. The Market Street Branch One-Stop center is designated to serve only TANF clients. Other

job seekers use One-Stop centers in different locations. WorkSource case managers at the Market Street Branch work closely with clients and initiate sanctions when clients fail to meet program requirements. A designated eligibility worker at the centralized processing center imposes all sanctions in Duval County.

Recent Trends and Initiatives. Over the past few years, Florida has shifted from the caseworker model of service delivery to a model in which staff perform specialized tasks, including staff at new centralized call centers. State administrators anticipate very few changes to sanction or related policies in response to the DRA. Just prior to the DRA, the state's work participation rate was slightly more than 50 percent, but under the new rate calculation based on changes required by the Interim Final Rules, the state's rate is substantially lower.

B. GRADUAL FULL-FAMILY SANCTIONS

Gradual full-family sanctions are intended to alert and motivate clients to comply before a full-family sanction is imposed. Three of the study states, Arizona, Georgia, and Utah, use gradual full-family sanctions as penalties for noncompliance. In each of these states, repeat instances of noncompliance with program requirements, by the third occurrence, result in grant termination. In Utah, the penalty for a first sanction is a $100 reduction in cash assistance for a month followed by a full-family sanction for continued noncompliance. All subsequent sanctions result in immediate case closure. Georgia uses a combination of grant reduction and termination, depending on the sanction occurrence. In Arizona, either three consecutive months of nonparticipation or three instances of noncompliance result in a full-family sanction. In Utah, sanctions are applied to a small fraction of the TANF caseload, but about 20 percent of all TANF case closures result from sanctions. In Arizona and Georgia, very few sanctions are imposed.

1. Utah—Salt Lake County

Sanction Policy. In 1994, using federal waivers, Utah began using a gradual full-family sanction to encourage clients to participate. Program administrators emphasize the importance of ensuring that clients make an informed choice not to participate before a sanction is imposed. Within the last year, Utah restructured its sanction policy by decreasing the time it takes to impose a sanction and increasing the stringency of the penalties for repeat sanctions. First sanctions result in $100 reduction in cash assistance for one month. If the client does not comply during the grant reduction period, then the entire cash assistance case is closed. For the second sanction, the clients' cash assistance case is immediately closed for at least a month. All subsequent sanctions result in immediate case closure for at least two months. The cost of the full-family sanction for a family of three receiving the maximum TANF benefit is $474. TANF sanctions do not affect Medicaid or food stamp eligibility, though food stamp benefits may increase if TANF sanctions contribute to a decline in household income. To ensure that full-family sanctions are imposed appropriately, the center manager must approve all second and subsequent sanctions.

In Utah, the state establishes sanction policy and requires regions to implement a sanction conciliation process within certain defined parameters, but the regions decide exactly what that conciliation process will look like. Utah requires employment counselors to carry out a two-phase problem solving process to understand the client's reason for noncompliance, uncover and address their hidden barriers to employment, and develop a plan to reengage them in program activities. Clients enter the problem-solving process for nonparticipation or failure to report participation hours and activities. The problem-solving process includes a formal case review by the employment counselor, the supervisor, an in-house licensed clinical therapist, community partners, and the client. Clients may invite others who support them to the case review as well (e.g., family, boyfriend/girlfriend, religious leaders). To cure a sanction, clients are required to participate for up to two consecutive weeks.

Program Requirements. In Utah all clients are required to participate to their maximum ability. As a result of this universal engagement approach, a large proportion of the work-mandatory caseload has serious personal and family challenges. However, employment counselors have considerable flexibility to modify clients' hours and activities based on a documented barrier to employment. Those without documented barriers are required to participate in hours and activities that meet the federal work requirements. Clients may access employment and training services in-house or, using payment vouchers, at one of the many authorized vendor agencies within the community. In addition, more than 20 licensed clinical therapists are co-located in welfare offices across the state to identify and address clients' mental health conditions. Most major case management decisions, such as sanctions and modification of work hours and activities, are made in formal case reviews or by case managers in consultation with supervisors or in-house licensed clinical therapists.

Administrative and Staffing Structure. The Department of Workforce Services, an integrated welfare and workforce investment system, operates the Family Employment Program (FEP) for those receiving TANF. Case managers, or employment counselors, in Salt Lake County serve a combined caseload of TANF clients, workforce investment job-seekers, and General Assistance clients. Other parts of the state may specialize caseloads by program. Employment counselors are responsible for all case management activities, including developing an employment plan with the client, monitoring and documenting participation and progress, and initiating the problem-solving (sanction) process. Employment counselors also decide whether to impose sanctions and initiate sanctions in the management information system, but eligibility workers located at a centralized call center make changes to the TANF benefit.

Recent Trends and Initiatives. Recent policy and program changes as well as a strong economy have contributed to a sharp caseload decline in Utah, from 5,546 work-mandatory TANF cases in November 2005 to 3,324 cases in October 2006. The state is in the process of making changes to increase its federal work participation rate. In November 2006, the state's participation rate was just over 50 percent, but was based on planned hours of participation. Using actual hours of participation, as required by the DRA, the state's participation rate was substantially lower. Anticipating TANF reauthorization, program

administrators initiated major changes in FEP a year before the DRA, and made additional changes after the new requirements were enacted. Major changes include statewide training sessions for employment counselors, encouraging them to assign clients to work activities and hours that meet the federal requirements, speeding up the sanction process and imposing stricter penalties for repeat sanctions, and a new process for verifying and documenting clients' work hours and activities.

2. Arizona—Pima County

Sanction Policies. Arizona TANF administrators encourage workers to use sanctions as a last resort, if all efforts to remove barriers have failed to get participants to comply with program requirements. All sanction and related policies are established at the state level. For continued nonparticipation without good cause, or failure to contact program staff, case managers may impose a gradual full-family sanction. Clients move from one level to the next for either repeat sanctions or three months of continuous nonparticipation while in sanction status. The consequence of a first sanction is loss of 25 percent of the total cash assistance grant. The penalty for a second sanction, imposed either for repeat noncompliance or at the beginning of the second month of nonparticipation, is a 50 percent grant reduction. The third and all subsequent sanctions or consecutive months of nonparticipation result in a full-family sanction. The cost of a full-family sanction for a family of three is $347 and loss of Medicaid for the adult; food stamp eligibility is not affected.

In 1999, a lawsuit agreement between the William E. Morris Institute for Justice (formerly, the Arizona Justice Institute) and the Department of Economic Security (DES) led to several changes to sanction policies and procedures in an effort to protect clients' rights to due process. First, Arizona was required to extend the length of the pre-sanction warning period and the number of notices sent to clients. The entire process is designed to take at least a month and typically takes longer. Second, supervisors are required to review all sanction requests using standardized forms. Staff must show that they addressed or attempted to address all barriers identified during assessment and previously documented in the case file. One agency mistake in handling the case requires restarting the pre-sanction process. In addition, each quarter, DES conducts an internal review of all sanctioned cases to check for errors. Finally, clients may cure their sanction or stop the pre-sanction process with a verbal agreement to participate. The process for imposing a sanction is labor-intensive for case managers and sanctions, once imposed, can be cured quickly. Clients, then, often cycle in and out of participation.

Program Requirements. Arizona recently began requiring TANF applicants to complete an upfront 30-minute orientation as a condition of TANF eligibility. Once approved for TANF, clients are required to participate between 35-40 hours per week. However, case managers will only initiate sanctions if clients complete fewer than 30 hours. Clients with documented personal and family challenges may qualify for an exemption or be assigned to broadly defined activities that satisfy state program requirements, such as addressing their child's health or behavioral problems (for instance, by attending doctor's

appointments or school appointment), attending court appointments, and participating in services to address mental or physical health conditions.

Administrative and Staffing Structure. The TANF program in Arizona is state administered. Two divisions within the Department of Economic Security (DES) serve TANF recipients. The Family Assistance Administration (FAA) handles initial and ongoing eligibility, and the Employment Administration operates the JOBS (TANF) program, providing case management and employment and training services to welfare recipients. In Pima County, staff from the two divisions are co-located within the Irvington Road Job Service Center. JOBS case managers request sanctions when necessary, and one designated FAA eligibility worker imposes them.

As part of a statewide privatization effort, JOBS case management responsibilities will be transferred to contracted service providers. Contracts were supposed to be in place by January 2007; however, the need for a second procurement delayed the process. Now, the goal is for the providers to be fully operational by October 1, 2007.

Recent Trends and Initiatives. Arizona program administrators are focused on selecting contracted service providers and transferring case management responsibilities to them. In addition, they are exploring ways to increase the state's low work participation rate. Under the state's original calculation, the participation rate in Arizona was around 30 percent. Using the new DRA calculation requirements, Pima County's rate was about 12 percent in October 2006. [4] Providers will bear some of the responsibility for achieving higher work participation rates; DES administrators plan to include formal language in their contracts to define these objectives. DES administrators also have been pushing for a shorter sanction warning period so that sanctions may be imposed more quickly. The legal team overseeing the lawsuit agreement recently approved this proposal and the process is now in place. Finally, the state has instituted a process of triaging clients based on an assessment of their work readiness in an effort to heighten the focus on program engagement.

3. Georgia—DeKalb County

Sanction Policy. Georgia TANF administrators see the purpose of sanctions as encouraging clients to "do what they need to do." Georgia uses a gradual full-family sanction to achieve this purpose. The first instance of noncompliance results in a formal conciliation with no effect on the TANF benefit. The second instance results in a 25 percent reduction in the TANF grant for three months. At the end of three months, sanctioned clients are required to meet with their case manager to renegotiate their employment plan within 30 days or their entire cash assistance case is closed. The third instance of noncompliance results in immediate case closure for at least three months. Subsequent sanctions, which are rare, alternate between a 25 percent grant reduction for

[4] These rates rely on different data sources and may not be completely comparable.

three months and immediate TANF case closure for a year.[5] To cure a sanction, clients must meet with their case manager after the minimum penalty period to renegotiate their employment plan. Clients must reapply for benefits if the sanction resulted in full TANF case closure. No sanctions affect Medicaid eligibility, but when a sanction results in case closure, TANF benefits are no longer considered in calculating the food stamp benefit amount, so food stamp benefits are likely to increase. Very few sanctions are ever imposed, especially third and subsequent sanctions, largely because of the state's formal and informal conciliation processes.

Program Requirements. Georgia has a stringent upfront pre-approval requirement. Work-mandatory TANF applicants who are determined to be job ready are required to participate full-time (40 hours per week) in four weeks of job search activities, but counties can define the structure of those activities. Providers in DeKalb County estimate that about half of all applicants referred to them complete the requirements and are approved for TANF. Once approved, most clients are required to engage in activities that count toward the federal participation rate. In DeKalb County, providers establish minimum participation requirements for their programs (as long as they are at least 30 hours per week) and county staff enforce their requirements. Most providers in DeKalb require 40 hours of participation per week.

Administrative and Staffing Structure. The state Department of Human Resources, Division for Family and Children Services (DFCS) administers the TANF program in Georgia. DFCS case managers handle ongoing eligibility and case management responsibilities for TANF families. They refer clients to a variety of employment and training service providers under contract with DFCS. Clients who did not find employment during their applicant job search are usually referred to one of two contractors that provide intensive job search assistance and clients with disabilities are referred to a third contractor for in-depth assessment and individualized employment services. DFCS hired three full-time community resource specialists as liaisons between DFCS and contracted service provider staff. They share information with DFCS and contractors, and report client nonparticipation to DFCS case managers immediately. DFCS case managers determine when to initiate a sanction and impose it electronically in the case file. As a safeguard to protect clients, supervisors must approve all sanctions to ensure they are imposed appropriately.

Recent Trends and Initiatives. Georgia recently initiated a statewide social marketing campaign entitled, "The Right Work the Right Way," to change the culture of the welfare agency by reeducating administrators, welfare staff, contracted service providers, and clients about the importance of work. The strong message about work, combined with a variety of minor policy changes, has contributed to a 50 percent reduction in the TANF caseload since 2004. At the same time, the state's work participation rate has risen to about 66 percent in FY2006.

[5] After a 25 percent reduction in the TANF grant for three months, clients are required to contact their case manager within 30 days or the TANF case is closed.

C. PARTIAL SANCTIONS

The largest states, California and New York, implemented partial family sanctions with the implementation of PRWORA. In these states, sanctioned clients comprise a substantial proportion of the TANF caseload. In New York, at any given time, about 30 percent of adult TANF and MOE cases include an adult in sanction status—that is, are in benefit reduction status or in the conciliation or fair hearing process. Sanction rates in California were 20 percent among single-parent cases and 13 percent among two-parent cases in October 2006.

In response to DRA, California and New York instituted new efforts to reengage nonparticipants and sanctioned clients. Both states now encourage the use of sanctions as a last resort. In addition, they allocated additional funds to reengage sanction clients or those at risk of being sanctioned. Finally, California eliminated durational sanctions in an effort to reengage clients in federally countable work activities sooner. In the past, a first sanction could be cured immediately, a second sanction resulted in a reduction of cash assistance for at least three months, and a third sanction resulted in a grant reduction for at least six months. Now, clients may cure any sanction at any time and thus return to the numerator of the participation rate sooner than before.

1. California—Los Angeles and Kern Counties

Sanction Policy. Recipients who do not meet program requirements may be subject to a partial sanction involving elimination of the adult portion of the grant. Clients continue to receive food stamps after a sanction is imposed. However, the amount of food stamps is calculated based on the full TANF grant rather than the amount after the partial sanction thus preventing an increase in food stamp benefits as a result of a TANF sanction. A sanction has no affect on Medicaid eligibility. The California Department of Social Services (CDSS) sets all sanction policies to be implemented throughout the state. Counties may implement additional requirements or supports to reengage sanctioned CalWORKs (TANF) clients. To cure a sanction, clients must engage for up to 30 days in the activity that led to the sanction. As a result, some individuals may cure a sanction by attending a one-hour orientation while others must participate in 30 days of job search or work experience.

Program Requirements. State policy requires clients to complete a two-phase pathway of activities aimed at getting a job quickly. Clients begin with 3-4 weeks of structured job search. If the client does not land a job, an in-depth assessment is required to develop an employment plan with the case manager. All non-exempt clients must complete 32 hours of work or work-related activities per week. At least 20 hours must be federally countable activities; the remaining 12 hours may be from a broad list of state defined activities. California, however, offers a broad range of exemptions from work requirements and a broad range of program activities for those with personal and family challenges.

State Administrative Structure. The TANF program in California is called CalWORKs. The California Department of Social Services (CDSS) defines CalWORKs policy and provides guidance and oversight to counties as they administer the program. Counties submit formal plans which CDSS reviews for consistency with state and federal

law. Counties were recently asked to update their TANF plans and describe how they would implement legislative initiatives to increase the state's work participation rates. A variety of additional state agencies (e.g., California Department of Mental Health, California Department of Alcohol and Drug, California Department of Education, and California Community Colleges) administer and provide oversight to specialized services and education programs for CalWORKs clients throughout the state.

a. Los Angeles County

County Administrative and Staffing Structure. The Los Angeles County Department of Public Social Services handles CalWORKs eligibility in 24 offices throughout the county and administers 7 GAIN (Greater Avenues to Independence) offices that handle all case management and work and work-related activity functions. The Los Angeles County Office of Education operates Los Angeles County's job search program and several community colleges provide education and training opportunities for CalWORKs clients. Providers report clients' participation to GAIN case managers, who reengage nonparticipants and initiate sanctions by contacting CalWORKs eligibility workers to impose them.

Recent Trends and Initiatives. Los Angeles County created a home visiting program to engage TANF recipients who have been or risk being sanctioned. The home visit program was part of a larger plan to reduce the sanction rate in Los Angeles County, which is about a quarter of CalWORKs families at any given time. As of the fall of 2006, the county work participation rate was between 25 and 27 percent, far below the DRA standard, though the state recently implemented new participation rate standards so that counties would be held accountable to the DRA standards. In an effort to address clients' personal and family challenges promptly, Los Angeles County is hiring new GAIN case managers to decrease the client-case manager ratios and make it more feasible for case managers to become involved with clients before they stop participating. The current caseloads are about 110 cases per worker and have been as high as 150 cases. GAIN case managers will eventually be assigned 90 CalWORKs clients and will be required to meet with them at least monthly.

b. Kern County

County Administrative and Staffing Structure. The Kern County Department of Human Services (DHS) determines eligibility for CalWORKs applicants and provides ongoing case management. DHS works closely with TANF and workforce investment service providers co-located in the local One-Stop center. These agencies provide employment and training services to most TANF recipients. The County Department of Mental Health, another partner at the One-Stop Center, provides mental health and substance abuse treatment services to TANF recipients as needed. The DHS social worker refers clients to these providers, monitors their participation, and initiates sanctions when necessary. DHS eligibility workers impose sanctions.

Recent Trends and Initiatives. Kern County developed three special initiatives to help clients cure their sanctions and avoid future sanctions. Most sanctioned clients are required to attend a 1½ -hour sanction orientation meeting designed to emphasize the importance of program participation, set an appointment to develop a cure plan with the social worker, and learn about in-house and community resources to address personal and family challenges. Clients may call the sanction hotline to find out when sanction orientation sessions are held during the upcoming week. In addition to the sanction hotline and orientation, DHS created a sanction reengagement team to inform TANF clients about the process for curing their sanction and to identify clients who may qualify for an exemption from the work requirements. County administrators estimate that, during an average month, about one-fourth of the TANF caseload is in sanction status. Kern County has one of the higher county work participation rates at about 55 percent.

2. New York—Suffolk County

Sanction Policy. New York imposes partial sanctions by removing the adult portion of the TANF grant. Unlike California, New York still imposes durational sanctions, with each progressive sanction resulting in a longer minimum sanction period. First sanctions last until program compliance. Second sanctions last at least three months and third and subsequent sanctions remain in place for at least six months. Unless a client is otherwise exempt from Food Stamp employment and training requirements, a partial reduction in the food stamp grant is also imposed when a TANF sanction is imposed. A TANF sanction does not affect eligibility for Medicaid. To cure a sanction, clients are required to contact program staff and indicate a willingness to comply with program requirements and to attend an assessment interview. The state does not require clients to participate for a minimum amount of time to cure their sanction, though local districts have the authority to require clients to demonstrate compliance for a period of time. The longest period of time local districts have required is 10 days. The sanction rates for New York and Suffolk County are 30 and 38 percent, respectively.

Program Requirements. New York state policy requires single-parent TANF recipients to participate in federally countable work activities for at least 30 and up to 40 hours per week, as defined by the local county. Suffolk County requires nearly all clients to participate the full 40 hours a week in federally countable activities.[6] They are typically assigned to job search, work experience, or unsubsidized employment provided in-house or by community partners.

Administrative and Staffing Structure. The Office of Temporary Disability Assistance (OTDA) administers the TANF program in New York. In Suffolk County, the Department of Social Services (DSS) determines initial and ongoing eligibility for TANF recipients while the Department of Labor, divided into four main units, defines clients' program requirements, and monitors their participation in required activities. Clients move

[6] With supervisory approval, clients with a child under age six and a demonstrated hardship may be required to participate fewer hours.

progressively through the first three units – the registration unit (initial intake and orientation), client services unit (assessment and employment plan development), and monitoring unit (monitoring and tracking assigned activities). The noncompliance unit reviews cases referred by the monitoring and tracking unit for noncompliance and initiates the sanction process. A DSS compliance examiner initiates the conciliation process and imposes sanctions. DSS contracts with a community based service agency to re-engage sanctioned clients.

Recent Trends and Initiatives. Suffolk County contracts with a local social service provider to provide outreach to sanctioned clients to encourage them to re-engage in program activities. New York State recently appropriated $15 million statewide for additional outreach to sanctioned clients and those at risk of a sanction. In addition, local program administrators recently shifted their philosophy regarding the use of sanctions in response to the effectively increased work participation rate requirements specified in the DRA. They are now telling local staff to follow up more aggressively with nonparticipants before imposing sanctions. In addition, the state and county require greater leniency with respect to the first instance of noncompliance with good cause. Suffolk County's work participation rate has been fairly stable at 46 percent since spring of 2006.

CHAPTER III

LAYING THE FOUNDATION FOR IMPLEMENTING TANF SANCTIONS: DEFINING AND COMMUNICATING PROGRAM REQUIREMENTS

The primary purpose of sanctions is to encourage TANF recipients to comply with program requirements. PRWORA explicitly defined 12 program activities in which TANF recipients' participation would count toward meeting federal requirements. Nine of those activities were identified as activities in which recipients had to participate for a total of at least 20 hours per week. The remaining three were identified as activities in which recipients could participate for the balance of any required hours. All recipients participating in the requisite activities for the requisite number of hours per week are included in the numerator of the participation rate.

Until HHS promulgated Interim Final Rules as required by the DRA, states had considerable latitude in determining the specific activities that would be considered countable within the 12 defined categories. To standardize what counts as work participation across the states, however, HHS used its rule-making process to clarify the definitions of activities that could count within each of the 12 categories. For instance, the DRA's Interim Final Rules explicitly defined job search and job readiness assistance as activities that involve seeking and preparing for work. They also restricted the definition of community service programs to "structured programs in which TANF recipients perform work for the direct benefit of the community under the auspices of public or nonprofit organizations" [7] and clarified that the definition of vocational educational training excludes basic skills, language training, and post-secondary education leading to a baccalaureate or

[7] Previously, some states had been counting some job search or job readiness activities, participation in substance abuse or mental health treatment and domestic violence counseling, and caring for a disabled household member as community service.

advanced degree. States still have the flexibility, however, to decide what recipients are required to do and may require participation in program activities other than those that count toward the work participation rate. Similarly, although PRWORA explicitly defines the number of hours a recipient must participate in work activities to count toward a state's work participation rate, states can modify those hours by setting either higher or lower requirements for some or all recipients. States that set lower requirements run the risk of low participation rates, however, since only those participating for at least an average of 30 hours per week may be included in the numerator.

Before passage of PRWORA, the federal government defined the types of individuals that could not be required to participate in work and work-related activities.[8] While some states maintained the exemptions that were in place before the advent of TANF, others narrowed the pool of recipients who could be exempt from participating in work activities, and still others required all TANF recipients to participate (i.e., universal participation). Many of those exempted by states from work requirements, though, are included in the denominator of the federal work participation rate.

Before the DRA, calculation of the work participation rate involved some important exclusions from the denominator, which have now been narrowed by the new legislation. Regardless of how states defined who was required to participate or who was exempt, recipients caring for a child under age one (at state option and up to 12 months per lifetime) and those participating in a separate state program (funded with TANF Maintenance of Effort funds) were excluded from the denominator of the work participation calculation before the DRA. In addition, cases in work sanction status were excluded from the denominator as long as they were sanctioned for no more than three of the preceding 12 months. Under the DRA and the accompanying interim final regulation, states retained all the flexibility they previously had to define who would be required to participate in program activities. However, some groups previously excluded from the work participation calculation are now included. For example, recipients in separate state programs funded with TANF Maintenance of Effort funds are now included in the calculation. These may include working families whose grants are paid by the state in order to stop the federal time limit clock or families that have reached the federal time limit on assistance but continue to receive a state grant. Similarly, sanctioned families in which the adult's needs were removed from the TANF grant due to noncompliance with work requirements are included in the calculation. On the other hand, parents caring for a disabled family member are now excluded from the work participation rate calculation.

[8] Exemptions from employment and training requirements were broad and included applicants or recipients who were (1) ill or incapacitated or of advanced age; (2) needed in the home because of another family member's illness or incapacity; (3) the parent or other relative of a child under age 3 who was personally caring for the child; (4) employed 30 or more hours per week; (5) a child under age 16 or attending an elementary, secondary, or vocational school full-time; (6) a woman in at least the second trimester of pregnancy; or (7) residing in an area where the employment and training program is not available. PRWORA passed down to the states responsibility for defining who is and is not required to participate in work activities.

Given that sanctions are imposed for failure to participate in program activities as defined by the state (or by the county if the authority is delegated), a first step in understanding the use of TANF sanctions to encourage participation in work activities is to recognize how a state defines who is required to participate in program activities, what activities they are required to participate in, and how that information is communicated to recipients.

The Current All-Families Work Participation Rate Calculation

The Numerator: *Families that include a work-eligible individual[a] and are participating in countable activities for at least an average 30 hours per week*

divided by

The Denominator: All families on TANF or in separate state (MOE) programs that include a work-eligible individual[a] minus:
(1) families in sanction status for no more than 3 of the previous 12 months
(2) families in which a single custodial parent is caring for a child under age one for a maximum of 12 months

[a] Parents providing care for a disabled family member who (1) is living in the home and (2) does not attend school on a full-time basis are excluded from the definition of a work-eligible individual.

A. DEFINING WHO IS REQUIRED TO PARTICIPATE IN PROGRAM ACTIVITIES

Although five of the study states provided a broad range of exemptions from work requirements before the DRA, none narrowed its exemption policies in response to the DRA, which restricted the categories of recipients who could be excluded from the work participation calculation.

The states included in the study have taken different approaches with respect to exemptions from work participation requirements (see Table III.1). Utah employs a universal participation model; it does not exempt anyone from participation requirements, though the state broadly defines the activities in which TANF recipients may participate. Georgia provides minimal exemptions, requiring all recipients except those caring for a child under age one to participate in program activities. All other states provide broad exemptions, including most of those allowed before passage of PRWORA, though the states have limited the caretaker exemption to those with a child under age one. While states have the flexibility to provide a broad range of exemptions, exempting substantial portions of the caseload from work requirements will have negative consequences for work participation rates.

Despite the importance of the DRA in changing federal rules, none of the states included in this study changed its exemption policy since the passage of the DRA. Changes may still be made, however, since exemption policies are often part of state legislation, and

such legislation may still be enacted. Some states are still in the process of considering the best approach to addressing the needs of TANF recipients who have traditionally been exempt from program requirements and/or excluded from the work participation rate calculation. While one option might be a change in state exemption policies to require more recipients to participate, another might be the creation of solely state-funded programs for specific client groups.

Table III.1. Current Exemptions Across Study Sites

	UT	GA	TX	FL	AZ	NY	CA
Exemption							
Caring for a child under one year of age		X	X		X	X	X
Caring for a child under three months of age				X			
Medically incapacitated			X	X	X	X	X
Toward the end of pregnancy					X	X	X
Caring for an incapacitated family member			X	X	X	X	X
Mental health and/or substance abuse issues			X	X	X	X	
Domestic violence issues					X	X	
Child in school or vocational school for requisite hours			X	X			X
Of older age			X			X	X
Percentage of adult clients exempt in a typical month in 2006	0	21	25	n/a	n/a	30	28

n/a = not available.

While most states in the study allow several types of exemptions and Georgia only one, exemption rates in Georgia are not substantially lower than those in other states. Among states with broadly defined exemptions, exemption rates range from an estimated 25 percent in Texas to 30 percent in New York in a typical month in 2006. Caring for a young child accounts for a substantial portion of exemptions in all study states. In some states (such as California), most exemptions apply to recipients caring for young children; in other states (such as Texas or New York), the primary reason for an exemption is a medical incapacity, though relatively large numbers of clients are still exempt to care for a young child. This explains why in Georgia, where the only exemption is for those caring for a child under age one, the exemption rate is still relatively high at 21 percent in October 2006. Across all sites in the study, average caseload size among TANF case managers responding to the survey of frontline workers was 107 clients, and the average percentage of clients exempt from work requirements was 16 percent.

Some states have created "partial exemptions." These states do not approach exemptions as an all-or-nothing policy but instead recognize that, in addition to clients who should be fully subject to work requirements and those who should not be subject to work requirements at all, a middle group of clients may be able to participate in activities but to a more limited extent than others. Florida, for instance, provides two types of exemptions

(which the state calls deferrals) from work requirements—total and partial. Clients with severe medical conditions may receive a total exemption and are not subject to any work requirements. Clients with mild medical conditions may receive a partial exemption with modified participation requirements based on the recommendations of private physicians who complete forms indicating the types and amount of activities that clients may perform. About half of the clients with medical exemptions have total exemptions, and about half have partial exemptions; all are included in the calculation of the state's work participation rate. All clients with total or partial medical exemptions may be required to attend a bimonthly workshop that teaches clients about workplace accommodations for individuals living with disabilities and helps them identify how they might work with their physical limitations. While other states do not explicitly operate a two-tiered exemption system, some modify hour and activity requirements for clients with certain personal challenges (see Section B).

In all study sites, exemptions must be clearly documented and periodically reviewed.

All of the study sites that grant exemptions require documentation of the reason for exemption. Some rely on the recipient to obtain and provide that documentation. For exemptions involving a physical or mental incapacity or pregnancy, documentation usually requires forms completed and signed by a physician. For instance, in Pima County, all medical exemptions require authorization from a medical doctor, indicating the types and amount of work or work-related activities that the client is able and unable to perform and any recommended work accommodations. Other sites have established internal processes for documenting exemptions. For instance, in Suffolk County, all TANF applicants who are not immediately employable (as determined by a TANF agency employability worker during an initial assessment) are referred to a private contractor for in-depth assessment. The contractor conducts drug and alcohol, mental health, and physical health assessments as necessary. It assists TANF staff in determining whether the applicant is employable (potentially with limitations that can be addressed) and subject to work requirements, temporarily unemployable and in need of a work exemption, or disabled and in need of referral to the Supplemental Security Income (SSI) program.

In all study states exemption status is not permanent but is regularly reviewed and updated. Some states require exemption reviews annually, others more frequently. For instance, in Los Angeles County, employment program staff must review exemptions at least once a year, and certain types of exemptions at shorter intervals. The county's management information system alerts case mangers of exemptions due for review. In Suffolk County, all TANF recipients, regardless of exemption status, must go through an assessment with a TANF agency employability worker (and a private contractor at the worker's discretion) every six months as a condition of continued TANF eligibility. The sole purpose is to reassess clients' conditions and make redeterminations of employability or good cause exemptions. In Pima County, exemptions are reviewed every 30 days and require an updated form from a physician every three to four months.

In addition, some exemptions are defined as temporary at the outset. In Florida, for example, medical problems expected to last fewer than 90 days are considered worthy of a temporary deferral from work requirements for 90 days instead of a total or partial exemption. Temporary deferrals may be granted for mental health and substance abuse issues that are considered temporary but may last longer than 90 days. A physician or licensed psychiatrist must evaluate the client at the 90-day mark to determine whether the deferral should continue. In Kern County, case managers have considerable discretion in granting exemptions or temporary good cause in 30-day increments. They receive a list of more than 50 examples of allowable reasons, including domestic violence, homelessness, mental health conditions, drug and alcohol addiction, incarceration, lack of transportation (only in rural areas), or legal issues. Clients are also allowed a temporary good cause exemption if they need to secure childcare before participating in work activities. If possible, clients are required to provide verification for a temporary exemption, though case managers may still grant temporary exemptions without written verification.

B. DEFINING CLIENT EXPECTATIONS

Half of the study sites implemented more stringent hour requirements than established in the DRA to ensure that recipients who miss some hours of activities still meet the minimum federally acceptable level of participation.

Half of the study sites require work-ready clients to participate in program activities for more than the average of 30 hours per week needed to count toward the federal work participation rate for the month (see Table III.2); two require only slightly more (32 hours), and two require substantially more (40 hours). Some of the other sites inform clients that they must participate for more than 30 hours per week but penalize them only if they participate for fewer than 30. For instance, Pima and Duval counties tell clients that they must participate for 40 hours per week but will accept (and ultimately expect) 30 hours. This permits clients to miss some hours of activities because of unforeseen circumstances such as doctor's appointments or caring for sick children yet still meet the minimum federally acceptable level of participation. In addition, most sites require parents with children under age six to participate for a fewer number of hours per week—typically 20 hours in sites that require 30 hours of other single parents and 30 hours in sites that require 40 hours of other single parents. Further, some sites (such as Pima County) calculate participation hours monthly rather than weekly, providing clients with the flexibility to miss hours in some weeks and make them up in others. In these sites, a client may work 20 hours one week, 40 hours the next, and 30 hours the last two weeks of the month and still meet the participation rate.

The degree to which study sites tailor initial and subsequent activities to meet clients' individual needs varies across sites.

Typically, sites assign clients to a countable activity for at least 20 hours per week and an allowable or other activity for the balance of the required hours. They use one of three basic approaches to determine the specific activities to be included in clients' employment or personal responsibility plans. Figure III.1 presents the three approaches. In the first

approach, sites make no distinction between clients' strengths and challenges at the outset and assign all clients to the same initial activity and same sequence of subsequent activities. In the second approach, clients are assigned to the same initial activity, but then move into different subsequent activities according to their needs and/or interests. In the third approach, the first assigned activity and all subsequent activities vary from client to client depending on the client's level of employability. The first approach is relatively the easiest to implement; it does not require much decision- making on the part of program staff with respect to which activities may be appropriate to client circumstances. The second approach can enable clients to self-sort into subsequent activities based on their success in the initial activity. Typically, the initial activity is a job search. Successful clients move on to unsubsidized employment or perhaps transitional jobs while clients who are not successful in the initial activity may be assigned to an array of more intensive services. The third approach has implications for the timing of employability and other in-depth assessments. To make an appropriate initial-activity assignment, program staff need to understand clients' strengths, challenges, and needs at the outset; accordingly, sites following the third approach generally carry out in-depth assessments early in the program process.

Table III.2. Work Requirements for Adults in Single-Parent Cases

Site	Hours per Week	Typical First or Primary Activity	Other Typical Activities
Salt Lake County, UT	30	Semistructured job search	Broad range
DeKalb County, GA	40	Structured job search	Education and training, work experience
Tarrant County, TX	30	Structured job search	Community service
Duval County, FL	30[a]	Semistructured job search	Community service
Pima County, AZ	30[a]	Unstructured job search	Work experience, education and training, paid employment
Suffolk County, NY	40	Job readiness training	Employment, work experience, education, and training
Kern County, CA	32	Job readiness workshop or assessment workshop	Employment, employment preparation, job placement, education and training, behavioral health services
Los Angeles County, CA	32	Structured job search	Employment, work experience, education and training, job search, specialized supportive services, vocational education/training, employment-related job skills training, work experience (paid and unpaid)

[a]These sites inform clients that they must participate for 40 hours per week but penalize them only for not participating for at least 30 hours per week.

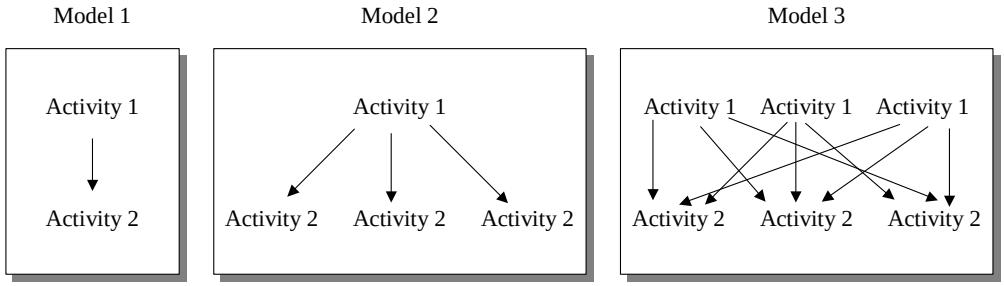
Tarrant County provides an example of the first approach. The county initially assigns all clients to job search activities and then to a community service program called Career

Steps,[9] a program that assists clients in starting on a career path by finding appropriate work in transitional jobs or through community service at a hospital. Clients unable to fulfill all of their work participation hours through Career Steps must participate in core activities for the remaining hours. Duval County is another site that uses the first approach.

Los Angeles County offers an example of the second approach. The typical employment plan begins with a four-week job club program, which consists of job preparation and job search activities but can vary considerably after that. Clients who find employment are required to work 32 hours per week. Clients with no jobs at the end of the job club may take one of four paths: the client may attend some type of school program; the client may enter a work experience program; the client may continue looking for a job, relying on the county's Office of Education or TANF program job developers; or the client may enter specialized supportive services. The only clients who do not go through the job club program are those already enrolled in a self-initiated training or education program or those already employed 32 hours per week.

Kern County provides an example of the third approach. All work-ready clients are assigned to a two-and-a-half-day job-readiness workshop followed by three weeks of a guided job search during which they are required to apply for 25 jobs per week. Clients who are unsuccessful in obtaining employment then complete a comprehensive two-day assessment of their skills, interests, and abilities, with the results informing the assignment of subsequent activities. Clients with personal and family challenges are first referred to a five-day workshop designed to identify mental health, substance abuse, and domestic violence issues. After completion of these initial activities, a social worker and the client develop a formal employment plan that includes the client's ongoing work activities. Assigned activities depend on the client's needs and interests and may include employment preparation, job placement, unsubsidized employment, education and training, and behavioral health services. Other sites that use the third approach include Suffolk County, DeKalb County, Pima County, and Salt Lake County.[10]

Figure III.1. Approaches to Assignment of Work Activities



[9]Clients who have already completed six weeks of job search activities within a fiscal year are assigned directly to Career Steps.

[10] In DeKalb County, however, all TANF applicants go through the same four-week job search program. Once approved for TANF, clients are assigned to activities based on individual needs and interests.

Some sites have developed specific processes—such as periodic assessments or case conferences—to ensure that clients progress rather than stagnate in the same activity for extended periods.

Some sites have developed specific processes for ensuring that clients progress rather than stagnate in the same activity for extended periods. Some sites implement these processes at major transition points—for instance, at the end of a defined job search period—while others implement them periodically throughout a client's participation in the program, or when it is evident that a client is experiencing difficulty in obtaining employment. In Kern and Los Angeles counties, clients undergo an extensive vocational assessment followed by a formal employment planning process if they have not found jobs after three weeks of job search. In Georgia, case conferences take place at least every three months and often more frequently for clients who remain unemployed after participating in required work activities at the assigned provider. During case conferences, the client, case manager, case manager's supervisor, and provider discuss the client's participation and any issues that may be inhibiting the client's progress. Staff may also decide to invite to the conference a domestic violence specialist, mental health specialist, or other professional with expertise in various issues that may pose barriers to the client. The conference may lead to modification of the client's employability plan, and the client may be referred to a new provider that offers a different set of activities or may be better able to address the client's issues. Tarrant and Duval counties, which assign most clients to the same sequence of initial and subsequent activities, do not have formal reassessment or review processes to determine the appropriateness of assigned activities for individual clients.

For clients with difficult life challenges, most study sites allow a broader set of activities than specified in the DRA, but such flexibility affects the calculated participation rate.

Logistical and personal challenges are common among TANF recipients (Pavetti 2002). Respondents to the survey of frontline staff suggested that the most prevalent challenges facing clients in the study sites are childcare problems, motivational issues, and transportation problems (see Table III.3). In addition, a nontrivial share of respondents cited physical and mental health problems as the most common challenges. Previous studies have found that all of these challenges are more common among sanctioned versus non-sanctioned clients (Cherlin et al. 2001; Kalil et al. 2002; Mancuso and Linder 2001; Hasenfeld et al. 2002; Polit et al. 2001).

Table III.3. Most Common Personal Challenges Affecting Participation

	Percentage of Program Staff Reporting Challenge as One of Two Most Common Challenges Clients Face
Childcare problems	42.3
Motivational issues	36.9
Transportation problems	29.7
Mental health issues	16.2
Physical health issues	16.2
Homelessness or housing problems	6.3
Lack of information about program	5.4
Domestic abuse issues	4.5
Child behavioral problems	4.5
Poor education	4.5
Substance abuse problems	3.6
Lack of soft skills	3.6
Sample size	111

Source: MPR survey of frontline workers.

Most of the study sites therefore modify work requirements for recipients with personal and family challenges. The sites allowed adjustments after concluding that some clients with challenges would have difficulty fully complying with participation requirements and following the standard sequence of activities. For instance, Kern County recipients with mental health, substance abuse, or domestic violence issues typically are not exempt from participation but may receive special supportive services, a reduction in required work hours, or assignment to activities other than those that are federally countable or allowable. Their participation requirements are based on recommendations from a licensed professional of appropriate activities and hours given their limitations and abilities and may include treatment and in-depth ongoing assessment. In Florida, a case conference is required to establish an alternative participation plan for clients with non-medical challenges such as domestic violence or severe child behavioral problems. Case managers, supervisors, and external social service providers typically attend the conference. Victims of domestic violence may fulfill their participation requirements by filing court injunctions against their abuser and participating in counseling. Clients with other non-medical challenges may be required to participate in a four-week life skills management program to help them learn to cope with the challenges in their lives. Clients may also be referred to the vocational rehabilitation agency or a local mental health or substance abuse treatment provider.

Some sites use specialized staff to work with clients whose challenging circumstances have necessitated adjustments to their work requirements. In Los Angeles County, for instance, clients who have requested assistance with domestic violence, substance abuse, or mental health issues are transferred to the Specialized Supportive Services (SSS) unit. The SSS worker refers clients to specialized contracted service providers for further assessment and participation planning. SSS workers understand the issues and know the providers well, help facilitate receipt of services, and assist in resolving issues related to accessing or using services. SSS clients may work, but their required weekly hours are largely determined by contractor staff and may be few if they require careful attention and therapy. In Utah, case managers determine the activities and hours required of clients with challenging life circumstances. In Suffolk County, staff or contractors with specialized expertise make decisions about work schedule adjustments.

Extending a broad menu of activities to clients with personal barriers to employment can be a strategy for making a no-exemptions policy feasible. Utah, for example, has balanced its no-exemption policy with substantial flexibility for clients with respect to assigned activities. Generally, work-ready clients are required to participate for 30 hours per week in federally defined work activities. They typically begin with two to three weeks of job search followed by placement in a work experience, vocational education, or training program. However, hard-to-employ clients may be referred to a contractor for assessment, case management, job search and job preparation, and job placement and retention services. Clients with substantial personal and family changes may be assigned to a treatment or crisis counseling program. Those with documented disabilities may be referred to the Choose-to-Work program, a collaborative effort of the TANF and vocational rehabilitation agencies, which offers intensive case management and help with work accommodations. Case managers have the flexibility to include tailored activities in a client's employability plan. For instance, clients with a mental health condition may have attending counseling appointments as the only activity in the plan for a limited period, and a new mother may have attending doctor's appointments and enrolling in a GED program as the central components of her plan.

Modification of work requirements for clients with personal and family challenges affects work participation rates. Hours spent in activities outside what the DRA considers countable or allowable cannot be counted toward the federal 30-hour requirement for single parents. Thus, in the short term, assigning clients to such activities could reduce the work participation rate by decreasing the numerator without simultaneously decreasing the denominator. Often, however, the rationale for assigning clients to such activities is to enable them to address issues that may pose barriers to their participation in countable or allowable activities, thereby making participation in these activities easier in the future. Agencies making the choice to modify work requirements believe that clients with mental health problems who have received counseling or clients with substance abuse issues who have received treatment will be better prepared to participate in work and work-related activities. To the extent that their belief is borne out, modification of work requirements for clients with personal and family challenges can have a positive effect on work participation rates in the longer term.

Modifying work requirements for clients with personal and family challenges also has implications for sanction rates. By modifying work requirements, program staff attempt to place more realistic demands on clients who may be incapable of participating in work activities for 30 or more hours per week. Sanction rates will likely be reduced if clients are better able to meet the modified requirements. Sanction rates may also be reduced because instead of sanctioning a client who is not meeting standard work requirements, case managers have the option to review and modify the client's employment plan to reduce the required hours or to replace the required activities with ones that may be more appropriate given the client's circumstances.

The DRA has not undercut the value study sites place on offering a wide range of activities, though it may be leading some sites to increase their emphasis on federally defined countable and allowable activities. Utah, for example, has been providing an incentive payment of $40 per month since 1994 to TANF recipients who participate in activities that can count toward the federal work requirement for at least 30 hours per week. The state recently increased the incentive payment to $60. In October 2006, about 17 percent of TANF recipients in the central region where the study site visit took place received a bonus payment. In addition, Utah has recently expanded the range of contracted service providers and work placement sites offering federally countable work activities.

Given that case managers often are not trained to recognize mental health, substance abuse, and domestic violence issues, reliance on specialized, credentialed staff and contractors helps TANF program staff identify recipients who may experience difficulty meeting the standard work requirements.

Many welfare offices briefly screen TANF applicants and clients for personal and family challenges that may interfere with program participation. Screening often takes place during standard eligibility and intake procedures, or during the meetings in which clients and case managers develop the client's employment or personal responsibility plan. This approach to screening relies on the skills of case managers—often generalists who are not trained to identify acute barriers such as mental health, substance abuse, or domestic violence issues—to distinguish between clients with and without specialized service needs. Pima and Duval counties are good examples of this typical approach to assessment. In Pima County, intake workers briefly ask clients about their reasons for requesting cash assistance and about personal and family challenges that may interfere with employment. Once a client is determined eligible, employment program case managers conduct a more detailed assessment after an initial orientation session. The assessment, which includes employment plan development and lasts between 60 and 90 minutes, covers basic background information, employability, family needs, and barriers to employment. Duval County evaluates all TANF clients for their education and reading level (with a tool similar to the Test for Adult Basic Education, or TABE) and completes a checklist during program orientation that assesses client job readiness. Then, during an employment plan development meeting, a case manager informally assesses the client by relying primarily on personal skills and knowledge to determine a client's special needs.

Some study sites supplement standard assessment procedures by employing the specialized skills of private service providers. Those sites recognize that case managers may not have the requisite skills and expertise to identify, on their own, clients with substantial personal challenges. Suffolk County, for instance, uses a two-stage process to identify clients with substantial personal barriers to participation—a cursory assessment with a TANF agency employability worker and an in-depth assessment with a specialized contractor, which employs state credentialed alcoholism substance abuse counselors. The contractor conducts drug and alcohol, mental health, and physical health assessments as necessary and assists the TANF agency employability worker in determining whether the client is (1) employable with limitations and subject to work requirements; (2) temporarily unemployable and in need of an exemption; or (3) disabled and in need of an SSI referral. The contractor then refers applicants to treatment programs or back to the employability worker for referral to job search.

In Georgia, the role of the private contractor is to triage clients claiming a disability. Certified SSI advocates employed by the contractor conduct an in-depth three-day assessment by using SSI manuals; skills tests; personal profiles; mathematics, reading, and vocabulary assessments; and other tools. Their specialized skills enable them to distinguish among clients with more and less severe conditions, which traditional TANF program case managers previously were unable to do very successfully. Assessments classify clients into one of four groups: (1) disabled; (2) sick with disabling conditions; (3) sick without disabling conditions; and (4) able to work with accommodations. The contractor walks clients in the first three groups who are likely to be approved for SSI through the entire SSI application process. All other clients, regardless of classification, must participate in job search and a variety of workshops that the contractor offers for five days per week and up to 6 hours per day (for a minimum of 24 hours per week), though specific activity requirements vary among clients.

In California, state law requires counties to administer specialized assessments to clients who do not find jobs through initial job search activities. Specifically, the state requires all counties to assess such clients for potential learning disabilities and to ensure that properly qualified and credentialed staff conduct the assessments. Most counties contract with an outside provider to conduct the assessments. Kern County uses an outside agent to conduct an in-depth examination of clients' capabilities, needs, and vocational potential, and to compile the results into a comprehensive report with recommendations for employment plan development. Areas covered in the assessment include family situation, work history, education, occupational skills, interests, aptitudes, attitude toward and motivation to work, behavior patterns affecting employment potential, family resources and needs, supportive service needs, and personal employment information. Specialized masters-level staff conduct the assessments and compile the results.

Kern County also takes a unique approach to the upfront appraisal the state requires to identify the immediate service needs of newly approved TANF clients. Using a standardized

county guide, social workers conduct appraisals for most clients during home visits.[11] The guide is divided into five broad sections: (1) household (verification of who resides in the home); (2) resources (child care and transportation); (3) education (completed and current education and training); (4) hurdles (mental health, substance abuse, domestic violence, learning disabilities, and criminal history/legal issues); and (5) employment (past and current). Perhaps the greatest advantage of conducting in-home appraisals is that clients often respond to the questions in the guide more openly and honestly when they are in their home versus in the welfare office. In addition, social workers learn a lot by observing clients in their own home. They can often assess who resides in the household, material possessions, living conditions, and other characteristics not addressed in the appraisal guide but that may affect program participation.

C. COMMUNICATING EXPECTATIONS TO CLIENTS

All sites recognize the importance of clearly communicating information to recipients about work requirements, but some sites supplement standard efforts with innovative outreach activities to ensure that messages are heard and understood.

Many TANF recipients do not understand what is expected of them or the penalties for non- participation (Los Angeles County 2005; Hassenfeld et al. 2004; Pavetti et al. 2004; U.S. DHHS 1999; Nixon, Kauff, and Losby 1999; Overby 1998). To address this concern, all of the study sites provide information to clients about work requirements and sanctions at several points and in several formats. At program orientations, which represent the primary venue for such communication, clients usually receive information packets and short handouts highlighting the most important information. They also listen to program staff explain program rules and have an opportunity to ask questions. In addition to orientations, staff use intake interviews, discussions of employment plans, and ongoing case management meetings and telephone calls as opportunities to reinforce information about requirements and sanctions.

Some sites have been particularly innovative in their approaches to communicating with clients and holding their attention during orientations. Orientation in Utah, for instance, includes a PowerPoint presentation that summarizes work requirements, consequences for nonparticipation, and the purpose and structure of the problem-solving process for noncompliant clients. Three slides focus on the consequences of nonparticipation. The first instructs clients that they should call their case manager if they (1) cannot complete an activity in their employment plan; (2) cannot keep an appointment; (3) cannot turn in what the case manager has requested; or (4) have had a change in their situation. The next slide is entitled "What happens if I choose not to do the activities after I have signed the plan?" and explains the problem-solving process and the possibility of consequences for failure to complete the activities in the plan. The final slide describes in detail the consequences for

[11]The appraisal is conducted in the office if the client has received cash assistance within the last three months.

nonparticipation. The use of a visual aid to convey information that is typically presented verbally and/or in writing ensures that recipients with different learning styles have equal access to the information.

Sites with partial sanctions, in particular, supplement standard efforts with additional outreach to ensure that clients hear and understand messages. Partial-sanction sites have considerable incentive to engage in outreach; the more clients understand about sanctions, the more likely they are to avoid them and the fewer clients who are sanctioned, the higher the work participation rates will be. (In full-family sanction sites, in contrast, the more clients who are sanctioned, the higher the work participation rates will likely be since noncompliant clients will be removed from the caseload and thus the denominator of the rate.)

One way that partial-sanction sites conduct additional outreach is through home visits. Los Angeles County, for instance, has established a Home Interview Program (HIP), under which eligibility workers make home visits to help potential TANF clients complete their eligibility applications. The home visits were initially intended to deter fraud, but they now provide potential TANF recipients with information on the county's employment and training program before approval of their application for assistance. Home visitors provide information orally and in writing on program requirements and available services and set up an appointment for the client's initial appraisal and orientation. The aim is to reduce the number of people who fail to show up for the initial meetings. The appraisal and orientation appointment is usually made for one month after the home visit, allowing time for approval of the TANF application and for the family to arrange childcare. During home visits, workers also try to identify clients who may be exempt from work requirements or are already in school or working.

Home visits guarantee that clients receive information about work requirements (though they don't guarantee that clients understand the information). Thus, home visits also may be useful in sites with full-family sanctions where the consequences for nonparticipation are severe. Based on information from MPR's previous study of TANF sanctions, case managers in at least one local TANF office in South Carolina, a state with full-family sanctions, visit newly approved TANF clients in their homes. During the visits, case managers provide an overview of TANF, conduct an initial client assessment, and inform clients verbally and in writing of the program requirements and consequences of noncompliance.

Effective and consistent communication to clients requires staff themselves to have a strong understanding of policy; often, however, they do not.

Clients are likely to respond positively to work requirements and sanction policies only if they understand them, yet the survey of frontline workers suggests that program staff are themselves often ill-informed about such policies. Many staff erroneously believe (1) that certain circumstances might exempt clients from participation requirements or (2) that other circumstances might not exempt clients from participation requirements (see Table III.4). Almost six percent of frontline workers were not aware of the number of hours that single parents of children over age six must participate in work-related activities (see Table III.5).

Many program staff responsible for informing clients about sanctions did not know how a sanction would affect a family's TANF grant or the time a sanction must remain in effect (see Table III.6). There is no clear evidence that the level of staff knowledge about work participation and sanction policies varies across sites or types of sites (e.g., sites with partial, gradual, or immediate full-family sanctions).

Table III.4. Knowledge of Exemption Policies

	Percentage of Program Staff			
	In Sites Where Clients Are Exempt		In Sites Where Clients Are Not Exempt	
Circumstance Potentially Meriting Exemption	Said Exempt	Said Not Exempt	Said Exempt	Said Not Exempt
Clients with very young children	67.3	30.9	38.7	61.3
Parents working a certain number of hours per week	50.0	49.1	38.7	54.8
Clients with disabilities or personal health conditions	89.1	9.1	87.1	12.9
Clients caring for family members with disabilities	90.0	8.2	96.8	3.2
Clients beyond a certain point in pregnancy	87.3	11.8	35.5	61.3
Clients with domestic abuse issues	80.0	14.5	54.8	35.5
Clients with severe personal and family challenges	78.1	18.2	67.7	29.0
Sample size	141			

Source: MPR survey of frontline workers.

Table III.5. Knowledge of Work Requirements

Accurate or Inaccurate Staff Statements in Survey Responses	Percentage of Program Staff
Said correct number of hours required per week	70.2
Said fewer hours than required per week	13.0
Said more hours than required per week	11.2
Did not know number of hours required per week	5.6
Sample size	161

Source: MPR survey of frontline workers.

Table III.6. Knowledge of Sanction Policies Among Staff Responsible for Providing Information About Sanctions to Clients

Issue Related to Sanction Policies	Percentage of Program Staff	
	Generally Knowledgeable [a]	Not Knowledgeable
The effect of a first sanction on TANF grant	90.0	10.0
The effect of a second sanction on TANF grant	82.3	17.7
The effect of a third sanction on TANF grant	76.2	23.9
Minimum time a first sanction must remain in place	49.2	50.8
Minimum time a second sanction must remain in place	66.9	33.1
Minimum time a third sanction must remain in place	63.1	36.9
Length of time clients must participate in activities to end a sanction and receive full benefits again	60.8	39.2
Sample size	130	

Source: MPR survey of frontline workers.

[a] Staff who are "generally knowledgeable" understand the policy completely or understand the basic features of the policy but not the details as defined by specific criteria (for example, know that a first sanction reduces the TANF grant by a certain percentage, but do not know what the correct percentage is; or know that there is a minimum period of time a first sanction must remain in place, but do not know what the correct period of time is).

These findings suggest that additional staff training on work requirements, exemptions, and sanction policies and procedures may be warranted in TANF programs across the country. The sites in the study typically conduct training for new frontline workers or all local program staff only after the introduction of significant policy changes. States often provide training to regional directors or local office administrators or supervisors who then must convey the information to subordinates via memoranda or in-person meetings. It is possible that information is lost or misinterpreted as it is conveyed. Previous research, which suggests that staff with more work experience more thoroughly understand sanction policy and the implications of sanctions, also underscores the need for training among workers with less experience in particular (Los Angeles County, 2005).

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CHAPTER IV

IDENTIFYING AND ADDRESSING NONCOMPLIANCE: PARTICIPATION MONITORING AND CONCILIATION PRACTICES

Given that work activities are designed to help clients get and keep jobs, compliance increases clients' likelihood of future labor market success. To ensure that clients comply with program requirements, TANF agency staff closely monitor clients' participation in required activities. When staff identify participation problems, they take a range of factors into consideration in deciding how to address the issue. In some cases, they may immediately initiate a sanction as a means of motivating clients to participate. In other cases, they may attempt to gather more information about the reasons for participation problems and then help clients comply more fully. This chapter examines different approaches to monitoring and documenting clients' participation and to addressing noncompliance.

A. MONITORING PARTICIPATION

Once clients know what is expected of them, TANF staff must then monitor participation so that clients meet the program requirements. Monitoring participation is integral to promoting program compliance. In a study of pre-welfare reform employment programs, Hamilton and Scrivener (1999) found that programs that monitor clients' activities closely achieve higher participation rates than programs that do not. To hold clients accountable, program staff may either initiate sanctions to encourage participation or remove noncompliant clients from the TANF caseload.

Participation reports are a critical source of information for identifying noncompliant clients.

Sites regularly and systematically document clients' participation. The process includes gathering clients' participation hours at least monthly, though often weekly, and entering reported data into a centralized management information system. Data may include client

timesheets, contracted service providers' tracking reports, school transcripts from education and training programs, attendance sheets from work site supervisors or community partners, and pay stubs from employers or any combination of sources. Some sites allow clients, especially employed clients, to mail or fax their participation hours; in-person data submission is not always convenient for the client. Case managers or other designated staff enter the data into a state monitoring and tracking system that generates participation reports.

Case managers review participation reports to identify noncompliant clients. Findings from the staff survey confirm that case managers largely rely on attendance records and participation reports to make sanction decisions. Among those surveyed, 9 out of 10 case managers said that they use written attendance records, and more than three-fourths review computerized participation reports (see Appendix C). Of those using attendance records and participation reports to make sanction decisions, nearly all found the records and reports useful.

The utility of participation reports depends in part on the frequency with which case managers receive them. In some sites, case managers receive participation reports monthly and in others weekly. In Utah, however, participation reports are available to case managers at all times. The state created a new Web-based management information system called YODA (Your On-line Data Access) that allows case managers to monitor the work participation of each of their cases in real time. Program administrators, supervisors, and front-line staff can view clients' participation hours and activities from their workstations at any time. Case managers use reports from the system regularly to identify those meeting the federally defined work participation rates and to alert them to clients in need of reengagement. Supervisors also use reports from the system regularly to hold case managers accountable for assigning clients to appropriate work activities and hours and monitoring their ongoing program compliance.

In addition to identifying noncompliance, case managers use the information in participation reports to determine the next steps for handling a case. For clients satisfying some but not all participation hour requirements, case managers often contact them by telephone or mail an appointment letter to obtain more information before initiating the sanction process. For blatant and continuous nonparticipation, case managers may initiate the sanction process immediately based solely on the information in the participation reports. Obviously, case managers cannot serve clients who never show up; therefore, they often use the sanction process to bring such clients into the office. According to the survey of frontline staff, case managers initiate sanctions most often for clients who never participate once they are deemed eligible for TANF (see Appendix C). Case managers speculate that such clients learn what is required of them and then decide to rely on other sources of income (e.g., family, boyfriend/girlfriend, disability insurance) rather than comply. Some, they fear, may have legitimate reasons for nonparticipation but do not report the reasons to program staff.

Since clients report their participation to those serving them, clients may report to sanction decision makers directly or indirectly through contracted service providers.

Clients report their participation directly to those serving them. Sites define reporting paths in accordance with the service delivery structure. Clients may be assigned to employment and training services provided either in-house or by community providers such as contracted service providers, vocational and educational training programs, or specialized treatment providers. When services are provided in-house, clients report directly to case managers, who are typically responsible for deciding whether to initiate sanctions. When referred to an outside community provider, clients report to the provider, which then relays information to the case manager. If case management responsibilities are broadly defined to include ongoing monitoring, then clients referred to a community provider may also be required to report both to the provider and to their case manager (see Figure IV.1).

Direct Reporting. Clients referred to in-house employment and training services report directly to case managers, who are authorized to make sanction decisions. Duval and Pima counties rely exclusively on case managers and in-house employment and training staff to serve TANF recipients, monitor and track participation, and initiate sanctions. In these sites, case managers have at least weekly contact with clients when clients submit their participation reports. In addition, case managers meet with clients at least monthly, so that clients can provide a detailed account of their progress and discuss conditions that may interfere with participation. Case managers may use the monthly meetings to resolve difficult situations and reassure and motivate the client. Direct reporting and ongoing monitoring permit the development of personal relationships between case managers and clients.

Indirect Reporting. In sites that rely on community providers for employment and training services, clients report participation indirectly to sanction decision makers through their providers. In Suffolk, Los Angeles, and DeKalb counties, contracted service providers or community partners work with TANF clients to help them get and keep jobs. Clients report their hours and activities to the providers, which in turn report at scheduled intervals to welfare agency staff. Providers also may initiate special reports sooner for noncompliant clients. There are three ways that providers may report to welfare agency staff: directly to case managers, to liaisons at the welfare agency, and to specialized monitoring units.

In Los Angeles County, clients report to providers, which then report to case managers. Case managers and clients first interact when they develop clients' employment plans. Case managers then assign clients to contracted service providers, General Educational Development (GED) or English as a Second Language (ESL) providers, and community colleges, among others, each of which is responsible for monitoring and reporting client participation. After that, case managers meet only with clients who become noncompliant.

In DeKalb County, contracted service providers monitor clients' participation in work activities and submit attendance sheets daily to specialized TANF agency staff called community resource specialists. Three community resource specialists serve as liaisons between case managers and contracted service providers. Each community resource

specialist works with a specific set of providers. In addition to receiving daily participation reports from providers, they visit providers several times a week to collect more detailed information about clients with personal and family challenges and to problem-solve directly with clients. While on site, they often meet with clients to re-engage them or strengthen their commitment to participate. The specialists relay information about clients' circumstances to case managers and immediately inform case managers when a client stops participating, allowing case managers to act quickly. Rapid action prevents issues from remaining undetected or ignored due to lags in communication between providers and case managers.

In Suffolk County, specialized units handle case management functions such as employment plan development, monitoring, and sanction responsibilities. There are five units that monitor participation defined by the type of program activity to which clients are assigned (e.g., work site, employment, school, job search, and medical tracking). Community providers serving clients report to one of the five monitoring units. The monitoring units transfer all clients failing to complete their required hours to the noncompliance unit, which initiates the sanction process.

Direct and Indirect Reporting: A Hybrid Approach. Access to a mix of in-house and contracted service providers expands clients' service options but sometimes duplicates reporting to the sanction decision maker. Case managers in Kern, Tarrant, and Salt Lake counties have primary responsibility for case management but rely on a combination of in-house services, contracted service providers, and community partners to deliver employment and training services. Clients report directly to case managers and to service providers if so assigned. Providers also report clients' participation to case managers, who may use the information to verify clients' reported hours. In each of the three sites, case managers carry small caseloads and are required to work intensively with individual clients. Community providers also work closely with clients. While monitoring efforts are sometimes duplicated, clients receive ongoing support from several sources.

To avoid delays with indirect reporting, sites may require contracted service providers to report nonparticipation immediately.

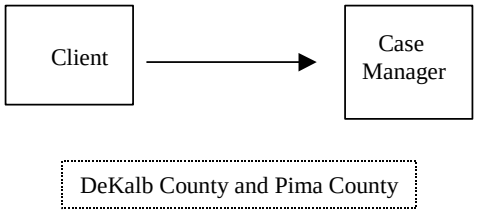
Reliance on community partners as providers expands the resources available to welfare agencies, but it also demands coordinated reporting. Three-fourths of the sites rely on contractors as primary or supplementary providers of employment and training services or specialized treatment (e.g., mental health, substance abuse treatment, domestic violence). Contractors and other community-based agencies are active partners in documenting client participation. Contracts or formal agreements define how, when, and what providers report. At a minimum, providers regularly submit a written or electronic report summarizing clients' participation hours and activities within a designated period.

Despite the advantages of the involvement of community partners, relying exclusively on providers' regular participation reports may delay consequences for nonparticipants. Nearly all providers submit participation reports at least monthly. As a result, clients who stop participating at the beginning of a reporting period may remain noncompliant for several weeks before a case manager is aware of their noncompliance. Delayed

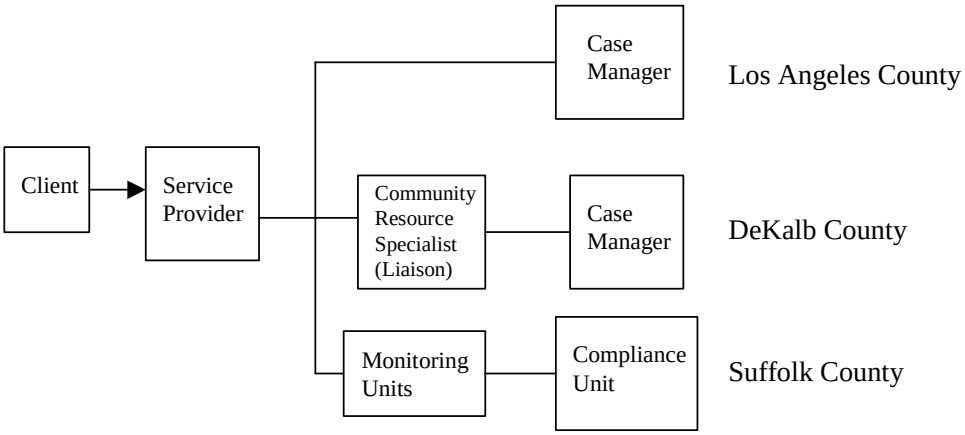
consequences may reduce the effectiveness of sanctions in motivating clients to participate. Some sites take additional steps to identify nonparticipants sooner.

Figure IV.1. Direct and Indirect Reporting to Sanction Decision Makers

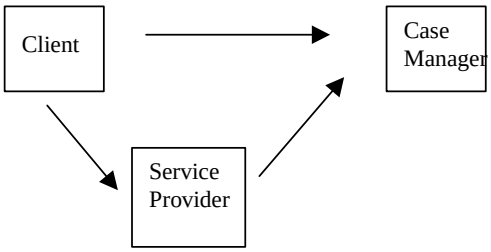
Direct Reporting to Case Manager



Indirect Repor ting to Case Manager



Direct and Indirect Reporting, a Hybrid Approach



Tawant County, Kenn County, Salt Lake County

To avoid delayed consequences, providers may be required to notify case managers immediately when clients are noncompliant. For example, Kern County included very specific language in its contracts with providers to encourage timely notification of nonparticipation. Provider staff have three business days to notify the case manager verbally if a client fails to appear. Provider administrators and staff said that the three-day provision motivates them to report nonparticipation quickly in order not to jeopardize the status of their contracts. "We have no room for error," said one provider administrator who understands the provision's potential repercussions.

Reporting nonparticipation as it occurs allows case managers to re-engage clients or impose consequences quickly. To focus clients' attention on their nonparticipation status, case managers may immediately contact nonparticipants and/or initiate the sanction process. With full participation a high priority, re-engagement efforts may encourage clients to comply fully or motivate them to leave the TANF caseload.

When caseloads are high, case managers in sites with indirect reporting often do not become aware of clients' personal and family challenges until clients become noncompliant.

Caseloads are high in each of the sites with indirect reporting. In Suffolk County, workers in the monitoring unit are responsible solely for monitoring the participation of clients in various work activities but each staff member is responsible for a large number of clients. Two workers are responsible for monitoring the participation of the 500 clients assigned to work experience. Worker-to-client ratios range from 1 to 65 for clients enrolled in educational programs to 1 to 700 for clients who are employed. While other individuals involved with the case, such as worksite supervisors, may report noncompliance immediately to the monitoring unit, the monitoring unit generally will not become aware of noncompliance quickly unless these other individuals take it upon themselves to report it. In Los Angeles County, caseloads range from 110 to 150 per case manager. While case managers spend most of their time reengaging nonparticipants, they are also responsible for developing employment plans and monitoring participation. County administrators are hiring additional staff to reduce the worker to client ratio to 1 to 90. Case managers in DeKalb County handle an average of 60 cases, but are responsible for ongoing eligibility for TANF, food stamps, and Medicaid assistance as well as regular case management.

With high caseloads or workloads, case managers often are able to identify and address clients' personal and family challenges only after a finding of noncompliance. This is consistent with findings from previous studies that large caseloads are significantly associated with higher sanction frequencies (Los Angeles County, 2005). In each site with indirect reporting, case managers' limited ongoing interaction with clients reduces opportunities to learn about client difficulties. Nonetheless, by addressing barriers after clients become noncompliant, case manager target resources to the most problematic conditions.

In the absence of information on personal and family challenges, case managers typically rely on participation reports alone to make sanction decisions. Since information about the client is limited, decisions are mostly mechanical and objective. Failure to engage in the required hours of work activities immediately triggers the sanction process.

When case managers are aware of clients' personal and family challenges, they have much more information on which to base sanction decisions.

Frequent interactions made possible by small caseloads and direct reporting cultivate personal relationships between case managers and clients. Small caseloads of fewer than 100 clients allow case managers to expand the range of information they gather to include personal and family circumstances, participation patterns, and clients' attitudes and behaviors. Most sites with direct reporting keep caseload sizes between 30 and 70 clients per worker. In such sites, case managers who make sanction decisions meet with clients frequently and regularly, especially clients with serious and persistent personal and family challenges. Some clients disclose personal information to their worker as it relates to their ability to participate and get a job. At the same time, case managers may observe behaviors and/or attitudes potentially indicating that undisclosed barriers may interfere with participation (e.g., drug or alcohol use, learning disabilities, limited functioning).

During interactions, case managers may find ways to identify and address barriers before they interfere with participation. Depending on the severity of the barrier and the flexibility of program requirements, case managers may encourage clients to obtain documentation for an exemption, or they may adjust client employment plans or refer clients to specialized services. For example, case managers in Utah may refer clients with mental health conditions to an in-house social worker for a clinical assessment and mental health treatment covered by TANF or Medicaid funds. For those in treatment, case managers may temporarily reduce required participation hours and count treatment as an activity. In Kern County, all clients are encouraged during TANF program orientation to disclose drug or alcohol addictions to their case manager. In instances of disclosure, case managers refer clients to CalWORKs Behavioral Health Services. In Tarrant County, welfare recipients with barriers may be referred to specialized services provided by community organizations that are under contractor to the entity that operates the Workforce Center (or One-Stop Center).

Case managers who know their clients well generally consider a wide range of factors when deciding to impose a sanction. Case managers may refrain from sanctioning clients facing personal and family challenges. They also may delay a sanction or excuse missed hours if the client has participated consistently in the past or they recognize that a sanction will create family hardship (see Appendix C). In addition, case managers consider their personal relationship with the client. For example, they may deem a client cooperative and responsible if, when faced with a scheduling conflict, the client calls the case manager to reschedule an appointment rather than skipping it without notice.

B. Conciliating with Nonparticipating Clients Before Sanctions are Imposed

Once case managers determine that a client's nonparticipation warrants a sanction, they must take the necessary steps to begin the pre-sanctioning process. Across the study sites, pre-sanctioning processes ranged from sending standard notices of an impending sanction to extensive outreach efforts to re-engage clients in work activities before imposing the

sanction. When these efforts succeed, clients maintain their benefits and program participation rates do not suffer. When these efforts do not succeed, a sanction may be inevitable.

Notifying clients of impending sanctions provides clients with one final opportunity to present evidence of good cause for noncompliance.

As standard procedure in all sites, clients receive an official written warning of an impending sanction and are given a final opportunity to remedy noncompliance and avoid a sanction. Warnings are typically notices sent to clients through the mail. They inform clients that a sanction will be imposed unless they respond to the notice within a specified period (typically 10 to 20 days). In some sites, clients are considered to have responded to the notice and can temporarily avoid a sanction if they simply contact their case manager. In other sites, clients must demonstrate good cause for nonparticipation in order to avoid a sanction. Most sites automatically impose sanctions on clients who fail to respond to the letter in the specified manner within the specified period.

Documented reasons for noncompliance may delay or prevent a sanction. Findings from the survey of frontline staff indicate that case managers refrain from sanctioning a nonparticipant facing physical and mental health problems, dealing with domestic abuse, caring for a disabled family member, or experiencing homelessness or other housing problems, among other reasons (see Table IV.1). In most of the sites, clients must have documentation (for instance, from a physician or licensed professional) to be excused for nonparticipation for these reasons and thereby avoid a sanction. To provide guidance to program staff, many sites develop formal lists of all the circumstances that constitute good cause. However, unless exempt from work requirements, clients with documented barriers may be sanctioned if they do not take steps to address their conditions.

In addition to standard sanction warning notices, outreach to clients through letters, telephone calls, or home visits can help ensure that clients receive critical information about impending sanctions.

Some sites conduct additional outreach to clients because they have learned that standard sanction warning notices alone are often insufficient to elicit a reaction from clients. Many clients do not immediately heed or even understand the message in the notices. Previous research supports this observation. Hasenfeld et al. (2004) found that recipients were far more likely to understand the rules governing sanctions in localities that invested resources in counseling recipients on sanction-related issues than in localities in which staff communicate with recipients primarily through formal notifications. Thus, sites attempt to deliver messages about sanctions to clients through other methods such as specialized notices, telephone calls to clients and other parties involved in a client's case, in-person meetings with clients, and even home visits. The rationale for additional outreach is generally twofold. First, it acts as a safeguard to ensure that clients do not face undue hardship if they need extra time to comprehend the consequences of their nonparticipation and what they must do to remedy it. Second, it serves as documentation that program staff have done everything possible to reach the client and to avoid a negative action on the case,

and that a sanction is justified. Such documentation can be important evidence in defense of the TANF agency during the sanction appeals process.

Table IV.1. Personal and Family Challenges Considered in Sanction Decisions

Personal or Family Challenge	Percent of Workers who Have Refrained from Sanctioning a Nonparticipating Client with Challenge
Physical health issue	78.4
Mental health issue	75.7
Domestic abuse issue	72.1
Need to care for a disabled family member	68.5
Homelessness or housing problem	68.5
Substance abuse issue	65.8
Child care problem	57.7
Child behavioral problem	54.1
Transportation problem	48.6
Legal problem	44.1
Another reason	5.4
Death in the family	1.8
Sample size	111

Source: MPR survey of frontline workers.

Note: Fifty of 161 survey respondents are not responsible for initiating sanctions and thus were not asked this question.

Nevertheless, additional outreach does not guarantee that messages about impending sanctions will reach clients (see Table IV.2). Some staff who are required to conduct outreach activities do not have time to do so and even if they do, clients are often unavailable by telephone and do not attend scheduled meetings with program staff. Home visits can be particularly difficult. Substantially fewer staff who are required to conduct home visits attempt to do so relative to other outreach responsibilities; and, those who do attempt home visits often are unable to reach clients at home.

Table IV.2. Activities Required Before Sanctioning

	Percent of Staff					
		Among Staff Required to Conduct Activity, Frequency of Follow-Through[a]				
Activity	Required to Conduct Activity	All of the Time	Most of the Time	Half of the Time	Some of the Time	None of the Time
Send a standard sanction notice	62.1	89.0	6.0	1.0	0.0	3.0
Send other letters to clients	49.7	58.8	16.3	15.5	5.0	2.5
Telephone clients	51.6	72.3	21.7	6.0	0.0	0.0
Able to reach clients by phone	--	3.6	19.3	55.4	21.7	0.0
Meet with clients in the office	50.3	67.9	17.3	7.4	3.7	3.7
Able to get clients to attend	--	1.3	25.6	43.6	26.9	0.0
Conduct home visits	37.9[b]	31.1	16.4	21.3	11.5	9.8
Able to reach clients at home	--	3.3	13.1	31.1	26.2	0.0
Sample size			161			

Source: MPR survey of frontline workers.

[a] "Most of the time" was defined as 75 percent of the time, and "some of the time" was defined as 25 percent of the time. For some activities, the frequency does not sum to 100 percent. The remaining responses were "don't know."

[b] Just over 17 percent of staff reported that they themselves were responsible for conducting home visits, and just over 20 percent reported that other staff members were responsible for conducting home visits.

To maximize the chances that program staff successfully convey to clients messages about impending sanctions, most sites that conduct additional outreach make several attempts to contact clients. For example, Los Angeles County requires employment and training case managers to mail clients a notice instructing them that they must participate in a cause determination meeting to avoid a sanction. Case managers attempt to telephone clients both before and after sending this notice. They make two to three telephone calls at different times during the day to cover all the times that clients may be at home. Case managers in the Specialized Supportive Service unit—which handles clients with substance abuse, domestic violence, and/or mental health issues—make even more efforts to contact clients through a combination of letters and telephone calls. In Arizona, case managers send three to four notices to clients over a four-week period before imposing sanctions. This ensures that clients have ample opportunity to establish good cause and indicate a willingness to resolve participation issues and comply with program requirements. However, many program staff believe that, while notification procedures protect clients' due process rights, repeated communication suggests to clients that there is no urgency to comply.

In an attempt to determine the reasons for noncompliance, resolve participation issues, and ensure future compliance, many sites go beyond routine outreach practices and work actively with clients before imposing sanctions.

Some sites have established formal processes that provide clients with an opportunity to address participation issues and conciliate impending sanctions. Typically, discussions between noncompliant clients and program staff about participation issues occur informally and during impromptu telephone or in-person conversations. In the absence of specific procedures for addressing participation issues before a sanction, the likelihood of any dialogue between client and case manager often depends on the client-case manager relationship. Establishing a protocol can ensure that all noncompliant clients have the same opportunities to present evidence of good cause for their nonparticipation and/or to work with program staff to resolve barriers to participation and develop a plan for future compliance. Four of the study sites have established well-defined conciliation processes that extend well beyond client-case manager discussions.

1. Conciliation During a Two-Phase Problem-Solving Process: Utah

Utah's conciliation process is designed to give nonparticipants ample opportunity to identify and resolve issues before the imposition of sanctions and to maintain protections for clients in the wake of pressure to achieve higher participation rates. The process is organized into two phases. The first phase is a meeting between the client, case manager, and a social worker. The purpose is to determine why the client is not participating and whether reasonable cause exists, to identify necessary supports and resources for the client, to revise the client's employment plan if necessary, and to reiterate to the client the consequences for continued nonparticipation. If a client fails to attend the meeting or does not follow through with the employment plan after the meeting, the problem-solving process progresses to the second phase. The second phase involves a case conference to reconsider whether reasonable cause for the client's nonparticipation exists and to inform the client that, in the absence of reasonable cause, the TANF grant will be reduced and possibly terminated. Case managers initiate a sanction in the management information system for all clients who do not attend the conference or do not participate in activities after the conference, and eligibility workers follow-up to ensure that the TANF benefit is reduced or terminated.

In addition to case managers and social workers, the conciliation process usually involves a variety of other program staff. Often, case management supervisors and community partners participate in the phase-one meeting. The client's case manager, a supervisor or lead case manager, and a social worker involved with the client must participate in the phase-two case conference. However, staff from the child welfare agency, employment service providers, adult probation officers, community action program staff, and mental health therapists may also be invited to attend. Based on information from MPR's previous study of TANF sanctions, some TANF offices in Illinois also involve a variety of staff in the conciliation process including employment services staff and community partners.

The inclusion of a wide variety of staff in the problem-solving process serves several purposes. First, it lends different perspectives on how best to assist the client in resolving participation issues and identifying the supports that might be available to the client. Second, it ensures that several people review a case before it is closed. As previous studies have illustrated, when case managers apply personal discretion when making sanction decisions they sometimes make different decisions for cases with similar circumstances (Hassenfeld et al. 2004; Los Angeles County, 2005; Berkley Planning Associates, 2004; Wisconsin Department of Workforce Development, 2004). Including other staff in the process provides a check on the decisions of case managers, who have substantial discretion in initiating the problem-solving process. Third, it ensures that clients have an opportunity to be heard broadly beyond their case manager and the case manager's immediate supervisor. When clients are informed of the date and time of their case conference, they also are advised that they may invite others outside the TANF program context—such as family, friends, other agency workers, or their clergy—to the conference. They are specifically encouraged to invite those who support them in their pursuit for self-sufficiency.

Key Features of the Conciliation Process—Utah

- *A variety of staff participate in the conciliation process to (1) help identify potential barriers and develop plans to resolve them and (2) ensure that staff not involved in recommending the sanction help determine whether the sanction is justified.*
- *All staff participating in the conciliation process must be knowledgeable about the client's circumstances in order for their participation to be useful.*

All staff participating in the problem-solving process exert considerable effort to familiarize themselves with the client's case so that they can contribute to the process in a meaningful way. All TANF program staff have electronic access to case notes entered by other program staff in the automated case management system. Anyone involved in the problem-solving process can fully examine the notes. All relevant staff then meet with each other internally before the phase-one meeting with the client. During the internal meeting, staff may identify and clarify inconsistencies in the client's required hours and activities and share information about potential barriers the client may be facing. Before the meeting, the case manager may make home visits to the client, particularly if the client has not responded to any recent communication or is exhibiting drastic behavior change (e.g., a client who has participated fully for months suddenly stops participating).

2. Conciliation During Mediation Sessions: Suffolk County

Conciliation activities for nonparticipation in Suffolk County take the form of a mediation session between the client and county staff. An examiner from the Department of Social Services (DSS) Compliance Unit (responsible for imposing sanctions) and a mediator (a county staff member with the title of case manager) conduct the meeting with the client. Clients are notified of impending sanctions by letter, which requires them to contact the DSS Compliance Unit within 10 days. Meetings are typically scheduled within

three days of the client's call, last about 15 to 20 minutes, and take place in a mediation room at the central DSS office. The room is equipped with a computer that provides staff with access to the county's two integrated automated management information systems. A high percentage of clients respond to the Compliance Unit's letter and attend conciliation meetings. If a client fails to contact the DSS Compliance Unit within the required 10 days, the unit follows procedures to impose a sanction on the 11th day.

To create a relaxed atmosphere and avoid confrontation between the client and the staff member who recommended the sanction, employment services counselors do not participate in the conciliation meeting. Rather, they transfer all case files and documentation to the Compliance Unit for review and are available to talk with unit staff about the details of the case. The meeting provides an opportunity for the client to present his or her side of the story and evidence of good cause; at the same time, the county weighs the evidence and decides whether a sanction is warranted.

Key Features of the Conciliation Process—Suffolk County

- *Excluding from the conciliation meeting the staff member who recommended the sanction creates a relaxed atmosphere and avoids confrontation during the meeting.*
- *Accelerating the conciliation process—by making and acting on sanction decisions quickly and by conducting conciliation meetings frequently—helps increase participation rates.*
- *Leniency in the acceptance of good cause for noncompliance helps reduce sanction rates and increase participation rates.*

The conciliation meeting results in one of two possible outcomes. Compliance Unit staff may either rescind the request for a sanction or impose the sanction. All decisions to rescind a request for sanction require supervisory approval. Given that supervisors are located on site at the central DSS office, staff are able to obtain immediate approval. If staff decide to proceed with the sanction, the Compliance Unit examiner follows procedures to impose the sanction in the county's management information system on the day of conciliation or, at the least, within a few days.

To increase its participation rate, the county has attempted to expedite the conciliation process. Staff used to take a few days to weeks to make a sanction decision based on the conciliation meeting and used to notify clients of the decision by mail. Now, staff make the decision on the spot so that, in the case of a rescinded request for sanction, a client can re-engage in program activities immediately. The mediator physically walks clients back to an employment services supervisor who then escorts the clients to an employment services counselor for re-engagement in activities then and there. In addition, the county recently increased the number of days on which it conducts conciliation meetings in order to

accelerate the conciliation process and reduce the time between the identification of nonparticipation and resolution of a case (either through re-engagement or sanction).

In response to the DRA, the county recently instituted a "one strike" rule that permits staff in the conciliation meeting to accept a good-cause excuse for noncompliance one time only without requiring documentation from the client. Previously, staff required hard documentation from the client before accepting any good-cause excuses. The change reflects an effort to avoid an abundance of sanctions and thereby increase the county participation rate. Anecdotally, according to Compliance Unit staff, about 60 percent of sanction requests are now rescinded as a result of the conciliation process. Staff estimate that, before enactment of the "one strike" rule for good cause, about 20 percent of sanction requests were rescinded.

3. Conciliation During Compliance Planning Meetings: Kern County

The goal of conciliation activities in Kern County is to determine the activities for which the client is suited and to create a written plan for the client's return to compliance. Kern County staff must schedule a cause determination appointment with all nonparticipating clients to determine whether a client can establish good cause for nonparticipation. If the client has a documented good-cause reason for nonparticipation, the case manager may terminate the sanctioning process. If the client cannot establish good cause, the client and case manager must work together during the appointment to develop a welfare-to-work compliance plan.

Key Features of the Conciliation Process—Kern County

- *Development of a compliance plan distinct from the original employment plan identifies the activities in which clients must participate in order to avoid a sanction.*
- *Unlimited opportunity to conciliate impending sanctions protects clients from potentially undue sanctions but also may reduce the potential effect of sanctions on client motivation.*

The compliance plan is distinct from the client's original employment plan in that it specifies the activities in which the client must participate specifically to avoid a sanction. Clients are required to complete the activities in their compliance plan in order to move out of the pre-sanction process. If an assigned activity lasts longer than 60 days, the client must participate for at least 60 days in order to move out of the pre-sanction process. In the absence of obvious reasons explaining why a client would not be able to complete the activities in the original employment plan, the compliance plan almost always includes the activity in the original employment plan that is associated with the client's noncompliance. However, activities that may be more reasonable for the client to accomplish or that may be useful for the client's continued participation may be included in the compliance plan in addition to or instead of the original activities. Examples include completing an assessment to identify and address social service needs or consulting with a professional regarding

potential mental health or substance abuse issues. In addition, the case manager may modify the client's original employment plan if the client reveals personal and family challenges previously not considered. Nevertheless, case managers impose sanctions for clients who fail to complete the specified activities in their compliance plan (or 60 days of participation in activities anticipated to last more than 60 days).

Clients have unlimited opportunity to conciliate impending sanctions. If a client completes the compliance plan and then once more stops participating in program activities, the conciliation process begins again. This arrangement provides clients with extensive protections against undue sanctions and ample opportunity to discuss how to engage more fully in program activities. Some program staff believe, however, that the freedom to engage in the conciliation process time and time again reduces the potential effect of sanctions on client motivation. For instance, when clients do not comply with the assessment process before their assignment to activities, completion of the assessment process itself may be the only activity included in their compliance plans. Often clients complete the assessment but then never participate in activities, thereby triggering the pre-sanction process again rather than swifter or more severe consequences.

4. Conciliation During Compliance Planning Meetings and Home Visits: Los Angeles County

In 2005, Los Angeles County began a home-visiting program that focuses primarily on outreach to and conciliation with nonparticipating clients before imposition of a sanction. When case managers identify noncompliance, they mail a letter to clients notifying them of a cause determination appointment. The purpose of the appointment is to determine whether a client can establish good cause for not participating in program activities and, if not, to develop a compliance plan. The case manager then notifies a home visit worker to mail an additional letter advising the client that a home visit will occur one day after the cause determination appointment if the client does not attend the appointment. Home visitors call clients one day before the cause determination appointment to remind them of the appointment. If the client attends the appointment, the home visit is not necessary.

Program staff report that notification of a possible home visit seems to "shock" clients into action. Home visits were designed to be a mechanism for gathering information on and addressing reasons for clients' noncompliance. In reality, however, most clients never receive a home visit. Rather, clients receive written notification that a home visit will occur if they do not participate in the cause determination appointment and, to avoid an unwanted home visit, comply with the appointment. About 80 percent of clients who receive a home visit letter respond to the letter by calling their case manager or other employment program staff member before the visit takes place. Relative to other letters clients receive from the TANF agency, the home visit letter is an effective outreach tool that is easy to read and follow. The county recently worked with advocates to revise the letter with the goal of making it positive, reader-friendly, and understandable.

If a home visit is in fact necessary, it usually takes place the day after the scheduled cause determination appointment. During the visit, the home visit worker must complete a

checklist of items including an investigation of possible reasons for client noncompliance and a review with the client of TANF program time limits and welfare-to-work requirements. The home visit worker must contact the client 15 days after the visit to ensure that the client is compliant.

Key Features of the Conciliation Process—Los Angeles County

- *Letters informing nonparticipating clients of a possible home visit use simple and clear language and "shock" clients into complying with conciliation activities.*
- *Home visit workers must be experienced and properly trained if clients are to perceive them as partners rather than as adversaries.*
- *A 21-day clock for imposing sanctions helps ensure that home visits and the county's conciliation process in general are efficient and effective.*

Workers have identified several issues during home visits that affect clients' participation. Many clients work but do not report their work; many clients are ill but do not report their illness and their inability to work; and, many clients experience domestic violence or do not report conflicting court appearances for themselves or their children. Home visit workers estimate that about 20 to 30 percent of their clients should be exempt from work participation, but many such clients have lost their exemption forms or have faced other obstacles in seeking an exemption (for instance, they have forgotten to obtain documentation from their doctor). Home visitors also find that clients are confused about program rules or do not participate because they do not have or have not arranged for childcare.

For home visits to be effective, staff must ensure that clients do not feel threatened; thus, home visitors must be experienced and well-trained. In what has proven somewhat of a challenge, program administrators have sought to hire staff who not only have the appropriate qualifications but also have the appropriate appearance and demeanor to interact with clients in their homes. Before they are assigned their own cases, new home visit workers accompany experienced home visitors as observers. All home visit workers undergo training with master's degree–level social workers to polish their interviewing skills and to learn how to present themselves as the client's partner rather than adversary. They also participate in training on personal security, including appropriate and inappropriate times to schedule home visits (based on the area of Los Angeles where they work). Perhaps as a result, most home visit workers have found that clients in need of a home visit welcome them into their homes.

Time constraints also help ensure that home visits and the county's conciliation process in general is efficient and effective. In Los Angeles County, as soon as a case manager notes in the county's management information system that a client is noncompliant, a sanction clock starts; if the case manager does not stop or reset the clock, the management information system automatically imposes a sanction 21 days later. The 21-day clock keeps

staff and clients focused on completing the compliance planning process in a timely manner. For clients who miss an intake appointment or orientation session, the management information system automatically schedules a cause determination appointment for 10 business days after the missed activity. Cause determination meetings for other clients are scheduled for 10 days after noncompliance is noted. Home visits are scheduled for the day after the appointment. Case managers contact clients to determine whether good cause exists both before and after the appointments and visits.

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CHAPTER V

ENGAGING THE UNENGAGED: INITIATIVES FOR CLIENTS IN SANCTION STATUS

If efforts to re-engage clients (described in Chapter IV) fail, most sites almost always impose sanctions. Program administrators in most sites believe, however, that, while necessary, sanctions are not beneficial to anyone. They hurt clients by limiting financial assistance to families. They can hurt counties and states with partial sanctions by adversely affecting work participation rates. To reduce the number of clients in sanction status, some sites continue to work with sanctioned clients to identify and address the root causes of their nonparticipation and to encourage rapid participation in work-related activities. These efforts are an acknowledgment that investments in engaging the unengaged may yield more returns for families and programs than allowing noncompliant clients to remain idle on caseloads or even leave caseloads without adequate supports. This chapter describes initiatives implemented by study sites to re-engage sanctioned clients.

Initiatives to engage sanctioned clients serve two purposes, with benefits to both clients and agencies. First, they provide ongoing support to clients who may be particularly vulnerable if their financial assistance is reduced or terminated. Second, they encourage client participation in activities while in sanction status. Clients benefit if the initiatives help them progress toward self-sufficiency while in sanction status. Agencies benefit because compliant clients may be included in the numerator of the federally defined work participation rate when their sanction period ends or when they return to TANF. Just over half (55 percent) of respondents in the survey of frontline staff are responsible for contacting sanctioned clients either by telephone or in person to help them re-engage in program activities (see Table V.1).

Table V.1. Re-Engaging Sanctioned Clients

	Among Staff Required to Contact Sanctioned Clients to Re-Engage Them				
	A Lot	Some	A Little	None	Don't Know
Priority that staff place on re-engaging sanctioned clients	53.4	14.8	15.9	11.4	4.5
Amount of telephone contact staff usually have with sanctioned clients	21.6	37.5	21.6	15.9	3.4
Amount of in-person contact staff usually have with sanctioned clients	11.4	33.0	27.3	26.1	2.3
Sample size			88		

Source: MPR survey of frontline workers.

Sites with partial and full-family sanctions may develop these initiatives for different reasons. Sites with partial sanctions are likely motivated because sanctioned clients remain indefinitely on their caseloads and in the denominator of the participation rate (by federal regulation, sanctioned clients may be excluded from the participation rate calculation only if sanctioned for fewer than three months within a 12-month period). Sites with full-family sanctions may develop initiatives as a safeguard for families that have lost a significant source of financial support along with the employment and supportive services built into TANF. Concern about the well-being of sanctioned families is warranted; previous research has shown that sanctioned families are more likely to experience material hardship than non-sanctioned families (Cherlin et al. 2001; Kalil et al. 2002). In addition, previous studies have found that, while some sanctioned recipients may find employment after closure of their TANF case, they do so at substantially lower rates than non-sanctioned recipients (Born et al. 1999; Edelhoch et al. 2000; Westra and Routely 2000).

Initiatives for sanctioned clients emphasize identifying and resolving barriers to participation, or engaging clients in work activities. Those that focus on barriers to participation generally share three common goals: (1) emphasizing the importance of work requirements, (2) determining which clients are able and willing to participate in work activities and which are not (and why), and (3) informing clients of the supports available while they are in sanction status that may help them resolve issues affecting participation. Initiatives to engage clients in work activities are primarily designed to ensure that clients nearing the end of a minimum sanction period are already participating in a federally acceptable activity so that they can immediately have their sanction lifted and be counted again toward the work participation rate.

Whichever emphasis is adopted, the cost of these efforts confronts agencies with a choice between post-sanction initiatives and earlier preventive approaches. Program administrators who implement initiatives for sanctioned clients have attempted to measure outcomes as a basis for justifying their costs and ensuring that their efforts are cost-effective.

After experimenting with initiatives for sanctioned clients, some sites have determined that intensive, upfront efforts designed to avoid sanctions are more productive or efficient than efforts directed to sanctioned clients. Los Angeles County, for instance, found that once clients were sanctioned, home visit staff had difficultly re-engaging them in program activities. Others have experienced positive returns on their investments in post-sanction initiatives, and have continued to hone and even expand programs for sanctioned clients. States and localities with limited resources that are exploring options for engaging unengaged clients may need to consider the trade-offs of offering non-sanctioned clients preventive services early versus offering sanctioned clients supportive services later.

This chapter provides examples of initiatives for sanctioned clients within both categories of initiatives and discusses the resources they require. It also discusses organizational strategies used by some sites to maximize the time and resources available for re-engaging sanctioned clients and clients at risk of sanction.

A. INTENSIVE EFFORTS TO IDENTIFY AND RESOLVE BARRIERS TO PARTICIPATION

Two of the eight study sites conduct outreach to sanctioned clients to identify and address barriers to compliance, using two different models. Kern County relies on in-house staff, while Suffolk County contracts with a community based service agency. Each approach has its respective advantages. In selecting a model, administrators should weigh their relationships with and the strength of community organizations against the skills of their own current or potential staff. The decision may also be a function of the financial resources available to support the effort; in-house services are often less costly than contracted services.

1. Conducting Outreach to and Group Sessions for Sanctioned Clients: Kern County

Kern County uses in-house staff to conduct outreach to and information sessions for sanctioned clients. Together, these efforts help some clients cure their sanctions.

Staff working exclusively with sanctioned clients have the time and resources to obtain comprehensive information about clients' circumstances.

Several years ago, Kern County designated a sanction re-engagement team (SRT) to reach out to sanctioned clients. Two staff members are charged solely with contacting all sanctioned clients in the county at least once every six months. (This long interval is the standard because many clients remain in sanction status for extended periods; on average there are 500 to 600 cases each month that are sanctioned or in the process of being sanctioned.) Contact with clients occurs primarily through telephone calls and letters, though the SRT occasionally makes home visits to clients who may, for example, be experiencing domestic violence, be physically incapacitated, or have an open child protective services case. Before contacting clients, SRT staff research clients' cases by using the county's eligibility and case management databases and conduct criminal background checks.

The SRT's contact with clients can serve several purposes that together may help to resolve sanction situations. First, SRT staff discuss barriers to employment clients may be facing and to inform clients about resources available to address such barriers. SRT staff may be able to expedite access to certain supportive services, such as mental health services. A second purpose is to identify clients who should not be in sanction status, such as those who are working but failed to report their employment. For clients with medical incapacities previously unknown to program staff, the SRT may be able to obtain verification from a licensed professional to exempt the client from work requirements and reverse the sanction. A third purpose of the SRT's contact is to inform clients about the steps necessary for curing their sanction, including attendance at an orientation session for sanctioned clients.

Group sessions are an efficient way for staff to explain the steps needed to cure a sanction and the services and supports available to sanctioned clients.

During mandatory sanction orientation sessions, clients wishing to cure their sanctions receive critical information on the process and on the supports available to them. To cure their sanctions, most clients in Kern County are required to participate in a one- to two-hour group session. During the session staff emphasize the importance of the work requirements, schedule appointments for clients to develop compliance plans, and inform clients about in-house and community resources for addressing personal and family challenges. County staff provide information about work and sanction cure requirements while community partners—such as mental health and substance abuse agencies—present information about available resources. The group format ensures that all clients receive accurate and consistent information. Clients may attend the session at any time and often do so only once they are ready to return to compliance. Thus, information they receive on steps required to cure a sanction is current and timely.

Based on information from MPR's previous study of TANF sanctions, at least one local welfare office in New Jersey conducts similar sessions. In this office, sanctioned clients must participate in a two and a half-hour meeting as a condition of curing their sanctions. The purpose of the meeting is to (1) assess clients' circumstances, (2) advise clients what they must do to reverse their sanctions, and (3) assist clients in obtaining alternative childcare and transportation assistance (in New Jersey, sanctioned clients are not eligible for these work supports through TANF). A case manger working exclusively with sanctioned clients conducts the meeting. According to other case mangers in the office, centralization of re-engagement efforts reduces their workloads since many clients who indicate an interest in curing their sanctions do not follow through.

A sanction hotline increases the efficiency and utility of the orientation process in Kern County. Clients may call the hotline at any time to hear a recorded message indicating the times and dates of sanction orientations. The hotline also allows clients to indicate their desire to cure their sanction; a recorded message then informs clients of their specific cure requirements (i.e., dates for their required 30-day compliance period).

In-house initiatives to re-engage sanctioned clients need not be costly.

All re-engagement efforts in Kern County are in-house and economical. The total budget for the SRT is $174,539 and covers two full-time social workers who are part of a unit with five other social workers. The unit supervisor oversees all SRT activities. Sanction orientation sessions are held twice a week at a central office and accommodate between 10 and 30 clients. The county kept the costs of the orientation sessions to a minimum by having existing in-house social workers conduct the sessions rather than hiring additional staff or contractors.

While the county's efforts encourage some clients to participate, many remain sanctioned.

Despite initial efforts, many clients do not follow-through on curing their sanctions. In any given month, about one-quarter of clients contacted by the SRT attend a sanction orientation session; of those, between 38 and 47 percent cure their sanctions. Most do so by coming back into compliance with program requirements; fewer than five percent cure their sanction by disclosing that they are employed or obtaining an exemption. Program staff perceive that outreach efforts have been most successful with clients sanctioned for fewer than six months.

The SRT documented the frequency of barriers it identified among sanctioned clients during client contacts and background research. The SRT indicated that most sanctioned clients have criminal histories and that some have active warrants for their arrest. Another particularly prominent barrier is mental health conditions such as depression, anxiety, and psychiatric disorders. SRT staff also identified issues such as involvement in the child welfare system and substance abuse.

2. Using a Local Social Service Agency to Identify and Resolve Barriers: Suffolk County

Suffolk County contracts with a community based service agency to conduct outreach to sanctioned clients. To save resources, the county limited the type of outreach the contractor conducts and engaged in-house staff to work with specific types of sanctioned clients.

Interaction with sanctioned clients helps staff identify which clients would comply if they received assistance in addressing their barrier.

Many sanctioned clients in Suffolk County remain in sanction status for extended periods. Until recently, a common perception among program staff was that a substantial portion of these clients were content to remain in sanction status and indefinitely accept reduced benefits in exchange for relief from work requirements. Program staff assumed that they would comply with program requirements if they so desired.

To substantiate the reasons that clients remain sanctioned for extended periods, the TANF agency in Suffolk County hired a local organization to assess sanctioned clients

during home visits. It hired the Education and Assistance Corporation (EAC), a non-profit social service agency active in the county since 1969. Between 2002 and 2003, EAC staff completed 43-page assessments of 600 to 700 sanctioned clients, documenting reasons for noncompliance and personal and family challenges. EAC found that the majority of sanctioned clients are not in fact content being sanctioned but would comply with program requirements to restore full benefits if they received additional assistance in addressing barriers to participation. The assessment uncovered several barriers—such as domestic violence, mental health issues, substance abuse, and lack of childcare—that could be resolved with additional services.

In response to EAC's findings, the TANF agency entered into a follow-up contract with EAC in 2004 to conduct the Sanction Intervention Project. Under the contract, EAC meets with clients in a first sanction to explore the reasons for noncompliance, help ameliorate conditions that led to the sanction, and to encourage clients to return to compliance. Meetings take place at one of five TANF service centers in the county and are a condition of continued TANF eligibility; failure to participate in a meeting with EAC results in TANF case closure.

Program administrators and staff believe that contractors will be relatively more successful than TANF case managers in motivating sanctioned clients to comply because clients may perceive contractors as relatively more committed advocates for their needs.

EAC staff emphasize to clients that EAC is not part of the TANF agency and that staff are interested only in identifying families' needs and supporting their efforts to achieve self-sufficiency. As an unbiased third party, EAC may be better positioned than the TANF agency to convince clients that complying with program requirements is in their interest. As a practical matter, TANF and employment services program staff are often overburdened and do not have time to delve into personal issues with clients. EAC, however, is devoted solely to this task. During meetings with clients, EAC staff explain the sanction process and reasons for the current sanction and educate clients about how to comply with program requirements and restore full benefits. They also identify emotional and other issues families may be facing and provide referrals to their own programs or other social and supportive services. To support its efforts, EAC has compiled an extensive community resource database.

If clients present with barriers to employment (or if they have not had a TANF program employability assessment within the past six months), EAC refers them back to the TANF agency for an assessment. In fact, EAC refers about 95 percent of its clients for an assessment. If clients do not present with barriers to employment, EAC refers them to an employment services case manager for re-engagement in activities. EAC staff actually make the appointments with TANF agency or employment services case managers based on the client's schedule. EAC has no additional direct contact with clients after making referrals but does track whether clients attended their appointments and whether benefits eventually were reinstated.

Triaging clients in durational sanctions by their willingness to comply is one way to attempt to avert the expenditure of limited resources on those who may refuse to participate in activities until they can receive full benefits in return.

Given the durational nature of second and subsequent sanctions in New York, EAC's ability to re-engage clients is limited primarily to clients in a first sanction. Most clients in second and subsequent sanctions are reluctant to participate fully in program activities until they may see their sanctions lifted and resume the receipt of full benefits. Thus, instead of expending EAC resources on these clients, the county recently engaged the Special Investigation Unit (SIU) within the Department of Social Services (DSS) to investigate whether fraud explains why clients remain noncompliant and to encourage clients to comply. SIU refers to EAC only clients for whom it finds both no evidence of fraud and a willingness to comply. Such procedures ensures that willing-to-comply clients in second and subsequent sanctions still receive services and that EAC expends resources only on clients for whom investments are likely to pay off in the near term.

After conducting background research on clients in second and subsequent sanctions, SIU schedules meetings with clients at one of the five county TANF service centers. Background research includes a review of Department of Motor Vehicle, credit records, and employment and earnings data from the state Wage Reporting System as well as field work (i.e., driving by a client's home, talking to neighbors, and visiting local schools). During meetings with clients, SIU staff inquire about current and recent employment, other available income such as support from absent parents, and how the client survives on reduced benefits. The meetings are mandatory; failure to attend may result in TANF case closure.

The SIU meetings result in one of four possible outcomes. If SIU finds no fraud and the client is willing to comply with program requirements, SIU refers the client to EAC for an interview (EAC's interviews with these clients are the same as its interviews for clients in a first sanction). If SIU finds no fraud and the client is unwilling to comply, no additional action is taken and the sanction remains in place. If SIU finds no fraud and the client indicates no further need for assistance, SIU notifies the appropriate DSS unit of the need to close the case. If SIU finds evidence of fraud, it proceeds with recouping overpaid benefits through direct deductions from the TANF benefit, obtaining a legal order requiring the client to repay the county for benefits obtained fraudulently, or prosecution.

Home visits can be a particularly resource-intensive activity, and successful outreach to sanctioned clients is sometimes possible without them.

Due to resource constraints, EAC is not required or expected to conduct home visits with sanctioned clients. During EAC's initial study of sanctioned clients, DSS and EAC found the process of scheduling and conducting home visits resource-intensive. It required substantial coordination between DSS and EAC and the constant transfer of management

information system data and case files.[12] Thus, the current Sanction Intervention Project does not provide for home visits to sanctioned clients. Rather, EAC staff meet with sanctioned clients at the DSS centers, where staff can use the county's management information systems to pre-screen clients instead of requiring paper copies of client forms and case files. The $186,000 in TANF funds EAC receives through its flat-fee contract with DSS is sufficient to cover its current outreach efforts. The funds support two full-time EAC staff members, two part-time EAC staff members, and one EAC supervisor, all of whom work exclusively on the Sanction Intervention Project.[13]

The mandatory in-office meetings EAC conducts with sanctioned clients are generally successful. Most clients who attend the meetings comply with program requirements and see their sanctions lifted. However, a non-trivial portion of clients referred to EAC do not attend the meetings, suggesting that convincing sanctioned clients to attend meetings may be more challenging than encouraging them during the meetings to return to compliance. Table V.2 illustrates the number of clients EAC has served over the past three years and the outcome of its efforts.

Table V.2. Outcomes of EAC Meetings with Sanctioned Clients in Suffolk County

	2004	2005	2006
Cases referred to EAC	480	498	680
Cases meeting with EAC	384	319	405
Cases with lifted sanctions	303	201	385
Cases referred for closure[a]	123	95	137

[a]These cases either did not comply with the EAC interview or indicated during the interview an unwillingness to comply with program requirements.

SIU's experience with clients in a second or subsequent sanction is similar to EAC's experience with clients in a first sanction. SIU receives about 45 to 50 referrals per month and about half of referred clients initially fail to appear for their SIU interview (though many call to reschedule the meeting). Among the 366 clients SIU reviewed between May and November 2006, 126 (34.4 percent) failed to appear at any time for an SIU interview, 8 requested case closure, and 8 saw their cases closed by DSS before SIU was able to contact them. Program staff estimate that ultimately about 20 percent of sanctioned cases are closed for failure to participate in an SIU interview.

[12]The cost of conducting the actual home visits (i.e., travel and deployment of EAC staff) was relatively less problematic.

[13] There are no funds dedicated specifically to SIU for this initiative; SIU simply absorbed new responsibility for working with sanctioned clients into its routine functions. However, two investigators and one SIU supervisor work exclusively with clients in second or subsequent sanction.

EAC has encountered a range of issues that affect program participation and likely contribute to the rate of noncompliance with EAC and SIU meetings. EAC staff describe the most significant issue as lack of knowledge about program requirements; most clients do not know how to comply. Another major issue is clients' lack of transportation in a county with limited public transportation given its relatively vast geographic area. SIU staff found fraud in 80 of 366 cases they reviewed from May through November 2006. Most fraud involves unreported earnings.

B. Employment Programs or Policies to Engage Sanctioned Clients in Work Activities

Two of the eight study sites—Tarrant and Suffolk counties—have developed employment programs specifically aimed at sanctioned clients. Both focus on assisting sanctioned clients in getting jobs but follow different approaches. Tarrant County takes an indirect approach; it provides a range of job search and job preparation services. Suffolk County takes a more direct approach; it refers sanctioned clients to a contracted Sanctions Intensive Case Services (ICS) program that, in addition to providing other services, refers the client to a temporary employment agency that makes placements directly into regular paid jobs. Suffolk developed its model only after facing obstacles with initial plans to place sanctioned clients in transitional jobs.

1. Engaging Clients in Job Search and Job Preparation: Tarrant County

Sanctioned clients in Tarrant County may be removed from the TANF caseload, but remain attached to the TANF program through the Rapid Employment Attachment Program (REAP). The Women's Center, an employment services contractor, operates REAP, which is designed to help sanctioned clients resume full benefit receipt. The program began in 2003 in response to the state's shift from a partial- to full-family sanction policy. Concerned about the large number of clients at risk of being sanctioned off the caseload as a consequence of the policy shift, Tarrant County sought to design a program that would allow clients to satisfy their work requirements and avoid case closure.

Contracting with one local service provider to re-engage sanctioned clients is administratively efficient; REAP provides a comprehensive set of services to all sanctioned clients for a fixed fee.

The Women's Center is responsible for all interactions with sanctioned clients, including outreach. The Women's Center regularly receives a list of newly sanctioned clients. A REAP case manager researches client histories in the county's eligibility and employment services databases and then reaches out to clients—through telephone calls and postcards—to bring them into the program.

Once program staff have made initial contact with clients, they attempt to engage them in job search activities for four consecutive weeks at 40 hours per week. Activities include structured morning job search classes five days per week, job fairs, resume workshops, and unstructured job searches on site via computer and telephone (comparatively, job search

activities for non-sanctioned clients vary among local offices). If a sanctioned client is still on the TANF rolls and allowable weeks in job search have expired, REAP staff attempt to engage the client in a combination of community service, transitional jobs, or other activities as needed. If a client has been sanctioned off the caseload, weeks spent in REAP do not count against the client's allowable job search weeks. In addition, REAP may tap community partners to assist in serving clients with learning disabilities or mental health needs. REAP clients are provided with childcare assistance, bus passes, and gas cards as long as they participate in work activities. They have access to various written guides on interview skills and resume development.

The $400,000 the Women's Center receives from Workforce Solutions supports its outreach and engagement efforts with sanctioned clients. Not all of these funds are dedicated to sanctioned clients; part of the $400,000 supports the Center's other work with TANF clients such as conducting TANF program orientations. Twelve staff work exclusively in REAP.

In light of the diverse needs of sanctioned clients and pressures to re-engage clients rapidly, provider staff must be flexible and creative.

The REAP supervisor seeks to hire staff who are skilled group facilitators, creative thinkers, and good motivators. These characteristics are important because REAP staff must be able to handle the unpredictability and diversity of clients' needs and respond to pressure to serve clients quickly (recall that that to cure a sanction, clients must perform 30 consecutive days of work activities and to return to TANF after being sanctioned off the caseload, clients must complete 30 days of work activities within 40 days of their TANF eligibility interview). In particular, the supervisor hires staff willing and able to alter the structure and content of classes they conduct to accommodate the classes' constantly shifting composition. REAP typically serves approximately 30 clients at any one time, but clients constantly cycle in and out because enrollment is rolling. The supervisor also tries to hire staff skilled at motivating favorable behaviors. One of REAP's greatest challenges is engaging clients in the program long enough to cure sanctions. Clients are often angry about their sanctions and harbor hostility toward TANF program staff. In response, staff emphasize that REAP is "not part of the sanction, but part of the solution" and clarify to clients that REAP staff did not make the sanction decision. Still, no more than five clients cure their sanctions in an average month.

2. Engaging Clients in Unsubsidized Jobs: Suffolk County

In 2006, New York State appropriated $15 million for outreach to sanctioned clients and noncompliant clients at risk of sanction. Local districts received shares of the appropriation according to the percent of their caseloads in sanction status or in the sanction process. The appropriation was intended to acknowledge that the state's many noncompliant families adversely affect the denominator of the participation rate and that additional outreach might re-engage these families. Suffolk County received $286,787 from the appropriation in early 2007 and is using the funds to expand EAC's role in re-engaging sanctioned clients.

Suffolk's new project targets clients who are in second or subsequent sanction status, have been through SIU (see above), and have indicated a willingness to return to compliance. This approach prevents the expenditure of resources on clients who do not need or want services or supports. EAC conducts home visits with clients to identify how they live on a reduced grant and whether they are immediately employable. Compliance with the visit is mandatory; failure to comply results in TANF case closure. After the visit, EAC refers clients immediately employable to a temporary employment agency for job placement. EAC has hired a program coordinator, senior case manager, two case managers, case management supervisor, and vocational counselor for this initiative.

Use of a temporary employment agency to place sanctioned clients in jobs is mutually beneficial; the temporary agency increases its volume of business, and the TANF agency and its clients gain access to employers.

EAC uses a temporary employment agency to place clients directly into jobs. The agency conducts some screening and officially hires clients it finds acceptable for employment. It then refers clients to specific unsubsidized jobs in private businesses. Jobs are plentiful and always available, though they may be entry-level, may not be in the clients' areas of interest, and may be limited to as few as 25 hours per week. However, all jobs provide clients with a paycheck and work experience. Once clients are placed in jobs, EAC helps them arrange transportation and childcare and provides ongoing case management as they adjust to the workplace. To date, 8 of the 12 clients EAC referred to the employment agency have obtained permanent jobs through their initial temporary placements. While the employment agency does not receive any direct financial gain, it benefits from a steady stream of customers from the TANF agency.

EAC refers clients who are not immediately employable to the appropriate services and transports and escorts them to and from those services. This ensures that they receive the attention they need to address their issues and that EAC does not jeopardize its relationship with the employment agency by referring clients poorly prepared for work. Most clients are not immediately employable. Of 76 clients referred to EAC through March 2007, EAC successfully conducted home visits with 50 to 60 and found only 12 to be job-ready. The largest number of referrals for clients who are not job-ready is for physical and mental health assessments.

Encouraging employers to offer jobs to sanctioned clients is challenging; many employers require a high school education, and wage subsidies are insufficient to convince them to relax this requirement.

Suffolk County's original intent was to place employable clients into transitional jobs with private employers. EAC planned to recruit employers willing to offer jobs to clients within a week of EAC's home visit. EAC staff would serve as on-the-job coaches/mentors for a minimum of 90 days, and EAC would subsidize clients' wages at 75 percent in two-week intervals for a maximum of six weeks. If the employer retained the client as an employee for an additional six weeks, then EAC would pay the employer the remaining 25 percent of the client's wages for the initial six-week period.

When EAC began recruiting employers to offer transitional jobs, it struggled to find employers willing to accept clients without a high school diploma or GED. The advantages of subsidized wages and a pre-screened group of potential employees (the TANF and/or temporary agency screens clients for mental health, physical health, and substance abuse issues as well as for criminal background) were insufficient to convince employers to accept clients with less education. EAC is still pursuing employers, however, and hopes to offer transitional jobs in the future.

3. Engaging Clients in Federally Countable Activities by Offering Incentives: Georgia

Offering supportive services to sanctioned clients who find jobs or participate in work activities can be an effective incentive to engage such clients in federally countable activities.

Georgia tries to encourage sanctioned clients to find jobs or participate in program activities by providing them with incentives rather than services. Given that Georgia's cash grant is relatively low (the cash grant for a family of three is $280), many families applying for TANF are more interested in childcare assistance than cash assistance. In Georgia, however, any TANF sanction—that is, a grant reduction or termination—automatically discontinues childcare and transportation assistance. Recently, to encourage clients to work or participate in activities while in sanction status (clients in sanction status are not required to participate in activities but may do so), the state restored access to childcare and transportation assistance to clients who do so. This policy change not only helps sanctioned clients by enabling them to maintain vital supportive services and rewarding them for continued efforts toward self-sufficiency, but may also help the state boost its work participation rate. Sanctioned clients who work or participate for the requisite number of hours per week may be counted in the state's numerator.

C. Organizational Strategies to Support Re-Engagement Initiatives

The process of imposing sanctions can be lengthy and can drain staff resources that might otherwise be used to interact with clients, particularly noncompliant clients.

Imposing sanctions can be a complex process. In some sites, imposition of a sanction is a relatively straightforward, mechanical process that involves changes to a few codes in the management information system. The process can be more complicated and time-consuming, however, if it also requires program staff to change or open a separate food stamp or Medicaid case or to terminate or reduce any additional assistance, such as childcare assistance or rent supplements, the family may have been receiving. The process of imposing a sanction can take a few months and can require program staff to produce extensive documentation and obtain supervisory approval. Table V.3 presents what it takes to impose a sanction in each site, and Table V.4 indicates the amount of time and level of effort needed for respondents to the survey of frontline staff to impose sanctions.

Table V.3. Processes for Imposing Sanctions

	Average length of time from first snction notification to sanction imposition	Number of staff involved in process	Minimum number of required notices to client	Supervisory approval required
Suffolk County, NY	2 months	3	2	Yes
Pima County, AZ	1-2 months	2	4	Yes
Duval County, FL	1 month	2	3	No
DeKalb County, GA	1 month	1	2	Yes
Tarrant County, TX	1 month	2	3	Yes
Los Angeles County, CA	21 days	2	4	Yes
Kern County, CA	1-2 months	2	2	No
Salt Lake County, UT	1 month	2	3	Yes

Division of labor can help maximize the resources available for specialized re-engagement efforts.

Some sites have tried to ease the burden of imposing sanctions through greater division of in-house staff responsibility. Traditionally, case managers or eligibility workers in most sites have been responsible for making changes in the management information system to impose sanctions. Some sites, however, have designated one staff person (Duval County in Florida, and Arizona, for instance) or created a separate unit (Texas and Suffolk counties, for instance) that is solely responsible for imposing sanctions. Based on information from MPR's previous study of TANF sanctions, offices in Illinois also have designated one staff person and offices in New Jersey also have designated a separate unit to process all sanctions. Sites that have designated a specific person or unit have done so largely in an effort to improve the timeliness of sanctions and to free up resources for conciliation and other re-engagement activities.

Historically in Arizona, eligibility workers imposed sanctions by making electronic changes in the management information system. Case managers had to request that eligibility workers make the changes, including a shift from a 25 percent grant reduction to a 50 percent grant reduction and from a 50 percent reduction to benefit termination for clients who do not participate in activities from one month to the next. If case managers did not request or eligibility workers did not implement second- or third-level sanctions, clients' full grants were automatically restored. Eligibility workers, however, had difficulty making electronic changes in a timely way. As a result, clients who were supposed to move to higher-level sanctions saw their full grant restored. Two changes in Pima County improved the process. First, the county centralized all sanction responsibilities so that one eligibility worker carries out all sanction actions. The worker has thus far experienced no difficulty in imposing sanctions within the required timeframe. Second, by the fifth of each month, the employment and training supervisor provides the eligibility worker's supervisor with a list of all needed sanction actions for the month. Both changes have reportedly improved the timeliness of sanctions.

Table V.4. Length of Time and Effort Required to Impose a Sanction

	Percent of Program Staff
Required to provide supervisors with written documentation of efforts to encourage participation before sanctioning	47.8
Among those required, percent who think that the documentation process requires	
A lot of effort	37.7
Some effort	41.6
Not very much effort	16.9
No effort at all	1.3
Don't know	2.6
Personally required to change codes in the computer system to impose a sanction	49.1
Among those required, percent who think that the process of changing codes is	
Very easy	50.6
Somewhat easy	41.8
Somewhat difficult	5.1
Very difficult	1.3
Don't know	1.3
Required to send a request to someone else to impose a sanction in the computer system	19.3
Among those required, percent who need supervisory approval before making the request	32.3
Time it takes staff to make first change in the computer system to impose a sanction[a]	
Less than 1 month	74.5
1 to 2 months	14.5
3 to 4 months	0.9
More than 4 months	0.0
Don't know	10.0
Time entire sanction process takes	
Less than 1 month	16.8
1 to 2 months	63.4
3 to 4 months	8.7
More than 4 months	1.2
Don't know	9.9
Percent who think imposing sanctions is	
Very easy	21.7
Somewhat easy	39.8
Somewhat difficult	25.5
Very difficult	7.5
Don't know	5.6
Among those who think imposing sanctions is difficult, reasons for difficulty	
Length of process	20.8
Bureaucratic hurdles/required documentation	28.3
Personal sympathy for client or family	11.8
Opportunities for conciliation	22.6
Another reason	28.3
Sample size	161

Source: MPR survey of frontline workers.

[a]Percents are based on the 110 respondents who said that they are personally required to make changes in the computer system or to send a request to another person or agency to impose a sanction in the computer system.

Similarly, in Suffolk County, staff in DSS's eligibility and ongoing benefit determination units used to be responsible for imposing sanctions, but heavy workloads prevented them from doing so in a timely fashion. Since the county implements partial-sanctions, nonparticipating clients (not counted in the numerator of the county's participation rate) were remaining in the denominator of the work participation rate for extended periods while awaiting sanction processing. In response, DSS's Compliance Unit assumed all responsibility for processing sanctions. According to a local office memorandum, "This workflow change was developed to decrease processing time and improve the district's employment participation rate." Since the shift of responsibility to the Compliance Unit, sanction processes are indeed progressing more rapidly.

Other sites have attempted to maximize the resources available for re-engagement efforts by hiring specialized staff or creating specialized contracts. Georgia and Los Angeles, Kern, and Suffolk counties have all hired staff exclusively dedicated to one or more sanction-related functions (i.e., home visits and other outreach efforts to noncompliant clients and formal or informal conciliation with noncompliant clients). In addition, Suffolk and Tarrant counties have entered into contracts with local, community-based nonprofit organizations to provide services to sanctioned clients. Reliance on specialized staff or contractors—rather than case managers or in-house staff with other responsibilities—to perform outreach and conciliation enables dedicated staff to focus all of their time and energy on assisting sanctioned clients and to engage frequently with clients around participation issues.

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CHAPTER VI

THE RELATIONSHIP BETWEEN SANCTIONS AND WORK PARTICIPATION RATES IN THREE SITES

Sanctions are intended to support program goals, but how they advance those goals depends on the details of sanction policy and implementation. One goal that sanctions are intended to support is achievement of a high work participation rate. While certain minimum rates are required by law, most states were not achieving the statutory standards (50 percent for all families and 90 percent for two-parent families, without the caseload reduction credit) prior to the DRA. A high rate helps agencies meet federal program requirements. In addition, a high participation rate may be important to agencies as an indicator of success in getting people employed. Sanctions can influence the participation rate both by inducing changes in behavior and by removing nonparticipating families from the participation rate calculation. Other policies or program requirements related to sanctions, such as applicant work requirements, also may influence the extent to which sanctions affect the work participation rate.

Either threatened or actually imposed sanctions may encourage TANF recipients otherwise not likely to participate in work activities to do so. Sanctions can thus increase the number of household heads participating in work activities, resulting in a higher work participation rate. If stronger penalties induce more recipients to participate, larger numbers of recipients might be expected to participate in work activities, and states with relatively more stringent sanctions would achieve higher participation rates. If this is the case, a shift from a partial to a full-family sanction would result in an increase in participation in work activities and a higher work participation rate, all else being equal. Behavioral change can also occur if information about work requirements and penalties for noncompliance lead some people never to apply for assistance or to leave the caseload. In those cases, sanction policies would increase the work participation rate by eliminating families that likely would have been noncompliant from the denominator of the participation rate calculation.

Sanctions can also affect the work participation rate through the interaction between sanction policy and how the participation rate is computed. As prescribed in the DRA, the rate is calculated by dividing a numerator consisting of "participants"—families engaged in federally acceptable work activities for the requisite hours per week—by a denominator that is a count of "total families." Participants include families receiving TANF or state-funded assistance that counts toward maintenance of effort (MOE) requirements. States may exclude from the denominator families on the caseload that are sanctioned for failure to participate as long as they have not been sanctioned for more than three of the preceding 12 months. The Interim Final regulations of the DRA increased pressure on TANF agencies by requiring them to include in the denominator families under partial sanctions that remove parent needs from the grant.

The extent to which imposed sanctions affect the work participation rate thus depends heavily on state sanction policy. Most states with immediate full-family sanctions let little time elapse in removing noncompliant families from the caseload, lowering the work participation rate denominator. In these states, the only families included in the denominator are those participating in federally acceptable activities for the required hours per week (and thus in the numerator) and those participating in a manner that does not meet federal requirements but is acceptable to the state. Such policy clearly increases the work participation rate. In states with gradual full-family sanctions, the direct impact depends on the time elapsed to progress from a partial to full-family sanction, the time families remain in sanction status, and the likelihood of families being sanctioned more than once (when full family sanctions are usually imposed more quickly). If it takes three months to move from a partial to full-family sanction, the direct impact is the same as for a full-family sanction in that sanctioned families can be removed from the participation rate denominator for three months. If the transition from partial to full-family sanction takes longer than three months, families sanctioned for longer than three months would be counted in the denominator, but not in the numerator. In some states, the progression from partial to full-family sanction is faster for repeat sanctions such that the overall direct impact of sanctions on the work participation rate depends on the mix of first and subsequent sanctions. In states with partial-sanction policies, the direct effect of sanctions depends almost entirely on how long families remain in sanction status. If families remain in sanction status for short periods, the direct effect could resemble that of full-family sanctions. However, if families generally stay in sanction status longer than three months, sanctioned families could accumulate on the caseload and substantially reduce a state's work participation rate.

The upfront work requirements for TANF applicants may also influence the effect of sanctions on the work participation rate. Many states set forth job search and other work requirements (e.g., work orientation) that TANF applicants must satisfy before enrolling in the program. Those who fail to comply with the requirements are denied TANF benefits; the effect is essentially the same as that for a full-family sanction for TANF recipients who fail to comply with program requirements. Applicant work requirements are intended to serve two purposes: (1) to ensure that those who do not truly need assistance or need only minimal help in obtaining employment do not enter TANF and (2) to ensure that those

approved for TANF enter the program while already participating in activities.[14] However, applicant requirements can also divert from the caseload those who are not inclined to or cannot comply with work requirements. If applicant work requirements have this diversionary effect, many families that would otherwise be in the denominator of the participation rate, but not in the numerator, never enter the TANF rolls. In other words, the TANF caseload is "pared down" to families that enter the program already in the numerator of the participation rate or those that at least have proven their ability and desire to comply with work requirements. In this case, applicant work requirements would raise work participation rates. In fact, the work participation rate may be higher than in a state with an immediate full-family sanction policy because families on TANF must first demonstrate noncompliance before imposition of a full-family sanction. In addition, in states that impose significant work requirements as a condition of eligibility, sanction rates are almost certain to be lower than in states without such a requirement.

Three study sites offer opportunities to examine how the above theoretical relationships between sanction policy and observed work participation rates play out in reality. Texas, Georgia, and Los Angeles County recently implemented major changes in sanction policy at least in part to increase their participation rates. Texas shifted from a partial to a full-family sanction. Georgia eliminated a permanent ban from TANF for second or subsequent sanctions and revamped its applicant job search process. Los Angeles County implemented a home- visiting initiative that provides outreach primarily to TANF recipients at risk of sanction. We examine participation rates and related outcomes (for instance, employment rates) before and after the changes went into effect (1) to explore whether there is any correlation between policy and programmatic changes and changes in participation rates and (2) to consider the ways that policy and programmatic changes may influence the rates.[15] Without data on what would have happened to participation rates and related outcomes in the absence of these changes, we cannot draw rigorous conclusions about the effect of the changes on these outcomes. This is because we cannot distinguish the effects of changes in sanction policies from the effects of other factors, such as other changes in TANF policy or practice; economic influences on the behavior of low-income families; or changes in policy or practice in other programs serving low-income families.

A. THE TEXAS EXPERIENCE—SHIFTING FROM A PARTIAL TO A FULL-FAMILY SANCTION

In September 2003, Texas shifted from a partial to full-family sanction with strict cure requirements. Before 2003, failure to comply with work requirements resulted in a benefit reduction equal to the entire adult portion of the grant. Repeat acts of noncompliance had

[14] The latter responds to pressures to increase participation rates while the former responds to budgetary pressures. With respect to the former, keeping those who need only minimal help finding employment off of TANF (and thus would likely be able to participate in activities and to count in the numerator of the participation rate) could have negative implications for participation rates.

[15] Appendix D contains more detailed tables of results from the analysis of participation and other outcome data in Texas and Georgia.

the same effect on the TANF grant but were subject to progressively longer minimum sanction periods. The new policy requires termination of the TANF grant for one month for all clients who fail to meet their work activity hours. During that month, clients remain on the caseload in sanction status. After a second consecutive month of noncompliance, Texas drops clients from the TANF rolls completely. To cure a sanction, clients must perform one month of work activities; and, to return to TANF after being sanctioned off the caseload, clients must complete 30 days of work activities within 40 days of their TANF eligibility interview.

To explore the outcomes of the sanction policy change, MPR obtained and analyzed state TANF and Unemployment Insurance data for one case cohort that was on TANF one year before the policy changes and one case cohort on TANF in the month before the changes. The first cohort consisted of the 131,566 cases on TANF in August 2002; the second cohort consisted of the 138,916 cases on TANF in August 2003. The two cohorts are remarkably similar with respect to demographic characteristics and total time on TANF (see Table VI.1). We tracked the TANF, work participation, sanction, and employment status of each cohort for one year to determine the extent to which outcomes differ for clients subject to different sanction policies.

In the wake of its new policy, Texas has experienced a substantial increase in its work participation rate. Data from the Administration for Children and Families indicate that the average monthly work participation rate increased from 28.1 in FY 2003 to 34.2 in FY 2004 (a 21.7 percent increase). The administrative data obtained and analyzed by MPR indicate a similar pattern. Monthly participation rates among single parent TANF recipients in the partial sanction cohort hovered between 21 and 24 percent while monthly participation rates among single parent TANF recipients in the full family sanction cohort ranged between 34 and 40 percent (see Figure VI.1).

The increase in Texas's work participation rate following the implementation of full-family sanctions demonstrates the complexity of tying changes in key outcomes of interest to policy changes. The increase in Texas' work participation rate likely resulted from several different factors, the most important of which was a decline in the caseload. The number and proportion of cases participating in work activities was also higher immediately after the implementation of full-family sanctions than before, but declined over time to levels similar to those among cases subject to partial sanction policies. In addition, after the policy change was implemented, a number of families left the caseload for employment (and more did so than before the policy change), however, they do not affect the work participation rate because they are no longer part of the TANF caseload. The following sections discuss these three factors—changes in the caseload, changes in participation, and changes in employment—in more detail.

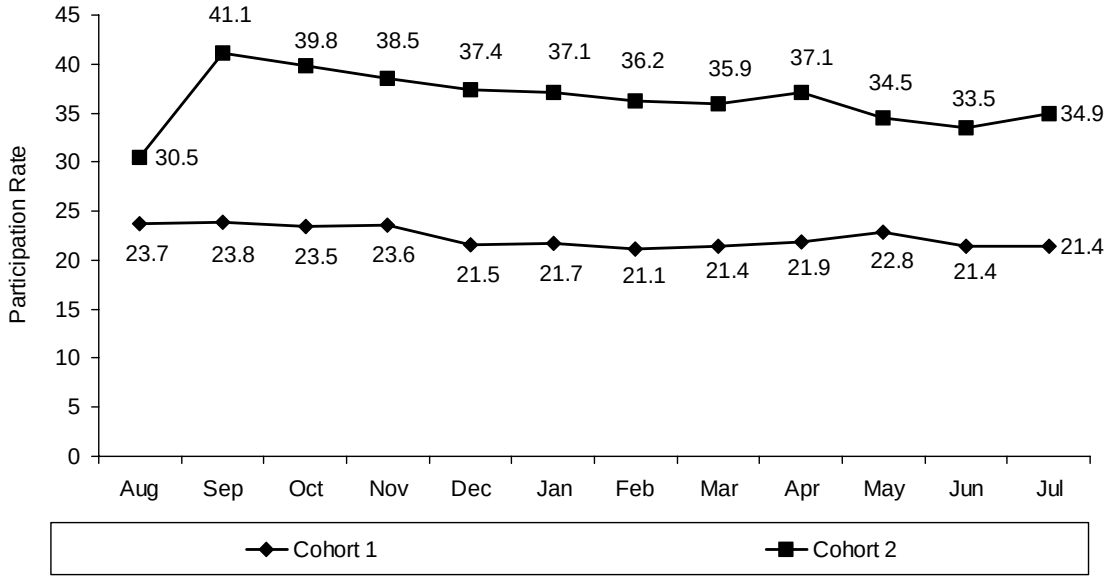
Table VI.1. Characteristics of Texas TANF Cases, by Cohort

Characteristic	Partial Sanction Cohort	Full Family Sanction Cohort
Ethnicity/Race of Case Head		
Non–Hispanic, white	19.8	19.4
Non–Hispanic, African American	30.5	31.3
Hispanic, any race	48.9	48.6
Other	0.8	0.8
Education of Case Head		
Less than high school diploma/GED	59.6	58.7
High school diploma/GED	40.4	41.3
More than high school diploma/GED	0.0	0.0
Number of Children in TANF Case		
0	0.7	0.7
1	41.6	41.9
2	30.0	29.9
3	17.0	16.9
4 or more	10.7	10.6
Age of Youngest Child in Case		
Younger than 1	11.8	11.4
1 to 2	15.4	15.3
3 to 5	12.2	12.4
6 or older	18.3	18.4
Type of Case		
Single-parent	58.1	54.6
Two-parent	4.7	4.6
Child-only	37.1	40.8
Cumulative TANF Months since November 1996		
Fewer than 6 months	25.1	25.8
6 to 11 months	17.6	18.8
12 to 24 months	19.2	19.4
25 months or more	36.9	34.9
Sample Size	131,556	138,916

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Note: Child age is calculated as of August 1 of the cohort year. Of the two cohorts, 55,522 cases in the partial sanction cohort and 59,076 cases in the full family sanction cohort were missing data for the youngest child's birth date.

Figure V1.1. TANF Work Participation Rate Among Single Parents in Texas Over Time, by Cohort



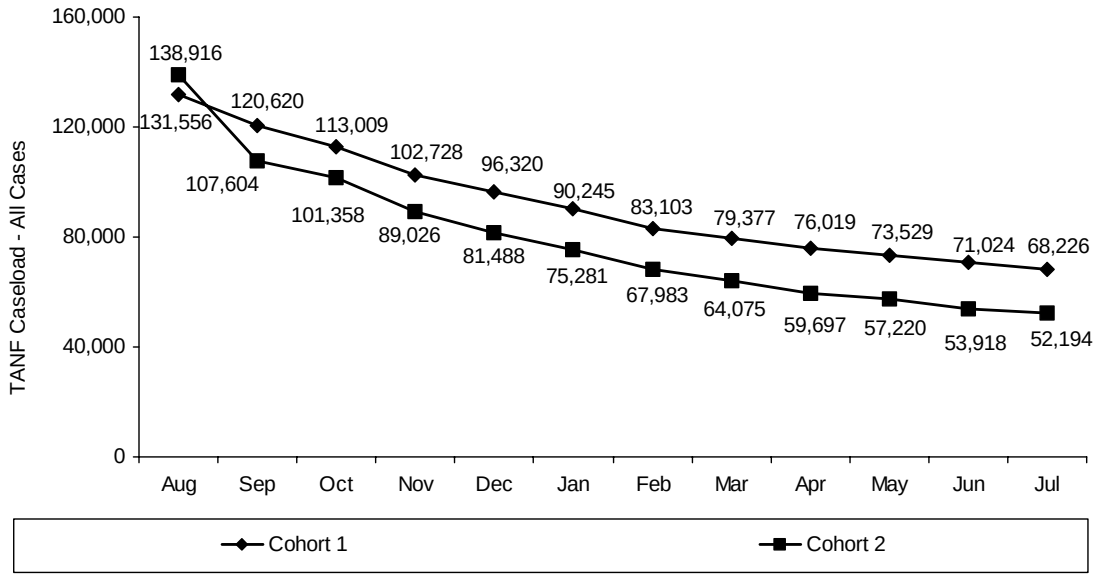
Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Note: Participation rates are calculated as the number of single-parent cases on TANF that are participating in activities for at least 30 hours per week divided by the number of single-parent cases on TANF. The rates are approximate because they do not exclude from the denominator cases that may be removed from the calculation according to federal law. Thus, the rates likely understate the actual participation rate.

1. Changes in the Caseload

The increase in Texas's work participation rate following the implementation of full-family sanctions primarily reflects a decrease in the caseload, the denominator of the rate. The number of cases on TANF in August 2002 (131,556) was similar to the number of cases on TANF in August 2003 (138,916). The number of single-parent cases on TANF in August 2002 and August 2003 was even more similar (76,489 and 75,845, respectively). A substantial number of cases in both cohorts went off TANF over the course of the year, but the trend was much more pronounced for the 2003 cohort (see Figures VI.2 and VI.3). Forty-eight percent of those on TANF in August 2002 were off the caseload one year later, while 62 percent of those on TANF in August 2003 had left the caseload one year later. Among single-parent cases, 56 percent of those on TANF in August 2002 were off the rolls one year later, while 76 percent of those on TANF in 2003 were off one year later.

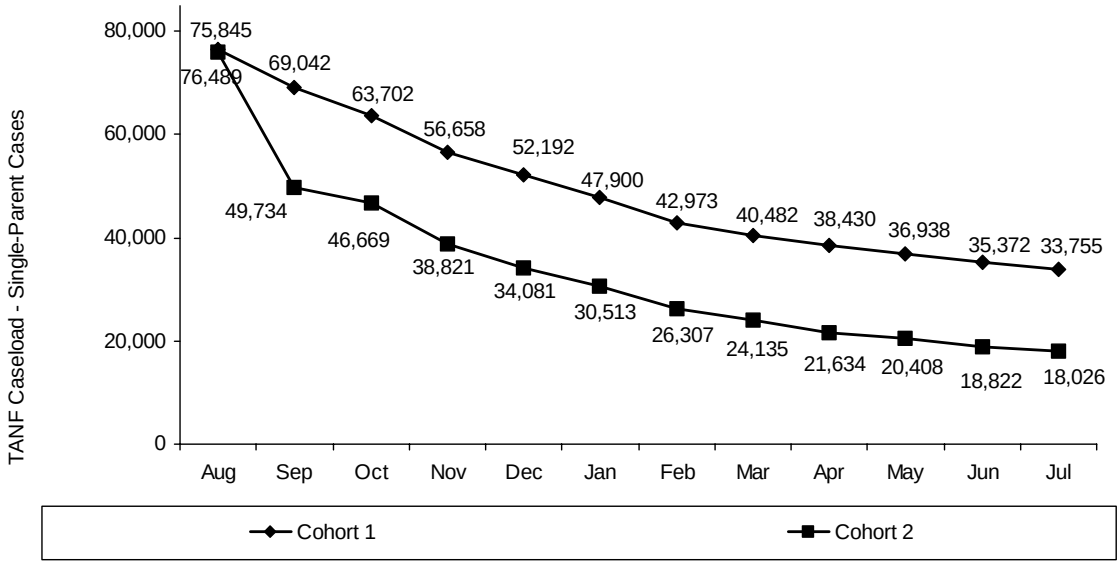
Figure VI.2. Cases on TANF in Texas Over Time, by Cohort—All Cases [a]



Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

[a] All cases includes single-parent, two-parent, and child-only cases.

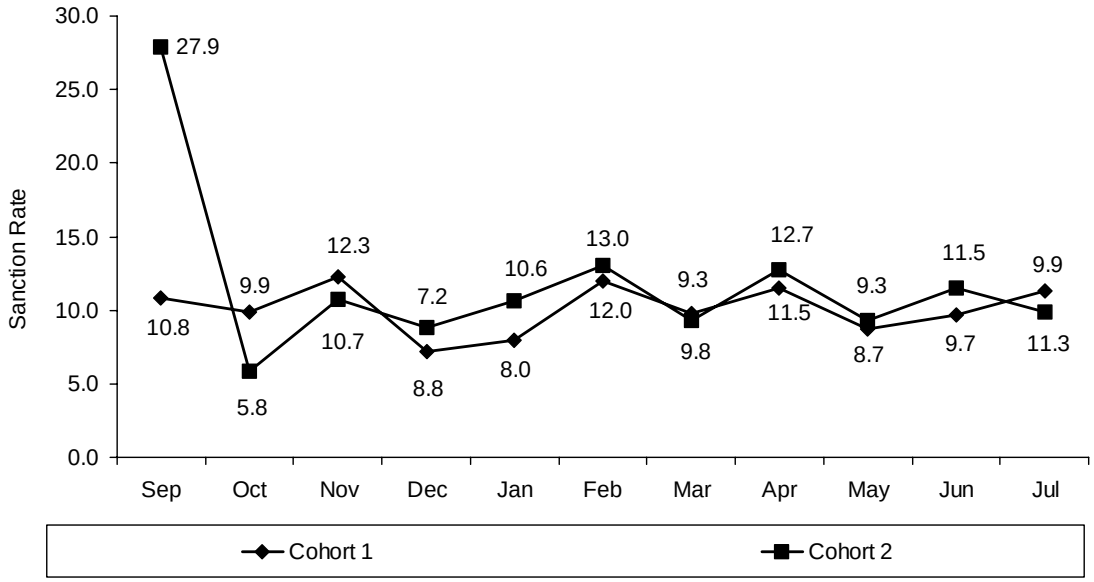
Figure VI.3. Cases on TANF in Texas Over Time, by Cohort—Single-Parent Cases



Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

While the advent of full-family sanctions may not account for Texas's entire caseload decline, it likely accounts for a substantial portion of it. Though the economic climate was rather similar between 2002 and 2004, other policy changes and other external factors may have contributed to the decline. Given that the 2002 cohort was subject to the original partial-sanction policy for the entire follow-up period, none of the cases in the cohort was closed as a result of a sanction; rather, cases were closed because of financial or other ineligibility or because of voluntary exit from TANF. With the 2003 cohort subject to the immediate full-family sanction policy, cases in the cohort could be closed as a result of a sanction as well as for all of the same reasons affecting the 2002 cohort. The rate of sanctioning in Texas did not change when the state shifted to an immediate-full-family sanction policy (see Figure VI.4), although the percent of cases on the rolls and in sanction status declined dramatically. The reason is that, under the old policy, sanctioned cases could remain on the rolls indefinitely and thereby accumulated on the caseload. Under the new policy, sanctioned cases remain on the rolls for only one month and therefore do not accumulate on the caseload. Cases sanctioned under the new policy are closed in the following month if they do not come back into compliance. Thus, after the implementation of the full family sanction, the percent of non-exempt clients in sanction status each month is the same as the percent receiving a sanction each month. In contrast, prior to the implementation of the full family sanction, the percent of non-exempt clients in sanction status each month included those newly sanctioned as well as those that had been in sanction status for some time.

Figure VI.4. Sanction Rates in Texas Among Non-Exempt Clients on TANF Over Time, by Cohort



Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Note: Sanction rates are calculated as the number of cases that are sanctioned divided by the number of cases that are on TANF and not exempt from work participation requirements. The state imposed no sanctions in August 2003 probably because it was in the process of implementing changes to its management information system to accommodate the policy changes that took effect in September. Sanctions imposed in September 2003 (for cohort 2) likely include those that were supposed to be imposed in August 2003 as well as in September 2003.

We observed no demographic differences in the types of cases sanctioned before and after the policy changes took effect. In both cohorts, clients sanctioned some time during the one-year follow-up period were slightly more likely to have less than a high school diploma or GED, to have more than one child, and to have younger children (under age 6) than those never sanctioned during that period (see Table VI.2). The magnitude of the differences is similar across cohorts. Similarly, clients in the partial sanction cohort remaining on the caseload at the end of the follow-up period appear similar to clients in the full family sanction cohort remaining on the caseload at the end of the follow-up period. However, in the full family sanction cohort, substantially more of the families remaining on the caseload by the end of the follow-up period were child-only cases, reflecting the relatively higher rate of TANF exit among single-parent cases in the full family cohort versus the partial sanction cohort.

2. Changes in Participation

The Texas policy change may have also affected the work participation rate by increasing the number of recipients who participate in program activities (the numerator). The number of single-parent cases participating in work activities for at least 30 hours per week in August is about 28 percent higher in the 2003 cohort than in the 2002 cohort—23,170 versus 18,151 cases (see Figure VI.5).[16] It is possible that news about the upcoming policy changes inspired those imminently facing the changes (the August 2003 cohort) to increase their work activity relative to peers who did not face the changes (the 2002 cohort). In both cohorts, however, the raw number of single-parent cases participating for at least 30 hours per week declined over the course of the following year. The decline was much more rapid among the 2003 cohort. By the end of the follow-up period, 13 percent fewer TANF recipients in the cohort subject to full-family sanctions (the 2003 cohort) were participating in activities for at least 30 hours per week than recipients in the cohort subject to partial sanctions (the 2002 cohort). The trend in participation may be indicative of the fact that, over time, fewer clients in the full family sanction cohort versus the partial sanction cohort are required to participate in work activities (see Figure VI.6). If fewer recipients are required to participate in activities, then it is almost a certainty that fewer will.

[16] Recall that the total number of single-parent cases on TANF in August was similar among each cohort.

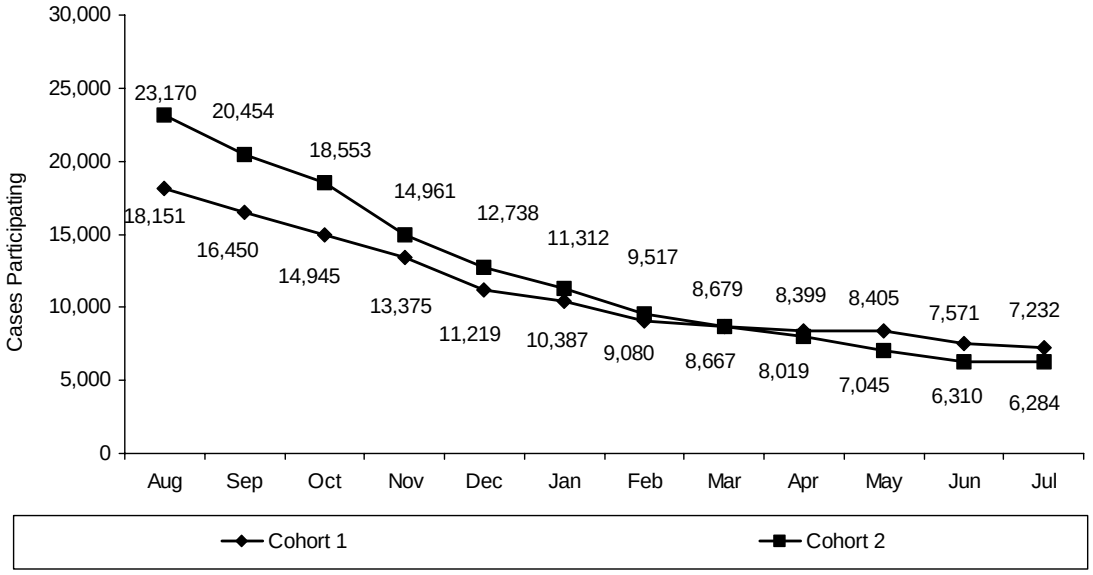
Table VI.2. Characteristics of Sanctioned TANF Cases in Texas, by Cohort

Characteristic	Cohort 1			Cohort 2		
	Ever Sanctioned during Year	Never Sanctioned during Year	On TANF in July 2003	Ever Sanctioned during Year	Never Sanctioned during Year	On TANF in July 2004
Ethnicity/Race of Case Head						
Non–Hispanic, white	19.8	19.8	16.4	19.9	19.2	15.4
Non–Hispanic, African American	33.7	28.8	32.0	34.7	30.3	30.3
Hispanic, any race	45.7	50.7	50.9	44.7	49.7	53.6
Other	0.8	0.8	0.7	0.6	0.8	0.7
Education of Case Head						
Less than high school diploma/GED	61.9	58.4	65.1	62.1	57.8	64.3
High school diploma/GED	38.1	41.6	34.9	37.9	42.2	35.7
More than high school diploma/GED	0.0	0.0	0.0	0.0	0.0	0.0
Number of Children in TANF Case						
0	0.3	0.8	0.6	0.2	0.8	0.7
1	36.4	44.4	40.7	39.2	42.6	42.3
2	31.1	29.4	29.9	30.7	29.7	29.6
3	19.2	15.8	17.0	18.4	16.5	16.5
4 or more	12.9	9.5	11.8	11.5	10.4	10.9
Age of Youngest Child in Case						
Younger than 1	15.1	10.1	11.0	14.2	10.7	9.6
1 to 2	18.9	13.5	15.1	18.1	14.6	14.3
3 to 5	13.1	11.7	12.5	13.1	12.2	12.5
6 or older	16.2	19.5	20.1	15.3	19.3	20.7
Type of Case						
Single-parent	92.2	39.6	49.5	91.6	44.9	34.5
Two-parent	6.3	3.8	3.0	6.3	4.2	2.3
Child-only	1.5	56.6	47.5	2.1	50.8	63.2
Cumulative TANF Months since November 1996						
Fewer than 6 months	28.3	23.3	16.8	31.2	24.4	14.7
6 to 11 months	20.7	15.9	13.9	21.7	18.0	13.7
12 to 24 months	21.6	17.9	19.1	21.5	18.9	19.2
25 months or more	28.2	41.7	48.7	24.5	37.6	51.1
Sample Size	46,445	85,110	68,226	28,732	110,184	52,194

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

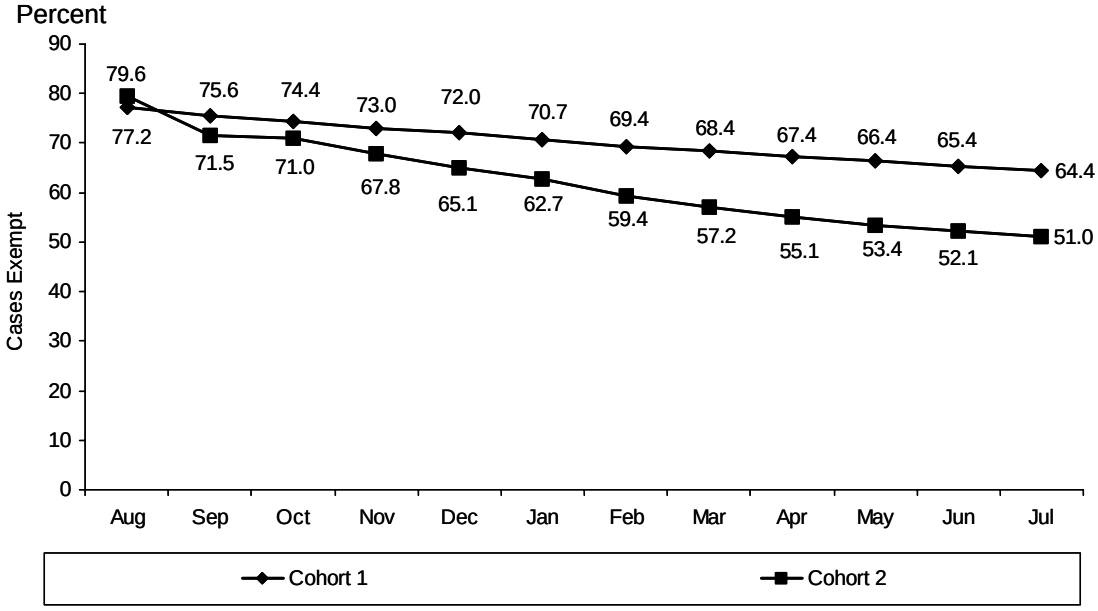
Note: Child age is calculated as of August 1 of the cohort year. Of the two cohorts, 55,522 cases in cohort 1 and 59,076 cases in cohort 2 were missing data for the youngest child's birth date.

Figure VI.5. Number of Single-Parent Cases In Texas Participating in Activities for 30 or More Hours per Week, by Cohort



Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Figure VI.6. Percentage of Single-Parent Cases in Texas Not Exempt from Work Requirements, by Cohort



Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

3. Changes in Employment

Another question of interest is whether under the new sanction policy TANF recipients are more likely to work when they leave the caseload. For the cohort subject to the new full family sanction policies, the rate at which recipients left welfare with or for employment—39 percent, initially—is about ten percent lower than the rate for those subject to the old, less stringent partial sanction policies—49 percent, initially (see Table VI.3). While more people in the August 2003 cohort left TANF with or for employment than in the August 2002 cohort (16,567 versus 9,653 people, respectively), even more left TANF without work (25,713 versus 10,047 people, respectively). While 1.7 times as many people in the August 2003 cohort left TANF with or for employment than in the August 2002 cohort, 2.5 times as many left TANF without employment.[17]

Table VI.3. Employment Rates among Cases that Went off TANF in Texas, by Cohort

	Employed		Not Employed	
Cases	Number	Percent	Number	Percent
Among Partial Sanction Cohort Cases that Went off TANF in Third-Quarter 2002 (N = 19,700)				
Employment status in third-quarter 2002	9,653	49.0	10,047	51.0
Employment status in fourth-quarter 2002	9,239	46.9	10,461	53.1
Among Full Family Sanction Cases that Went off TANF in Third-Quarter 2003 (N = 42,154)				
Employment status in third-quarter 2003	16,567	39.3	25,587	60.7
Employment status in fourth-quarter 2003	16,777	39.8	25,377	60.2

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Note: Employment data are based on Unemployment Insurance wage data records and are unavailable for first and second quarters of 2004.

B. THE GEORGIA EXPERIENCE–SANCTION POLICY AND APPLICANT WORK REQUIREMENT CHANGES

Beginning in 2004, Georgia implemented revisions to its sanction policy and practices. Before that year, an initial failure to meet work requirements resulted in a 25 percent reduction of the TANF grant. A subsequent violation resulted in termination of the grant and a lifetime prohibition of further TANF assistance. However, TANF clients were entitled to a conciliation process for each act of noncompliance and could thus avoid imposition of a sanction. In 2004, Georgia revised its policy so that subsequent violations no longer make a family ineligible for TANF for life, but conciliation may occur only once in a TANF recipient's lifetime. Currently, the first instance of noncompliance results in an

[17] The analyses in this section are based on a comparison of data from the year before and the first year after policy changes took effect. Data for subsequent years may portray different, perhaps more positive, outcomes.

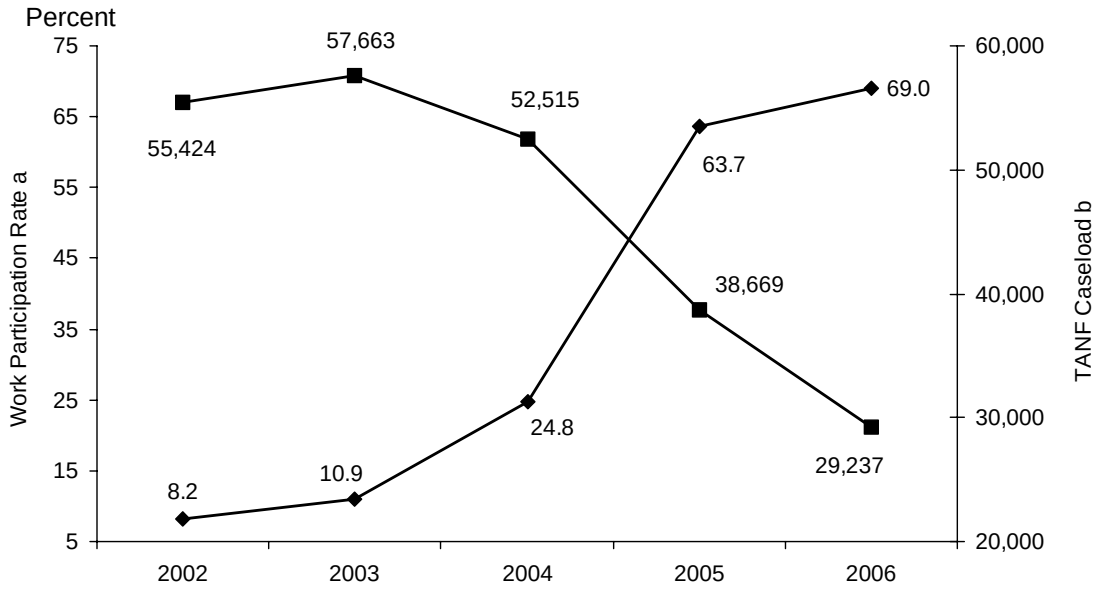
official conciliation, or warning, with no effect on the TANF benefit. The second instance of noncompliance results in a 25 percent reduction in the TANF grant for three months. In the third month of the grant reduction period, a case manager sends the client a notice instructing the client to visit the TANF office for a meeting with the case manager in order to restore full benefits. If the client attends the meeting within 30 days of the end of the sanction period, full benefits resume. If the client does not attend, the case is closed and the client must reapply for TANF in order to receive benefits again. The third instance of noncompliance results in full case closure for a minimum three months, after which the client may reapply for benefits. The fourth instance of noncompliance results again in a 25 percent reduction in the TANF grant for three months, followed by case closure if the client does not attend a meeting with the case manager within 30 days of the end of the sanction period. The fifth instance of noncompliance results in full case closure for a minimum of 12 months, after which the client may reapply for benefits. The consequences for future instances of noncompliance are the same as the consequences for the fourth and fifth instances, in turn.

Georgia's policy change was part of a larger initiative entitled "The Right Work the Right Way," instituted by the Department of Human Resources. The initiative emphasized "welfare is not good enough for any family." In addition to encouraging counties to engage more TANF recipients in work and work-related activities, the initiative encouraged counties to move more TANF applicants away from the welfare rolls and toward stable employment. While Georgia always had an upfront applicant job search requirement in place, many counties—in response to the initiative--modified the way in which they implement the job search process. For instance, in October 2005, DeKalb County institutionalized what was previously an independent job search requirement for TANF applicants. Formerly, DeKalb required TANF applicants to make a certain number of employer contacts per week and the county tracked job search activities through self-reported forms. As of October 2005, the county refers all TANF applicants to a for-profit contracted service provider and requires participation in a four-week job search program for 40 hours per week. The first week involves workshops in resume development, interviewing, problem-solving skills, use of technology, and similar topics. The second week focuses on a structured job search and in-depth assessments. The final weeks consist of independent job search with oversight and thorough documentation. Applicants who miss more than two days of the job search program are denied assistance.

Georgia's TANF caseload has declined consistently and substantially since 2003 at the same time that its participation rate has been rising sharply (see Figure VI.7). The most drastic changes in the caseload have occurred since 2004. In June 2004, the caseload totaled 52,515 (including exempt and non-exempt adult cases as well as child-only cases) but had declined by 26 percent to 38,669 as of June 2005. Between June 2005 and June 2006, the caseload declined by another 24 percent and continued to decline the following year. By June 2006, the caseload was almost half of its 2003 total. Increases in the state's participation rate have also been occurring since 2002 but have been most dramatic since 2004. Before the institution of the initiative, work participation rates according to federal data were extremely low—8.2 percent in FY 2002 and 10.9 percent in FY 2003. By FY

2004, participation rates had increased to 24.8 percent. According to state data, by April 2005, the participation rate had reached 63.7 percent and, by April 2006, 69.0 percent.[18]

Figure VI.7. Georgia's TANF Caseload and Work Participation Rate



[a]For 2002, 2003, and 2004, the work participation rate is for the fiscal year and is based on federal data. For 2005 and 2006, the work participation rate is for April and is based on state data.

[b]Caseload is in June.

To understand whether and how the 2004 initiative has contributed to the changes in Georgia's caseload and participation rate, it is important to examine trends in sanction rates, TANF application and application approval rates, sanctions, and case closures. Thus, for each month from January 2001 through December 2006, MPR obtained data on the total number of applications received statewide, the percent of applications approved and denied, and the reasons for denial. We also obtained information on the number of sanctions imposed, the number of TANF cases closed, and reasons for case closure.

Anecdotal evidence suggests that, under the old policies, program staff perceived the consequences (i.e., a permanent ban from TANF) of sanctions as too punitive and therefore did not sanction families. Program staff either conciliated or disregarded most acts of noncompliance. Data confirm that the use of sanctions was relatively low in FY 2002 and FY 2003 but that sanction rates increased substantially thereafter. The number of TANF recipients with a first-level sanction nearly doubled between FY 2003 and FY 2004 and then more than doubled again by FY 2005, reaching its highest level since FY 2000 (see Table VI.4). Between FY 2000 and FY 2004, second-level sanctions throughout Georgia were relatively infrequent, never occurring more than 24 times per year. In most years, no county

[18]Federal data on state participation rates are not available for years after 2004.

had more than two or three cases subject to a second sanction. While the number of second-level sanctions remained small relative to the caseload, however, FY 2005 saw a sharp increase in the frequency of second-level sanctions, from 24 in FY 2004 to 89 in FY 2005. These increases occurred as the TANF caseload was declining, resulting in a substantially higher sanction rate during the state's implementation of its new initiative.

Table VI.4. Number of First- and Second-Level Sanctions in Georgia Over Time

Fiscal Year	TANF Recipients in First-Level Sanction (25 percent grant reduction)	TANF Recipients in Second-Level Sanction (grant termination)
2000	476	6
2001	410	6
2002	168	19
2003	210	13
2004	380	24
2005	835	89

Source: MPR analysis of Georgia administrative data.

While sanction rates did in fact increase in the wake of policy changes, the number of case closures due to sanctions is still extremely low and does not account for the large decline in the TANF caseload. In addition, even if sanction policy changes have led program staff to implement sanctions more frequently (making consequences for nonparticipants more certain), the relatively small number of case closures suggests that the changes may not be significant enough to result in measurable changes in behavior. We have observed no net increase in the number of families meeting the federal work requirements since implementation of the state initiative and policy changes. While 8,750 families were participating in work activities at federally acceptable levels in October 2004, only 5,974 and 3,001 families, respectively, were doing so in October 2005 and January 2006. Thus, the increase in the participation rate is not due to an increase in the numerator of the rate, but rather a decrease in the denominator.

However, that the strong messages about work and program expectations communicated by program staff to applicants as a result of the 2004 initiative have been followed by a decrease in the number of families applying for TANF (see Table VI.5). The number of TANF applications steadily increased between FY 2000 and FY 2003 and then steadily decreased between FY 2003 and FY 2006. It is likely that changes in the implementation of the upfront job search requirement coupled with new messages are motivating more low-income families either (1) to work instead of accept welfare and all of its requirements, or (2) to refuse to agree to TANF work requirements even if unemployed. Moreover, recent years have seen a substantial decrease in the percent of TANF application approvals. While about half of the applications were approved between FY 2000 and FY 2003, the approval rate plummeted to less than one-quarter in 2006 after reaching a high of

just under three-quarters in 2004.[19] Application approval rates prior to the program changes were similar to approval rates in other states—53 percent on average in 2000 and 51 percent in 2001 (Abt Associates, Inc. 2003).[20]

Table VI.5. Number of TANF Applications in Georgia and Percent Approved Over Time

Fiscal Year	Number of TANF Applications	Percent of TANF Applications Approved
2000	115,155	50
2001	130,648	51
2002	137,791	51
2003	146,279	51
2004	145,314	73
2005	132,309	48
2006	104,547	22

Source: MPR analysis of Georgia administrative data.

Once families have submitted their applications for TANF, the penalty for failing to comply with upfront job search and other work requirements has the same effect as a full-family sanction for noncompliant recipients. Increasingly, Georgia is denying TANF applications because applicants either cannot or do not want to comply with work requirements during the eligibility process. In every year between FY 2000 and FY 2006 with the exception of FY 2004, the three most common reasons for application denial were (1) applicants' failure to cooperate in the eligibility process; (2) applicants' voluntary withdrawal of their applications; and (3) applicants' financial ineligibility. However, the relative frequency of these reasons has shifted over time (see Figure VI.8). While the rate of non-cooperation with the eligibility process remained relatively constant (at or slightly more than one-third), the rate of voluntary application withdrawals has increased substantially over time even as the rate of financial or other ineligibility has decreased.[21] By FY 2006, almost 38 percent of TANF applicants did not become TANF recipients because of their own decision to stop pursuing assistance. With an additional 37 percent failing to cooperate with the eligibility process, fully three-quarters of applicants could not or did not want to comply with program expectations. While it is likely that much of this shift can be attributed to

[19] Georgia began implementing its "the Right Work the Right Way" initiative in 2004; thus 2004 can be viewed as a transition year and an outlier with respect to percentage of applications approved.

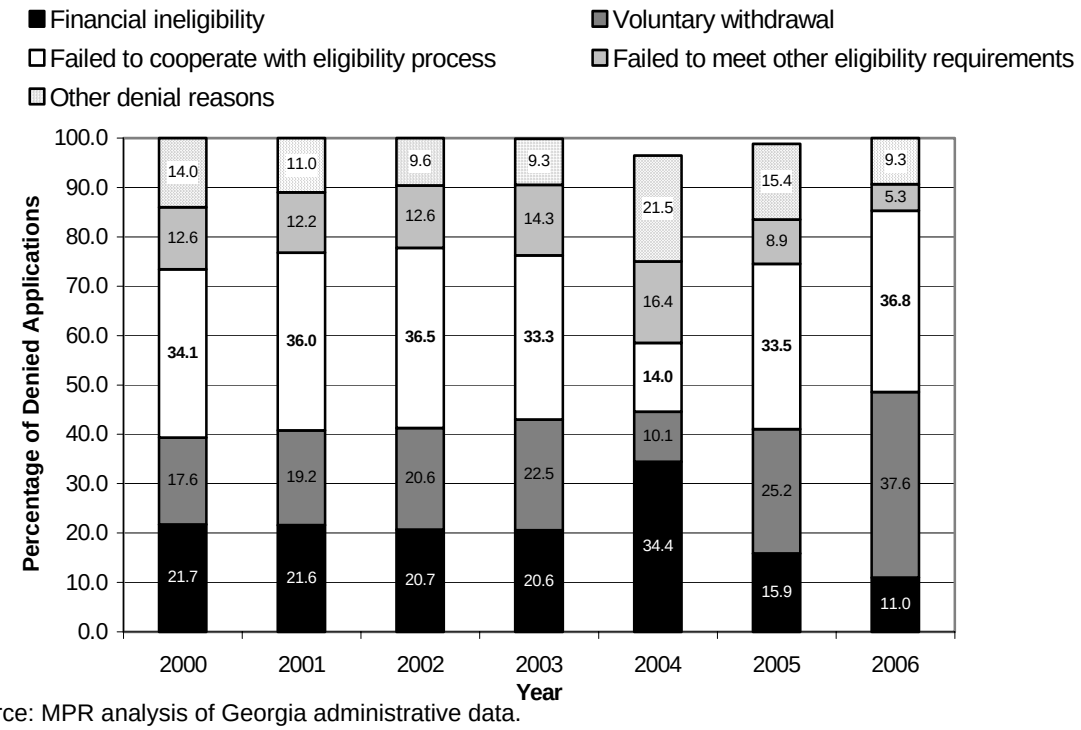
[20] Data available from the Georgia Department of Human Resources at http://dfcs.dhr.georgia.gov.

[21] Once again, because Georgia began implementing its "the Right Work the Right Way" initiative in 2004, this year can be viewed as a transition year and an outlier with respect to application denials.

changes in client behavior, it is also possible that changes in coding and reporting practices among case managers also contributed.

Terminations for reasons other than sanction for failure to comply with work requirements have also contributed to changes in the caseload and participation rate. Case closures in recent years have occurred more frequently than in the past. While recipients may not leave TANF directly as a result of a sanction, they may decide that financial assistance is no longer worth the burden of program requirements; thus, they voluntarily leave the caseload. Indeed, case closure at families' request or for failure to comply with the re-certification process represent an increasing share of all case closures (see Figure VI.9). At the same time, case closure due to changes in families' financial circumstances that make families ineligible for assistance represent a decreasing share of all case closures. In 2003, the year before Georgia's policy and philosophy changed, 42 percent of cases closed for financial reasons, and 10 percent closed when families requested closure or did not comply with re-certification. By 2006, these numbers were 22 and 37 percent, respectively. Once again, while it is likely that much of this shift can be attributed to changes in client behavior, it is also possible that changes in coding and reporting practices among case managers also contributed.

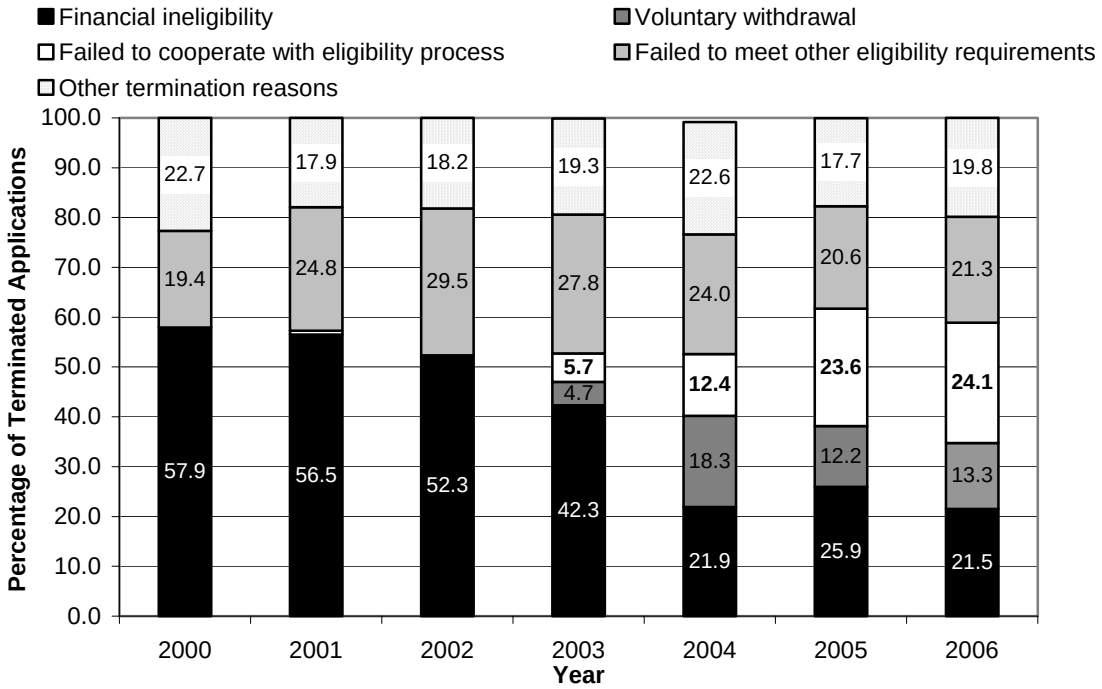
Figure VI.8. Georgia TANF Application Denial Reasons Over Time[a]



Source: MPR analysis of Georgia administrative data.

[a] For some years, percentages do not sum to 100 due to missing data

Figure VI.9. Georgia TANF Case Closure Reasons Over Time [a]



Source: MPR analysis of Georgia administrative data.

[a] Percentages do not sum to 100 in 2004 due to missing data. Percentages for voluntary withdrawal are 0.0 in 2000 – 2002. Percentages for failed to cooperate with eligibility process are 0.0 in 2000 and 2002 and 0.8 in 2001. Failed to cooperate with eligibility process includes clients who failed to cooperate with procedures for re-certifying TANF eligibility and, for clients whose TANF cases were approved prior to completing the four-week applicant job search program, who failed to complete that program. Failed to meet other eligibility requirements includes clients whose circumstance (such as income or family structure) have changed and who no longer meet eligibility requirements.

C. THE LOS ANGELES COUNTY EXPERIENCE–EFFORTS TO REDUCE SANCTIONS

In an attempt to improve its efforts to serve families required to participate in work activities, Los Angeles County has been particularly pro-active in examining who is sanctioned and why. In recent years, community advocates and policymakers have expressed interest in reducing the number of recipients in sanction status and enhancing participants' capacity to comply with work requirements. They have been concerned that sanctioned TANF recipients are unable to comply with program requirements because they do not receive needed supportive services for substance abuse, domestic violence, and mental health problems. In response, in 2004, the Los Angeles Commission for Public Social Services requested systematic information on welfare sanctions and the county's sanctioned population.

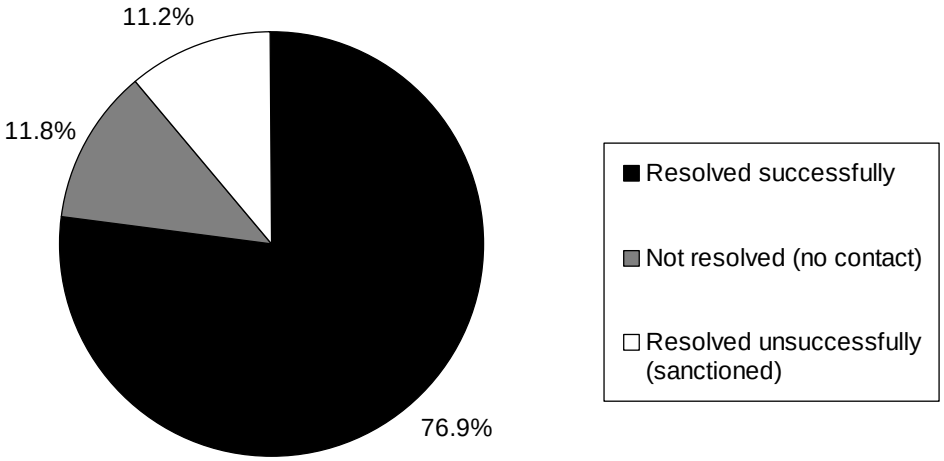
In March 2005, the county released a study the Department of Public Social Services conducted of a group of TANF recipients who had been sanctioned between April 2002 and February 2004. The study led to formation of the Partner's Workgroup, which brings together the Los Angeles Commission for Public Social Services, the Department of Public

and Social Service (DPSS) managers, and other program stakeholders. The Workgroup was charged with creating a Sanction Action Plan that would use the study's findings and recommendations as the basis for a series of policy enhancements designed to reduce the county's sanction rate. DPSS submitted the Sanction Action Plan to the Board of Supervisors in August 2005. The plan provided a blueprint for making changes throughout the CalWORKs and GAIN service systems to reduce the number of sanctions.

One of the most significant aspects of the plan was the creation of the home-visiting program, whose primary goal is to conduct outreach to and conciliation with nonparticipating clients before imposition of a sanction. Home visit workers mail a letter to each noncompliant client in danger of sanction advising the client that a home visit will occur if the client does not attend a required meeting to conciliate the impending sanction. If the client attends the meeting, the home visit is not necessary. If a home visit is in fact necessary, it usually takes place the day after the scheduled conciliation meeting. During the visit, home visit, workers attempt to identify reasons for client noncompliance and encourage re-engagement in activities. The home visit project was implemented on October 31, 2005, in five of Los Angeles County's seven regions. Initially, the project targeted recipients who had previously been identified with a supportive services need, specifically mental health and/or substance abuse. Effective December 2005, the project expanded to serve all TANF recipients in the five regions; effective March 2006, the project expanded to serve all TANF recipients in the remaining two regions.

In the first year of project implementation, 41,233 TANF recipients were noncompliant and subject to home visits. Among the noncompliant recipients, 77 percent successfully resolved their noncompliance and/or sanction (see Figure VI.10). Among cases successfully resolving their noncompliance issues, only 10 percent required a home visit. Program staff could not contact 12 percent (either because the client was not home or because of an incorrect address) and thus the case was still pending, and another 11 percent were sanctioned; some of those sanctioned received home visits and some did not.

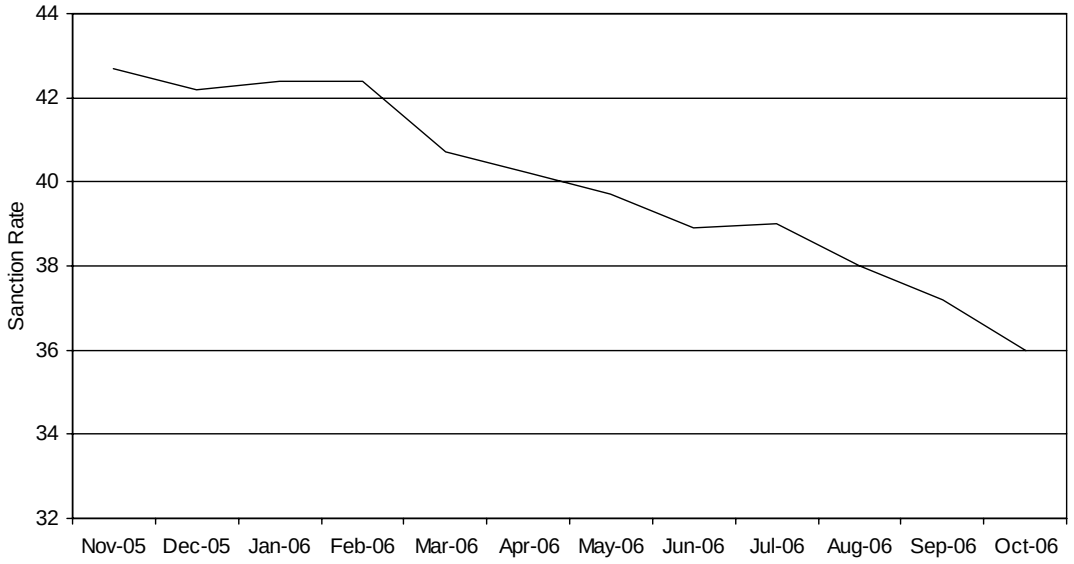
Figure VI.10. Resolution of Los Angeles TANF Cases Subject to the Home Visit Process



Source: MPR analysis of data provided by the Los Angeles County Department of Social Services

The number of recipients sanctioned in Los Angeles County has been declining since implementation of the home-visiting project. In September 2005, 21,282 families were in sanction status. By November 2006, that number had declined by 26 percent to 15,662 families. The sanction rate (defined by the number of families in sanction status divided by the number of families enrolled in GAIN, or subject to work requirements) has also been declining, suggesting that the decline is not simply a result of a declining TANF caseload. In November 2005, the sanction rate was almost 43 percent (see Figure VI.11). Within one year, it had declined to 36 percent. It appears that the decline in sanctions can be attributed to both a reduction in new (initial and subsequent) sanctions, and an increase in the number of sanctions cured or resolved (for example, because the household head left the caseload). The average number of new sanctions imposed in fourth-quarter 2006 was nearly 16 percent lower than the average number of sanctions imposed a year earlier. However, the number of GAIN enrollees was declining during this period such that the rate of new sanctions declined, but not enough to account for the full decline in the number of individuals in sanction status. While the rate of imposition of new sanctions (defined by the number of new sanctions imposed divided by the number of non-sanctioned families enrolled in GAIN) hovered around 7.3 – 7.5 percent in fourth-quarter 2005, it fell to 6.3 percent in early 2006 and fluctuated between 5 and 6 percent for the remainder of the year.

Figure VI.11. Sanction Rate over Time in Los Angeles County



Source: MPR analysis of data provided by the Los Angeles County Department of Social Services

Although Los Angeles County has reduced the number of recipients in sanction status, the decline has not translated into a substantial increase in the county's work participation rate. Many clients had their cases resolved in a manner that presumably would have a positive effect on the county's work participation rate. Twenty-two percent agreed to participate in work activities, and another 7 percent were employed (see Table VI.6). At the

same time, many other cases were resolved in a manner that would have an adverse effect on the county's work participation rate. About one-third (33.5 percent) were found to be exempt from work requirements or to have good cause for not participating. Many of these cases likely would remain in the denominator of the participation rate. In fact, we observed little change in the county's work participation rate since implementation of the home-visiting project. In FY 2005, the county's work participation rate was 27.9 percent and, in FY 2006, it was 26.5 percent. The county now believes that noncompliant families may need more assistance and encouragement to begin participating in program activities after they have agreed to comply. As a result, the county is in the process of implementing a new case management system whereby case managers would spend more time with families to help them identify and resolve potential participation barriers. Case managers would contact clients as often as daily but at least weekly in addition to daily monitoring of program participation. Acknowledging that affecting the work participation rate can take time, the county is willing and eager to engage in a trial and error process to find an approach that benefits both individual recipients and the county.

Table VI.6. Resolution of Los Angeles TANF Cases Subject to Home Visits, by Type of Resolution

Cases	Number of Cases	Percent of Cases
Successfully Resolved		
Agreed to participate	9,100	22.1
Excused for good cause	9,394	10.7
Exempt	4,400	22.8
Employed	2,978	7.2
Homeless	2,051	5.0
Cash grant terminated	1,694	4.1
Sanction imposed in error	1,678	4.1
Other	450	1.1
Sanctioned	4,612	11.2
Unresolved (no contact)	4,876	11.8
Total	41,233	100.0

Source: MPR analysis of data provided by the Los Angeles County Department of Social Services

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CHAPTER VII

CONCLUSION

The primary objective of this study was to shed light on the ways in which states and local welfare offices use the sanction process to increase participation in program activities. The information generated by the study may be particularly salient to states considering various approaches to increasing their work participation rates in response to the DRA, which changed the way the rates are calculated, changed the way the caseload reduction credit is calculated, and effectively increased the work participation rates required of states. With one exception—Texas, which shifted from a partial to an immediate full-family sanction in 2003—the sites included in the study did not introduce major changes to the basic structure of their sanction policies. In an effort to increase engagement in work and work-related activities, they did, however, make changes to the way they implement their policies and procedures. Below, we highlight key innovations implemented in the study sites. We then summarize what we learned from the study sites' experiences. Finally, we conclude with a discussion of ways in which we might further our understanding of the impact of various sanctioning approaches on increasing participation in work activities and improving recipients' overall well-being.

A. KEY INNOVATIONS IMPLEMENTED IN THE STUDY SITES

With an increased emphasis on achieving higher work participation rates, the implementation of TANF sanctions has taken on a greater importance in most of the local welfare offices included in this study. In fact, nearly all of the daily tasks completed by case managers and, to a lesser extent, contracted service providers relate to the sanctioning process in some way. These tasks include providing information to recipients on work requirements; developing employment plans to which recipients will be held accountable; tracking participation in program activities; and identifying and resolving barriers to participation. While the sites all undertake the same tasks in implementing TANF sanctions, they demonstrate considerable variation in the way they handle the tasks and the relative importance they place on each. Similarly, the sites made different decisions about better use of sanction policies and procedures to achieve higher work participation rates. Factors

influencing their decisions included (1) the type of sanction policy already in place; (2) administrative structure, especially how roles and responsibilities were allocated between staff in the welfare office and contracted service providers; (3) overall philosophy and approach for helping recipients make the welfare-to-work transition; (4) the number of families subject to work-oriented sanctions; (5) the availability of funds to implement special initiatives; (6) the availability and use of information on the characteristics and needs of sanctioned families; and (7) legislative or legal constraints.

For example, Los Angeles County's approach to improving the effectiveness of work-oriented sanctions was influenced by research commissioned by the county on the use of sanctions and the characteristics of sanction recipients. In addition, because participants in Los Angeles County are subject to a partial sanction and, therefore, remain in the denominator of the work participation rate, the county must engage a larger number of individuals, including sanctioned or noncompliant recipients, in work activities in order to achieve higher rates. The situation and influences in DeKalb County, Georgia were markedly different. With a stringent upfront work requirement in place, TANF recipients must demonstrate compliance with program requirements as a condition of receiving TANF benefits. Because most clients in DeKalb County come on to TANF already meeting requirements, sanctions are less important to achieving higher work participation rates. Aided by greatly reduced caseloads and a community resource specialist acting as a liaison between welfare staff and contracted service providers, the county emphasizes the importance of early identification and resolution of noncompliance for recipients who may not be complying with program requirements.

The strategies implemented by the sites with respect to sanctions fall into six broad categories: (1) changing sanction policies; (2) defining work requirements and communicating information about them; (3) monitoring program participation and identifying noncompliance; (4) re-engaging noncompliant recipients in program activities before imposition of a sanction; (5) revising processes to impose sanctions more efficiently; and (6) re-engaging noncompliant recipients in program activities after imposition of a sanction. Table VII.1 summarizes the strategies sites implemented in these areas. While the sites collectively implemented changes in each of these areas, they made the most significant changes with respect to efforts to engage noncompliant recipients in program activities. Most program administrators and staff in the sites perceived these changes as improvements that will contribute to increased participation rates. However, little to no data exist to provide evidence of the effect of these changes.

Table VII.1. Strategies Implemented Across Study Sites

Strategy	Site (State or County)
Changing Sanction Policies	
Shift from a partial to full-family sanction	Texas
Increased penalties for multiple sanctions	Utah
Elimination of durational sanctions	California
Defining Work Requirements and Communicating Information about Them	
Employability plans that intensify work requirements	DeKalb, Suffolk, Kern, Los Angeles, Duval, Pima
Employability plans that include a broad range of activities	Salt Lake, Kern, Los Angeles
Home visits during the TANF application process	Los Angeles
A statewide social marketing campaign	Georgia
Monitoring Program Participation and Identifying Noncompliance	
A specialized monitoring and tracking unit	Suffolk
A web-based reporting system	Utah
Liaisons between contracted service providers and case managers	DeKalb
Re-engaging Noncompliant Recipients in Program Activities Before Imposition of a Sanction	
Problem solving sessions with highly skilled staff	Utah
Mediation sessions with on-the-spot decision-making	Suffolk
Home visits to encourage compliance planning	Los Angeles
Revising Processes to Impose Sanctions More Efficiently	
Specialized staff for imposing sanctions	Texas, Suffolk, Pima, Duval
Specialized staff for sanction prevention or re-engagement activities	Los Angeles, Kern, Suffolk, DeKalb
Time constraints on imposing sanctions	Los Angeles
Re-engaging Noncompliant Recipients in Program Activities After Imposition of a Sanction	
Outreach and group information sessions	Kern
Barrier identification and resolution	Suffolk
Immediate job placement	Suffolk
Job search and job preparation services	Tarrant
Provision of work supports	Georgia

- ***Changing Sanction Policies.*** In recent years, many states have changed the key aspect of their sanction policy—the effect of the sanction on the TANF cash grant—sometimes as part of a larger reform of their welfare systems. All states that have done so have moved to a more stringent model—that is, from a partial to a full-family (six states) or from a gradual full-family to an immediate full-family sanction policy (three states). One of the states in the study—Texas—made major changes to its policy by shifting from a partial to an immediate full-family sanction. In the wake of its new policy, Texas has experienced a substantial increase in its work participation rate—from 28.1 in FY 2003 to 34.2 in FY 2004. Administrative data suggest that the policy changes are affecting the work participation rate primarily by reducing the TANF caseload. Other states in the study made more minor changes, some of which increased and others that eased the stringency of sanctions. Utah, for example, decreased the time it takes to impose a sanction and increased the stringency of the penalties for repeat sanctions. California eliminated durational sanctions in an effort to reengage clients in federally countable work activities sooner.

- ***Defining Work Requirements and Communicating Information about Them.*** Acknowledging that many studies show that TANF recipients do not understand either what is expected of them or the consequences for not meeting those expectations, all of the sites tried to do a better job of communicating program expectations to recipients. In most sites, workers talked about work requirements and potential sanctions during nearly every client interaction, most of which occurred over the telephone. Building on home-visiting efforts already in place to detect fraud, Los Angeles used its Home Interview Program to provide information on work requirements and to schedule orientation appointments for new TANF recipients. Georgia undertook a major effort to change the key messages conveyed to staff and recipients. The initiative, entitled "The Right Work The Right Way," aimed to convey the message that welfare is not good enough for any family. Georgia's TANF caseload has declined consistently and substantially since the implementation of the initiative and, at the same time, its participation rate has been rising sharply—from 10.9 percent in FY 2003 to 24.8 in FY 2004 and 69.0 percent by April 2006. Administrative data suggest that fewer people have entered the TANF rolls, but the state has not increased the absolute number of recipients engaged in work activities.

- ***Monitoring Participation in Program Activities and Identifying Noncompliance.*** Since the start of welfare reform, case managers, usually located in the TANF office, have had primary responsibility for monitoring participation in program activities and deciding when to impose sanctions. Given that contracted service providers often offer the work activities in which TANF recipients are required to participate, these organizations also play a key role in gathering and reporting information on program participation to case managers. Each study site faced the challenge of developing a reporting system that would meet the more stringent reporting requirements set forth in the DRA and the Interim Final Rules while still allowing case management staff time to provide personal support to recipients, especially those with substantial barriers to employment. In an effort to create an efficient system for collecting information on program participation, Suffolk County created a specialized monitoring and tracking unit that assigned each staff member responsibility for collecting program participation information from a particular type of employment service provider (e.g., work experience, job search, education and training, and so forth). Utah created a new Web-based reporting system that allows case managers to monitor the work participation of each of their cases in real time. In an effort to identify and address participation problems immediately, in DeKalb County, Georgia three staff members (called community resource specialists) act as a liaison between contracted service providers and case managers.

- ***Re-engaging Noncompliant Recipients before Imposition of a Sanction.*** In the absence of specific procedures for addressing participation issues before a sanction, the likelihood of any dialogue between client and case manager often

depends on the client-case manager relationship. Establishing a protocol can ensure that all noncompliant clients have the same opportunities to present evidence of good cause for their nonparticipation and/or to work with program staff to resolve barriers to participation and develop a plan for future compliance. In addition to standard sanction notifications (or warning letters) and routine telephone calls and letters, several sites implemented special initiatives to work more pro-actively with clients before imposing sanctions. For instance, Utah developed an extensive two-phase problem-solving process through which various staff members assist clients in their efforts to comply with program requirements before imposition of a sanction. Kern and Los Angeles counties in California both instituted a cause determination and compliance planning process that occurs before sanctioning. Home visits are an integral part of that process in Los Angeles County. Suffolk County conducts mediation sessions after which clients found to have good cause for nonparticipation are immediately re-engaged in program activities.

- ***Revising Processes to Impose Sanctions More Efficiently.*** In an effort to maximize the resources available for conciliation and re-engagement activities, some sites have attempted to streamline staff roles and sanction processes. To reduce the time and effort required to impose a sanction, some sites have designated one staff person (Duval County Florida, and Arizona, for example) or created a separate unit (Tarrant and Suffolk counties) solely responsible for imposing sanctions. Other sites (Utah) have invested in new data systems that reduce the time and effort required to transfer information between employment service providers and case managers. Finally, some sites (Los Angeles, Kern, Suffolk, and DeKalb counties) have hired staff specifically and exclusively dedicated to one or more sanction-related functions, such as home visits and other outreach efforts to noncompliant clients and formal or informal conciliation with noncompliant clients.

- ***Re-engaging Noncompliant Recipients after Imposition of a Sanction.*** The most innovative initiatives implemented by the study sites were aimed at re-engaging noncompliant clients in program activities after the imposition of sanctions. Two sites—Kern County, CA and Suffolk County, NY—conduct extensive outreach to sanctioned clients to identify and resolve barriers to participation. Kern relies on in-house staff and Suffolk contracts with a local social service agency for these activities. Two sites—Suffolk County and Tarrant County, TX—have implemented work programs targeted to sanctioned clients who want to come into compliance with program requirements. Suffolk contracts with a local social service agency to explore how clients in a second or subsequent sanction live on a reduced grant and whether they are in fact immediately employable. The agency then refers clients immediately employable to a temporary employment agency for job placement. Tarrant County contracts with a local social service provider to engage sanctioned clients in 40 hours of work-related activities per week for 4 consecutive weeks. Activities include job search, community service, transitional jobs, or others as needed. In

addition, the agency taps community partners to assist in providing sanctioned clients with specialized services such as mental health treatment. Finally, to encourage clients to work or participate in activities while in sanction status, the state of Georgia restored access to two highly valued work supports—childcare and transportation—to clients who do so.

B. WHAT WE LEARNED FROM THE STUDY SITES' EXPERIENCES

The experience of the study sites provides several lessons for state and federal policymakers and for program administrators. Broadly speaking, their experience expands our knowledge of the range of approaches used by states and local TANF offices to engage more recipients in work and work-related activities. But this study also has another contribution to make: identifying what we have learned from the sites' experience in implementing policy and programmatic changes that can help decision makers consider the limits and possibilities for using sanction policies and procedures to increase participation in work and work-related activities. Specific lessons from the study sites' experience are summarized below.

- ***Although nearly all TANF recipients are included in a state's work participation rate calculation, most of the study sites continue to exempt clients with serious personal and family challenges from work requirements; none of the study sites narrowed its exemption policies in response to the DRA.*** The countable and allowable work activities as laid out by HHS in the interim final regulations provide the framework used by all the sites to both set program expectations and engage TANF recipients in program activities. However, all sites acknowledge that it is not feasible for all recipients to participate in these activities for the full number of required hours. Except for Utah, all sites exempt some recipients from work activities despite consequences for the participation rate. And, all sites, including Utah, require some recipients, especially those with mental health conditions or substance abuse issues, to participate in alternative activities such as mental health or substance abuse treatment even though these activities are not countable. By engaging recipients with personal challenges in such activities, state and localities seek to increase their capacity to participate in federally countable or allowable activities at a later time. These cases present a dilemma for sites because they account for a non-trivial share of the TANF caseload. However, because states and counties have long depended on medical or mental health professionals for guidance on setting reasonable expectations for these recipients, they are not inclined to simply disregard that advice and subject recipients to program requirements that are beyond their reach. In light of these concerns, Utah is experimenting with providing supported work opportunities for recipients who can work at least for some time but who cannot initially be expected to work 20 or 30 hours per week. California is considering serving these recipients in a solely state-funded program to remove them from the participation rate calculation.

- ***Case managers devote substantial time to gathering and verifying participation data, limiting the time they have to provide personal support to help recipients resolve participation barriers. To address this issue, some of the sites have hired dedicated workers either to gather and verify work participation data or to provide specialized support to recipients who need it.*** The conventional wisdom about case management is that it is the service delivery mechanism through which TANF recipients receive the personal attention they need to develop an employment plan and to resolve barriers to employment. Yet, in nearly all sites, case managers met with most recipients in person only rarely, and spent most of their time gathering information on program participation and trying to re-engage nonparticipating recipients. The more stringent reporting requirements that must now be met by states have increased the time case managers and other service providers need to spend documenting participation in program activities, leaving even less time for personal attention. To address this problem, Los Angeles County is planning to dedicate a group of case managers to work intensively with clients who have gone through the county's sanction conciliation process to encourage engagement in program activities and to continue to address and identify additional personal and family challenges. The plan is premised on the notion that more personal attention, especially at critical junctures such as immediately after an individual agrees to participate in program activities after a period of noncompliance, would lead to an increase in participation. DeKalb County has addressed the issue by using Community Resource Specialists to serve as liaisons between case managers and contracted service providers; specialists collect participation reports from providers daily and pass information on to case managers.

- ***Sanction conciliation processes are an important safeguard for clients; in particular, those that involve a variety of staff can assist case managers in making difficult decisions.*** Case managers and program managers acknowledge that there is a "gray area" concerning whether or not a sanction should be imposed. When case managers do not have much interaction with clients, they often base their sanction decisions solely on participation data while putting little weight on factors that might have contributed to the noncompliance. When case managers have more interaction and more information about the client at their disposal, they must use their skills to set program expectations at a level that both motivates the client to make progress towards self-sufficiency while acknowledging personal and family challenges that might get in the way. In addition, the more contact case managers have with clients, the more they must rely on their judgment to distinguish between recipients who have deliberately chosen not to participate in program activities and those who cannot participate because of personal or family limitations, or the presence of an undiagnosed disability. Some sites have implemented extensive conciliation processes and have done so because they believe it is important to ensure that sanctions are used as they were intended—to encourage compliance with program requirements and not to penalize recipients

who face logistical, personal, and family challenges that compromise their ability to meet program expectations. This means checking the decisions of case managers who often exercise considerable discretion in deciding whether to initiate a sanction. Conciliations help case managers process the information they have and obtain different perspectives from other program staff involved with the client. They also provide an important safeguard for families, making it less likely that sanctions will create undue hardships on families that may already be struggling to meet their day-to-day responsibilities.

- ***While there were exceptions, the sites with partial sanction policies focused more intensively than sites with full-family sanctions on reducing their sanction rates.*** In partial sanction sites, sanctioned clients remain indefinitely on the caseload and in the denominator of the federal work participation rate. Thus, to meet high work participation rates, sites with partial sanction policies have particular incentive both to prevent sanctions from occurring and to implement strategies that help clients to cure their sanctions. Generally, the sites in which the imposition of sanctions had the most effect on work participation rates—Kern County and Los Angeles County, CA and Suffolk County, NY—were the sites that did the most to help clients prevent and/or cure sanctions. Though there were exceptions, the other sites in the study generally relied either on identifying noncompliance quickly and removing nonparticipants from the caseload or on stringent applicant work requirements to meet required participation rates. Utah was one exception; after changing policy to remove nonparticipants from the caseload more quickly, the state placed more emphasis on its problem solving, or sanction conciliation, process in an effort to balance swifter sanctions with client protections and preventative measures.

- ***To meet high work participation rates, it is not enough for states with partial sanction policies to reduce their sanction rates; they must actively assist nonparticipants to comply with program requirements.*** In partial sanction states, even a low sanction rate can result in a significant accumulation of sanctioned cases in the denominator. In Suffolk County, for example, only about five percent of cases receive a sanction each month, but fully one-third of cases in the denominator are in sanction status each month. Simply reducing the percentage of cases in sanction status, however, may not be enough to affect the work participation rate. Los Angeles County, CA recently implemented a home-visiting program, whose primary goal is to conduct outreach to and conciliation with nonparticipating clients. The number of recipients sanctioned in the county has been declining substantially since implementation of the program, but the decline has not coincided with an increase in the county's work participation rate. Rather, many nonparticipating clients have personal and family challenges that make them exempt from or unable to fully fulfill the federal work requirements, and others who are employable and agree to comply during the conciliation process do not follow through. To achieve higher work participation rates, states and counties must look closely at everything they do

not only to reduce sanctions, but to engage recipients by ensuring that: (1) recipients understand what is expected of them; (2) logistical supports such as child care and transportation are in place to make participation possible; (3) personal and family challenges that may affect an individuals' ability to participate are identified and addressed; and (4) a broad enough range of program activities are in place to address the circumstances and needs of each recipient.

- ***The highest work participation rates are in full-family sanction sites and reflect primarily fewer nonparticipating clients on the caseload rather than more clients engaging in program activities; while some families who leave the TANF rolls find employment, many do not.*** The study sites that appear to be most likely to meet or come close to meeting the required work participation rates for single parent families (Georgia, and Texas) have full family sanctions or other policies that remove nonparticipating families from the caseload. Georgia's high work participation rate appears to stem not from the use of full family sanctions, but from a stringent up-front work program that requires TANF applicants to demonstrate a high level of program participation before their application for assistance is approved. This practice not only reduces the denominator, but also ensures that only clients who are likely to meet the work requirements actually enter the caseload. While some of those who do not enter the caseload secure employment, many do not. When Texas shifted from a partial to a full family sanction, its work participation rate increased substantially, reflecting primarily a drop in the number of people on the caseload rather than a sustained rise in the number of families participating in work activities. In the first year that full family sanctions were in effect, relatively more clients subject to those sanctions left welfare without employment than those previously subject to partial sanctions.

- ***Additional research on effective strategies for engaging large numbers of recipients in work and work-related activities is necessary; in the absence of such research, the sites relied on their professional judgment to decide how to use their limited resources to increase participation in program activities.*** Facing a scarcity of evidence on effective strategies for engaging large numbers of recipients in work and work-related activities, the study sites relied on their professional judgment to decide how to use their limited resources to increase participation in these activities. All sites would welcome ideas on proven strategies for meeting the higher work participation rates. However, because such information is not readily available, program administrators—often in conjunction with legislators, line staff, and advocates—relied on their professional judgment and the best information they had on the characteristics, needs, and dynamics of their caseload to decide how to achieve higher work participation rates. More effective use of sanction policies and procedures is just one of many strategies study sites and other states and localities are using to try to increase participation in countable program activities in order to meet the higher work participation rates. Other strategies

program administrators within and outside the study sites are implementing or considering include improving the structure and content of existing programs, especially job-search and job-placement programs, creating paid and unpaid work experience programs, expanding participation in vocational training programs, moving recipients with disabilities to the Supplemental Security Insurance (SSI) program, creating special state programs for two-parent families and for recipients living with a disability, and creating temporary intake diversion programs that aim to triage recipients based on their ability to succeed in a work-based assistance program. Most program administrators in the study sites don't believe that any one strategy will lead them to higher work participation rates. Rather, they expect that changes throughout their program (some big and some small) will be necessary to meet the higher rates.

C. Expanding the Knowledge Base: Evaluating the Impact of Various Sanction Policies and Procedures on Work Participation and Related Outcomes

The study sites are good examples of how states and local TANF offices use sanction policies and procedures to achieve higher work participation rates. However, absent a rigorous experiment designed to test the impacts of these approaches, we cannot know whether any of them will, in fact, have a positive impact on increasing participation in program activities or what impact they will have, if any, on other key outcomes of interest such as employment and material hardship.

Given the keen interest in increasing participation in work activities and the limited information on effective strategies for doing so, the current policy and programmatic environment provides an opportunity to rigorously test the impact of sanction policies and procedures on program participation, employment, and material hardship. For instance, states and local welfare offices are looking for new approaches to increase work participation rates, and some large states (e.g., California and New York) are investing additional financial resources in county welfare offices for the purpose of experimenting with new approaches. Large numbers of recipients are involved in these efforts, as demonstrated not only by those who have been touched by Los Angeles' Home Visiting Outreach Project, but also by the many recipients who remain in sanction status in Los Angeles County and other large counties/cities in California and New York.

The following are two examples of research questions that could be incorporated into random assignment demonstration projects that would test the nature and extent of the link between sanctions and participation in work activities:

1. Are more severe sanctions (for instance, full family sanctions versus partial sanctions or sanctions that are imposed more quickly) more effective in increasing participation in work and work-related program activities? What is the effect of more severe sanctions on employment and earnings, and on family well-being?

2. Does the provision of more intensive services, either at the point at which TANF recipients are informed about work requirements or after they have failed to comply with work requirements, significantly increase the number of recipients who participate in work activities? What is the effect of the provision of more intensive services on employment and earnings, and on family well-being?

Below we describe experiments that could be conducted to answer these questions.

1. An Experiment to Test the Impact of Major Policy Changes

Several states have recently moved from a partial to a full family sanction policy. In light of the increased pressure to meet higher work participation rates, more states may follow suit. With advance planning, this shift could provide a unique, natural laboratory for rigorously evaluating proponents' claims that full family sanctions encourage greater participation in work activities and opponents' claims that such sanctions simply remove families from the caseload— especially those facing such challenges as mental health, cognitive, and substance abuse—without increasing participation in work or work-related activities. For instance, in states planning to move from partial to full sanctions, the new policy could be phased in by randomly assigning applicants and current recipients to treatment and control groups. The treatment group would be subject to full family sanctions, while the control group would continue to be subject to the partial sanction. The difference between outcomes for the two groups would be a measure of the new policy's impact on program participation, employment, and material hardship. However, to examine these impacts effectively, the control group would need to be subject to the partial sanction policy for a minimum of 12 months and potentially for 30 to 36 months. A demonstration could be designed around at least three different options.

- States could be encouraged to vary only the financial penalty associated with the sanction while keeping all other sanction procedures in place (e.g., when and how recipients are contacted about noncompliance). This type of demonstration would be a pure test of the effectiveness of a higher financial penalty.

- States could be encouraged to consider all dimensions of a sanction policy and to alter one or more of these dimensions in a way that reflects their philosophy about implementing work requirements and imposing penalties for noncompliance. For example, a state that is considering moving from a partial to a full family sanction may require an extensive conciliation process similar to the one implemented in Los Angeles County or Utah (see Chapter IV, Section B) even though such a requirement is not now part of that state's policy. In a multi-site demonstration project, this approach would most likely be a test of partial versus full-family sanctions in which the practices put into place to encourage compliance before or after a sanction is imposed are varied from site to site. The risk of such a design is that different impacts in different sites become difficult to interpret. With enough sites and some control over the

degree of variation in the design of the full-family sanction policy, it may be possible to draw some inferences from demonstration results about whether more subtle differences in sanction policies make a difference.

- States could be required to implement a specific full-family sanction policy in order to participate in a demonstration project. The advantage of this option is that the treatment would be the same across all sites, making it easier to interpret the cross-site results. Given the absence of evidence on which to base decisions about what should constitute the full-family sanction policy, the challenge posed by this option might be to define the parameters of the full-family sanction policy or, in other words, the "treatment policy." One strategy for defining that policy would be to create a full-family sanction policy that includes the elements that have been selected by the majority of states that have implemented full-family sanctions.

2. Experiments to Test Alternative Services for Families That Are or May be Sanctioned

Owing to concerns about increases in recipients' material hardship and the presence of serious personal and family challenges, some of the study sites made a special effort to reach out to and/or provide additional services for families at risk of sanction or already sanctioned. To test the effectiveness of these services, a demonstration project could be designed to leave the current sanction policy intact while varying the procedures and/or services that accompany the implementation of the policy. Such a demonstration would be easier to implement than a demonstration that involves policy changes because it would not require legislative changes. However, in states or counties that do not have extensive programs and procedures that govern outreach and/or offer more intensive case management services, additional costs would be involved.

In this experiment, all recipients would be subject to the same sanction policy, but the treatment group would be offered additional services, either at the point at which a recipient is notified of the work requirements, when a sanction is being considered, or after it has been levied. The additional services that might be part of such a demonstration project include more intensive outreach efforts to encourage participation at the start of the program, an intensive problem-solving process like the one implemented in Utah, intensive outreach (e.g., telephone calls, home visits, conciliation reviews) to encourage nonparticipating recipients to comply with program requirements, and intensive case management to uncover potential barriers to participation and to provide needed services. Below are examples of several experiments that could be used to determine whether different approaches to implementing TANF sanctions result in greater participation in work activities.

- To determine the impact of making sure that recipients understand what is expected of them, an experiment could be set up to test alternative methods of informing clients about work requirements and sanctions. For instance, it would be possible to test whether clients informed about work requirements

and sanctions through home visits (as in Los Angeles County) participate in program activities at a significantly higher level and move more readily into work than recipients who are informed about work requirements through typical avenues such as letters, individual meetings with case managers, and individual or group orientation sessions. It would also be possible to set up a three-way test of the relative impact of standard procedures, repeated phone calls at different times during the day, and home visits.

- To determine the impact of implementing various reengagement efforts, an experiment could be set up to test less versus more intensive efforts to engage recipients before imposing a sanction. For example, control group members might receive only a letter instructing them to contact their case manager to both discuss reasons for nonparticipation and develop a new employment plan; the treatment group, on the other hand, might be provided with an opportunity to attend an in-person problem-solving and/or conciliation meeting (as in Utah, Suffolk County, or Kern County). Some recipients could also be presented with a conciliation opportunity followed by a home visit (as in Los Angeles County). A three-way test that includes home visits for some, but not all, recipients who are offered an opportunity to participate in a conciliation meeting could determine whether the cost associated with home visits is justified by significantly higher levels of program participation and a lower incidence of material hardship.

- To determine whether providing specialized work activities results in significantly higher levels of participation in program activities and/or higher employment rates, an experiment could be set up to test the effect of providing job search assistance, job readiness training, work experience, or transitional jobs to sanctioned clients (as in Tarrant and Suffolk counties) versus providing no employment and training services or providing minimal supports on sanction cure rates, work participation rates, and employment rates.

In the current environment, sanctions are perceived as a crucial tool for encouraging TANF recipients to participate in work activities. Because states and counties are looking to implement innovative ideas that will help to boost their work participation rates, today's environment is ideal for testing whether some of the strategies implemented by the study sites have the potential to significantly increase work participation and employment rates without significantly increasing material hardship. While discussions of the use of TANF sanctions inevitably turn to the relative benefits and costs of partial versus full-family sanctions, the study sites' experience suggests that sanctions are implemented in many different ways. While some of these differences are subtle, others represent discrete program approaches that that could be rigorously tested to determine their effectiveness.

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Appendix A

Study Site Summaries

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SUFFOLK COUNTY, NEW YORK

A. Local Site Characteristics

Suffolk County occupies the eastern two-thirds of Long Island, New York. The county is home to about 1.5 million people, of whom about 88 percent are Caucasian, 8 percent African American; the remaining population represents a mix of races. Suffolk County is the leading agricultural county in New York despite substantial development and urban sprawl. The economy is fairly strong—job opportunities are abundant and unemployment is relatively low (3.7 percent).

B. TANF Program Administrative Structure and Staffing

Administrative structure. In New York, the Office of Temporary Disability Assistance (OTDA) operates the TANF program. At the county level, the Suffolk County Department of Social Services (DSS) determines TANF eligibility, and the Suffolk County Department of Labor (DOL) is responsible for providing and monitoring all employment services. DSS and DOL staff are housed within specialized units that reflect each step in the TANF service delivery process (e.g., eligibility, client services, tracking, noncompliance, and so forth). Clients progress from one unit to the next.

Staff involved with sanctions. Workers in the DOL monitoring units identify non-participants and refer them to the noncompliance unit. Workers in the noncompliance unit review referred cases and send them to the DSS compliance unit if they do not comply. Workers in the compliance unit conciliate with clients and impose or rescind sanctions. A mediator participates in all conciliations.

C. Use of Sanctions

State and local staff agree that sanctions are not beneficial to anyone—they hurt the client by limiting the amount of assistance for the family and hurt the county and state by reducing their work participation rates. The county's philosophy with respect to sanctions is changing in accordance with a shift in the state's philosophy. The county used to be particularly rigorous about imposing sanctions swiftly for noncompliance with program requirements. In response to the DRA, however, the county has taken a "kinder, gentler" approach, affording more leniency to clients to avoid sanctions. In particular, the county has instituted a "one strike" rule that enables staff to accept—one time only--a good-cause excuse for noncompliance without requiring any documentation from clients.

D. Work Requirements and Related Policies

Applicant work requirements. DSS refers all applicants it deems immediately employable to a co-located DOL counselor/technician for enrollment in job search while the TANF application is being processed. Failure to conduct job search may result in denial of the application. The county recently began requiring this up-front job search in an effort to ensure that clients are already in countable activities when their TANF cases are opened.

Screening and assessment. Immediately after intake, a DSS employability worker uses a nine- page assessment form to determine whether the applicant is immediately employable or in need of additional assessment. In addition, the worker conducts reviews with TANF clients every six months to assess their continued employability, identify any new limitations that may have arisen, and make referrals for more in-depth assessment as necessary. The employability worker refers all clients who are not immediately employable to a private contractor, which conducts more in-depth physical health, mental health, and substance abuse assessments. Compliance with all assessments is a condition of TANF eligibility.

Exemptions from work requirements. Approximately one-third of the families on the TANF caseload are exempt from work requirements.

Program expectations. TANF clients participate primarily in unsubsidized employment or work experience as their primary activity (typically 25 or more hours per week) and vocational education or job search (15 or fewer hours per week) as their secondary activity. However, clients may participate in work experience for no more than the number of hours equal to their TANF benefit divided by the minimum wage, which is $6.75 in New York.

E. Sanction Process

Identifying non-participation. Each month, DOL monitoring unit workers receive attendance sheets from service providers and pay stubs from employed clients. The monitoring unit workers then enter the information into a centralized database. Monitoring unit staff identify non-participants from participation reports or rely on providers to contact them directly if clients do not participate. When monitoring unit workers identify clients who are not meeting program requirements, they initiate the sanction process by transferring noncompliant cases to the DOL noncompliance unit.

Addressing non-participation. DOL counselors/labor technicians notify the DOL noncompliance unit of clients' noncompliance. The DOL noncompliance unit prepares a letter to clients notifying them of their noncompliance and the potential effect of a sanction on their benefits and requesting them to contact the DSS compliance unit within 10 days. The DOL noncompliance unit provides the letter to the DSS compliance unit, which mails the letter to clients. The DSS compliance unit schedules a meeting with those clients who contact the office within 10 days. A compliance unit examiner and a mediator (who holds the title of caseworker) attend the meeting with clients. The meeting allows clients to present their side of the story and evidence of good cause. Issues that typically arise during conciliation meetings include lack of knowledge about program requirements (i.e., clients did not receive an appointment letter in the mail, especially if residing in a shelter), change of residence, transportation problems, child care problems, and medical appointments.

Imposing a TANF sanction. If clients fail to respond to the letter within 10 days, the DSS compliance unit follows procedures to impose a sanction electronically on the 11th day. DSS compliance unit staff also rescind or impose sanction for all clients who attend their conciliation meetings.

F. Reversing a Sanction

Appeals process. Clients must call, email, or write to the state to request a fair hearing. State staff then notify local fair hearing representatives and schedule a hearing date and time. Compliance examiners assemble a package for the fair hearing staff with a summary of the case and all relevant documentation. Local fair hearing representatives often schedule a conference with the client, the representative, and the compliance unit examiner to try to establish good cause before the hearing even though the conciliation period has expired. If the case cannot be resolved, an administrative law judge listens to the case and provides a decision in writing within an average two to three weeks after the hearing.

Cure requirements. DSS workers reverse sanctions for all sanctioned clients who have remained in sanction status for the required minimum period of time and either attended an assessment meeting with a DSS employability worker or attended a meeting with the DOL labor counselor/technician to review and amend the client employability plan.

Efforts to re-engage sanctioned clients. Suffolk County operates three initiatives to attempt to re-engage clients in program activities. First, the county contracts with the Education and Assistance Corporation (EAC) to meet with clients in a first sanction through the Sanction Intervention Project. Second, the county uses the Special Investigation Unit (SIU) within the DSS Client Benefits Unit to investigate cases of clients in a second or subsequent sanction through the Eligibility Verification Review. Third, the county recently contracted with EAC to work with clients in second or subsequent sanctions for whom SIU has identified no fraud and a willingness to comply. EAC is conducting in-depth assessments with these clients and referring them to a temporary employment agency for placement into an unsubsidized job.

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PIMA COUNTY, ARIZONA

A. Local Site Characteristics

The population of Pima County, which includes Tucson and rural outlying communities, totals about 1 million. The county is located about 90 miles from the Mexican boarder, and about one-third of its population is Hispanic or Latino, a figure that underestimates the actual number because it does not include undocumented workers. Pima County's unemployment rate of about 4.6 percent is comparable to the state average (4.7 percent). Most entry-level jobs are in the service sector.

B. TANF Program Administrative Structure and Staffing

Administrative structure. The TANF program in Arizona is state administered. Two divisions within the Department of Economic Security serve TANF recipients: the Family Assistance Administration (FAA) handles TANF eligibility, and the Employment Administration (EA) provides employment and training services. As part of a statewide privatization effort, contracted service providers will handle all case management responsibilities for TANF recipients by the October 1, 2007.

Staff involved with sanctions. EA case managers initiate sanctions, and FAA eligibility workers impose them.

C. Use of Sanctions

The message that state TANF administrators convey to program staff is that sanctions are a last resort. Program staff also believe that their time is better spent attempting to engage noncompliant clients than sanctioning noncompliant clients. As a result, the practice is to resolve barriers first and then consider initiation of a sanction. TANF clients are rarely sanctioned. The current sanction rate is about 3 percent. . Program staff feel that sanctions do not have their intended effect because (1) clients may cure sanctions based on a commitment to participate rather than demonstrated participation, and (2) a long sanction process means that clients do not experience immediate consequences for their failure to participate.

D. Work Requirements and Related Policies

Applicant work requirements. Clients complete a 30-minute group orientation session and, in Pima County, register with the local One-Stop center as conditions of TANF eligibility.

Screening and assessment. Case managers use a standardized assessment tool, the Case Management Screening Guide, to gather information about clients' background, employability, family needs, and barriers to employment. Clients with disabilities that are likely to persist for more than a year are referred to University of Arizona for a comprehensive medical and psychosocial assessment. Based on assessment results, clients

follow one of three routes: they are referred back to their case manager with recommendations for required hours and activities, they are referred to vocational rehabilitation, or they receive assistance in applying for Supplemental Security Income (SSI).

Exemptions from work requirements. County administrators estimate that approximately 40 percent of clients in Pima County are deferred because they have a child under one year of age, are caring for a disabled family member, are in the third trimester of pregnancy, or have a documented physical or mental health condition.

Program expectations. Clients are required to participate 40 hours per week in work or work-related activities with the understanding that they will likely fall short of their participation hours. The hope is that they complete an average 30 hours per week. Clients are assigned to the following activities: job-readiness, job search, work experience, education or training, or paid employment. They may also be temporarily assigned to state activities in lieu of or in addition to federally countable activities. Examples include caring for a child with health or behavioral problems, attending court appointments, or physical or mental health treatment.

E. Sanction Process

Identifying non-participation. Clients report participation to their case manager weekly. In addition, case managers are required to meet monthly with clients to monitor their ongoing participation and progress. High caseloads, between 150 and 200 cases per worker, make it difficult for case managers to fulfill their monitoring responsibilities.

Addressing non-participation. The process for initiating a sanction includes several notices over an extended period. When clients stop participating, the case manager sends a request-for-good- cause-information notice, which gives clients 10 days to respond. If clients fail to respond, then the case manager mails a good-cause-has-not-been-established form, which gives clients another 10 days to respond. If clients do not respond to the second mailing, then clients sends a notice-of-adverse-action form, which gives clients another 10 days to respond before imposition of a sanction. All sanction requests must be reviewed by the case manager's supervisor, who uses a detailed checklist to ensure that all of the case manager's actions were reasonable and correct. With just one mistake (e.g., misspelled street name, incomplete documentation, failure to address barrier), the entire sanction process starts over. Supervisors frequently overturn sanction requests. The sanction process takes between six and eight weeks, depending on when the sanction is requested.

Imposing a TANF sanction. Imposing a sanction is a mechanical process handled electronically. In Arizona, sanctions become progressively stringent with each incidence or each consecutive month. In the case of the latter, the case manager must request a new sanction each month of non-participation; the sanction does not automatically move from one level to the next. If the case manager fails to request a sanction for the second or third consecutive month of non-participation, then the full grant is restored and the sanction

process begins again. Case managers are required to contact clients before each sanction request.

F. Reversing a Sanction

Appeals process. Sanction appeals are not common, with typically only a couple each year. Clients are informed by letter of their right to appeal. Once clients request an appeal, the state office requests the case file and arranges a telephone conference call with an administrative law judge at the state office, a local fair hearing officer, the client, and sometimes the case manager. Where possible, the fair hearing officer tries to resolve the case with the client before the call. Otherwise, the judge hears the case and makes a decision.

Cure requirements. Clients may cure a sanction or stop the sanction process based on a commitment to participate. Clients are not required to participate for any length of time. If clients commit to participate and then do not, the sanction process begins again.[1]

Efforts to re-engage sanctioned clients. Clients are sent a notice before the imposition of second- and third-level sanctions. Case managers are required to contact the client by telephone before imposing a full-family sanction. Case managers expressed mixed feelings about re-engagement efforts. On the one hand, they wanted clients to comply; on the other hand, clients' expressed interest in participation starts the sanction process anew.

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[1] In April 2007, the state passed legislation that requires cash assistance recipients to demonstrate compliance, rather than just the intent to comply, before a sanction can be lifted.

DUVAL COUNTY, FLORIDA

A. Local Site Characteristics

Duval County, described as the "gateway to the South," is a sprawling community located in the northeast corner of Florida. Jacksonville, the largest city in the county, has a population of just under 750,000. Duval County's population is roughly one-third white but also includes has a sizeable African American population. The county unemployment rate is low, about 3 percent. Major employers in the area are the military, manufacturers, and call centers for the financial industry.

B. TANF Program Administrative Structure and Staffing

Administrative structure. The Florida Department of Children and Families (DCF) handles eligibility for TANF, food stamps, Medicaid, and other programs. Local workforce development agencies provide employment and training services for TANF recipients. In Duval County, the workforce provider is First Coast Workforce Development, Inc. (WorkSource). WorkSource operates three One-Stop centers in the county, one of which, the Market Street branch, serves primarily welfare recipients.

Staff involved with sanctions. WorkSource case managers, assigned caseloads of 50 to 60 cases per worker, handle the full range of case management responsibilities except eligibility. They initiate the sanction process and request the imposition of sanctions. A designated DCF eligibility worker, located in a centralized call center, processes all sanction requests.

C. Use of Sanctions

TANF administrators described sanctions as a way to hold clients responsible for what they are required to do. In practice, sanctions are used regularly to encourage compliance. In Duval County, just over 10 percent of cases were closed in September 2006 due to a sanction.

D. Work Requirements and Related Policies

Applicant work requirements. As a condition of eligibility, clients must complete an orientation session and work registration as well as eight workshops (60 to 90 minutes each) and a basic aptitude test. Workshop topics include resume writing, mental health, communication skills, and domestic abuse, among others. Clients complete these activities in about two or three weeks.

Screening and assessment. Clients first undergo an assessment of their education and reading level. In addition, they fill out a checklist in their orientation packet that assesses their job readiness and how they view work. During their first meeting with their case manager, they review the checklist and talk about their employment goals, education and work history, personal and family challenges, and immediate service needs. The case

manager uses this informal conversation to develop each client's Individual Responsibility Plan.

Exemptions from work requirements. Exemption criteria follow a standard set of federal guidelines that exclude clients from counting toward the work requirements. Clients are required to have a licensed physician document all exemptions for physical and mental health conditions.

Program expectations. TANF clients are required to complete an average 30 hours of work or work-related activities per week for a total 120 hours per month. They are encouraged to work 40 hours per week in order to use the extra hours to compensate for weeks in which they fall short of 30 hours. Monthly tracking of hours affords the flexibility needed to make adjustments for variation in hours worked per week. Required activities follow federal requirements. Most clients are assigned to job search, community service, or work.

E. Sanction Process

Identifying non-participation. Unless employed, clients submit time sheets to their case manager weekly. Working clients submit employer pay stubs after each bimonthly pay period. In addition to weekly check-ins, case managers meet with TANF clients assigned to them at least monthly to identify clients' service needs and put supports in place to avoid participation disruptions.

Addressing non-participation. When clients are noncompliant, the case manager calls them by telephone. If the case manager is unable to make contact by telephone, then the manager sends a pre-penalty letter indicating that the client has 10 days to contact the case manager to demonstrate good cause for non-participation before a sanction is imposed. If a client does not contact the case manager, then the manager sends another letter indicating that a sanction will be imposed. If the client responds to the initial warning and is noncompliant again within a 30-day period, the client has 3 rather than 10 days to establish good cause for non-participation. No pre-penalty letter is sent for the second occurrence within 30 days.

Imposing a TANF sanction. To impose a sanction, the case manager sends an electronic alert to a designated DCF eligibility worker. The eligibility worker has 10 days to make changes to the electronic file. When the sanction is imposed, the eligibility worker sends a letter notifying the client of imposition of the sanction.

F. Reversing a Sanction

Appeals process. A DCF fair hearing officer handles all sanction appeals. When the client requests an appeal, WorkSource staff try to resolve the appeal before it goes to a formal fair hearing. If the case is unresolved, then the fair hearing officer meets with the client, case manager, and DCF supervisor to discuss the case. Sanction appeals are not common.

Cure requirements. Clients need to come into compliance before their sanction is cured. The case manager determines the minimum period of time that clients are required to participate before their sanction is cured. Curing a sanction appears to be a relatively easy process.

Efforts to re-engage sanctioned clients. None.

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DEKALB COUNTY, GEORGIA

A. Local Site Characteristics

DeKalb County borders Atlanta and has a population of 678,000 persons, of whom 56 percent are black and 39 percent are white. The county unemployment rate is just under 10 percent; most entry-level jobs offer low pay and no benefits.

B. TANF Program Administrative Structure and Staffing

Administrative structure. The state Department of Human Resources, Division for Family and Children Services (DFCS) administers Georgia's TANF program. In DeKalb County, DFCS case managers, carrying caseloads of about 60 clients, manage ongoing eligibility and provide overall case management. They refer clients to one of nine contracted service providers for employment and training services.

Staff involved with sanctions. Case managers initiate the sanction process as well as impose sanctions. DFCS designated three community resource specialists to act as liaisons to share information between agencies and re-engage non-participants. They meet weekly with contracted service providers and meet with clients as needed.

C. Use of Sanctions

Sanctions are reportedly used to hold clients accountable to program requirements and to present consequences in order to encourage clients to "do what they need to do." While case managers often use the threat of sanctions, they rarely ever impose them. Less than 5 percent of the TANF caseload is sanctioned each month.

D. Work Requirements and Related Policies

Applicant work requirements. Work eligible TANF applicants who are determined to be job ready are required to participate in four weeks of job search for 40 hours per week as a condition of TANF eligibility. Slightly fewer than half of applicants complete the requirements.

Screening and assessment. Intake workers use a standardized assessment form to determine clients' job readiness. They also screen for mental health, substance abuse, domestic violence, and child protective services issues and refer clients seemingly in need of such services to the appropriate counselor at DFCS for in-depth assessment.

Exemptions from work requirements. About a quarter of TANF clients are exempt from work requirements. Work requirements may temporarily be waived for some clients due to documented short-term conditions.

Program expectations. Once eligible for TANF, clients develop a TANF family service plan. For most clients, activities and hours included in the plan follow federal work

requirements. Clients are referred to contracted service providers that serve them and monitor their participation. Providers typically require 40 hours per week of participation; however, Georgia will impose sanctions only when clients fall below 30 hours.

E. Sanction Process

Identifying non-participation. Clients report their participation to contracted service providers that, in turn, report to community resource specialists (liaisons) who relay information to DFCS case managers. All reporting between the client and the provider and between the provider and the liaisons occurs daily. Liaisons notify case managers immediately when a client stops participating.

Addressing non-participation. At the first instance of non-participation, case managers invite clients to a conciliation meeting with the case manager in an effort to return the client to compliance. During the meeting, clients may provide documented reasons for non-participation. For non-participation after a conciliation meeting, the case manager sends clients a warning letter indicating that, unless they establish good cause, a sanction will be imposed within 10 days.

Imposing a TANF sanction. If noncompliant clients do not respond to a sanction warning within 10 days, the supervisor of the case manager assigned to the client reviews and approves the sanction request. The case manager imposes the sanction.

F. Reversing a Sanction

Appeals process. For clients appealing a sanction, DFCS and the client present their arguments before an administrative law judge. Hearings last an hour on average. Sanction appeals are rare at one or two a year.

Cure requirements. To begin receiving full benefits again after a sanction, clients must complete the activity that they abandoned, thus triggering the sanction, and wait out the minimum sanction period, which is based on the number of prior instance of noncompliance.

Efforts to re-engage sanctioned clients. Case managers contact clients approaching the end of their minimum sanction period to renegotiate their full participation and compliance with the program.

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TARRANT COUNTY, TEXAS

A. Local Site Characteristics

Most residents in Tarrant County, which includes Fort Worth, are Caucasian, although the county is also home to a large Hispanic or Latino and African American population. With a population just under 600,000, Fort Worth is among the largest cities in Tarrant County. Unemployment in the area is close to the state rate, which is about 4.6 percent. Most jobs are in the healthcare, aerospace, hospitality, and logistics/trucking industries.

B. TANF Program Administrative Structure and Staffing

Administrative structure. The Texas Health and Human Services Commission (HHSC) oversees TANF eligibility while the Texas Workforce Commission (TWC) oversees TANF employment and training services. TWC distributes money to 28 local Workforce Development Boards that contract with local providers. Workforce Solutions for Tarrant County, the local Workforce Investment Agency, contracts for management and operations of the local Workforce Center that provides employment and training services to TANF recipients. The Workforce Solutions Board in addition contracts with 12 community agencies for specialized services. One of the community-based providers, the Women's Center operates REAP (Rapid Employment Attachment Program) to help individuals cure their sanctions.

Staff involved with sanctions. Workforce Solutions case managers are responsible for all case management activities except eligibility. Small caseloads, between 40 and 60 clients per worker, allow case managers to track clients' participation and progress. Workforce Center case managers identify non-participants and initiate the sanction process. HHSC eligibility workers impose all sanctions. REAP staff work individually with sanctioned clients to cure their sanctions.

C. Use of Sanctions

State welfare administrators set the stage for the use of sanctions by talking about the state's "work first" approach. "Your pay stops coming if you stop coming to work," one administrator said to describe how sanctions are used. Local administrators talked about sanctions as a policy to enforce participation. During an average month, between 4 and 7 percent of work-mandatory clients are sanctioned.

D. Work Requirements and Related Policies

Applicant work requirements. TANF applicants must attend a workforce orientation to be eligible to receive TANF.

Screening and assessment. Case managers assess clients during an in-person interview, which generally takes the form of a conversation about barriers to employment, work interests, and service needs. In addition, as part of their orientation, clients complete the

TABE test to determine their reading and math level. Contracted service providers, such as Easter Seals, may conduct specialized assessments for clients with physical or mental health conditions.

Exemptions from work requirements. State administrators estimate that about a third of TANF clients are subject to work requirements. Exemption criteria follow federal guidelines. Child-only cases are excluded from work requirements.

Program expectations. Clients are expected to work 30 hours per week in federally defined work activities. They typically participate first in job search or job-readiness activities and are then referred to the Career Steps program for community service or to a specialized treatment provider.

E. Sanction Process

Identifying non-participation. Clients report their participation each week to contracted service providers and to their case manager. Case managers also schedule monthly meetings with each client on their caseload.

Each week, contracted service providers enter clients' participation hours and activities into the Safety Net tracking system. Some case managers are responsible for transferring the information in the Safety Net Tracking system into the state management information system.

Addressing non-participation. When clients stop participating, they are sent a sanction warning letter telling them that they have 10 business days to contact their case manager to discuss the reasons for non-participation. The letter also describes what clients need to do to come into compliance. If clients do not respond to the sanction warning, then the case manager sends a second letter stating that a sanction will be imposed and instructing clients to contact the REAP program as a first step for curing their sanction.

Imposing a TANF sanction. To impose a sanction, the case manager sends a sanction request to the HHSC eligibility worker. The eligibility worker reviews the case to determine if the client qualifies for an exemption or if there is any new information about the case. If there are no changes, the eligibility worker imposes the sanction electronically and mails clients a letter informing them that their TANF case will be close and that they will lose the adult portion of their Medicaid.

F. Reversing a Sanction

Appeals process. Sanction warnings include information about clients' right to appeal. An HHSC appeals officer requests clients' case file and schedules an appeals hearing within two weeks from the request date. The hearing takes place over the telephone and includes the client and case manager. Decisions are usually rendered within a week of the hearing and about 20 days after the appeal is filed. Sanction appeals are fairly common; the appeals officer said that he often has 25 sanction appeals on his caseload at any given point. Slightly

fewer than 10 percent of sanctions are reversed due to documented good cause, clients' ability to prove that they did not receive the appointment letter, or incomplete documentation of non-participation or other reasons.

Cure requirements. Tarrant County created REAP to help clients cure their sanction. Clients must participate consistently for 30 days to cure their sanction or the TANF case is closed. If the individual's TANF case is closed due to sanction, the individual must reapply for TANF and participate in work activities for 30 days within 40 days of their eligibility interview before the TANF case is approved and cash benefits issued.

Efforts to re-engage sanctioned clients. REAP staff contact sanctioned clients immediately after they are sanctioned and invite them to attend an orientation. While at REAP, clients participate in job search and job-readiness activities, including daily structured workshops, and receive individualized support to build their self-esteem and confidence.

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LOS ANGELES COUNTY, CALIFORNIA

A. Local Site Characteristics

Los Angeles County is a large metropolitan area with a population of just under 10 million. It is a racially and ethnically diverse metropolis with significant concentrations of African Americans, Hispanics or Latinos, and Asian Americans, among others. Most entry-level jobs are service sector jobs in the tourism industry. The local unemployment rate is about 4.5 percent, slightly lower than the state average.

B. TANF Program Administrative Structure and Staffing

Administrative structure. While California is a county-administered state, the California Department of Social Services (CDSS) develops most CALWORKs (TANF) policies. In Los Angeles County, the Department of Public Social Services--through the Bureau of Workforce Services--administers CALWORKs. The Los Angeles County Office of Education (LACOE) operates the county's job search program, and several community colleges provide training and education opportunities. Contracted service providers offer mental health and substance abuse treatment services and domestic violence counseling.

Staff involved with sanctions. Within the county, 24 CALWORKs offices handle eligibility functions, and seven GAIN (Greater Avenues to Independence) offices provide case management and work or work-related functions. GAIN case managers request sanctions; CALWORKs eligibility workers impose them.

C. Use of Sanctions

Los Angeles County has focused significant effort on understanding the characteristics and circumstances that lead to sanctions. It has implemented procedural changes that encourage program staff to do everything possible to promote compliance before a client is sanctioned for noncompliance. The county tries to use sanctions as a last resort. At any given point, about one-fifth of the TANF caseload is in sanction status.

D. Work Requirements and Related Policies

Applicant work requirements. None.

Screening and assessment. As part of their initial orientation, clients undergo screening for domestic violence, substance abuse, and mental health issues as well as for potential learning disabilities. Those screening positive are referred to a specialized treatment provider for in-depth assessment. After the initial orientation and screenings, clients are referred to three weeks of job search, after which unemployed clients are referred to an outside contractor for comprehensive assessment.

Exemptions from work requirements. Between one-fourth and one-third of all CALWORKs clients are exempt from work requirements. Many of those exempt in Los Angeles County have a child under one year of age.

Program expectations. Clients are required to participate in 32 hours of work activities per week. Twenty of those hours must be in a federally defined work activity, although case managers have considerable flexibility in determining the types of activities appropriate for the remaining 12 hours. Clients are typically assigned to job search/job-readiness activities, education or training, work experience, or specialized supportive services.

E. Sanction Process

Identifying non-participation. Case managers rely on reports from providers to monitor clients' participation and to identify noncompliant clients. Providers submit monthly reports for those assigned to job search and quarterly reports for those in all other activities (e.g., school or vocational training, community service, or supportive services).

Addressing non-participation. Once identified, non-participants are sent a noncompliance cause determination appointment letter inviting them to meet with their case manager to discuss the reasons for noncompliance. A sanction clock starts with the mailing of the appointment letter. If the clock is not reset or stopped, a sanction is automatically imposed 21 days later. Case managers may contact clients by telephone or letter to re-engage them during the 21-day period. Clients who attend their noncompliance cause determination appointment develop a compliance plan to stop the sanction process. The compliance plan specifies the activities that the client failed to complete, thereby triggering the sanction process.

To re-engage clients at risk for sanction, Los Angeles County developed an extensive home-visiting program. Home visitors send a letter to schedule a home visit immediately upon learning of the participants' noncompliance. The home visitors call the participant the day before their cause determination appointment and meet with them the day after if they do not keep the appointment. During the home visit, the worker talks with clients about barriers to participation and work. The home visitor then follows up with clients 15 days later to ensure that they are participating. According to an administrative report in late 2005, the home-visiting program pilot led to the resolution of more than 70 percent of noncompliance periods or sanctions.

Imposing a TANF sanction. If clients fail to attend their cause determination appointment or contact their case manager, a sanction is automatically imposed at the end of the 21-day period. Recipients who are going to be sanctioned receive a notice-of-action letter notifying them that they are about to be sanctioned and have the right to appeal the decision.

F. Reversing a Sanction

Appeals process. Few clients appeal sanction decisions. Some appeals officers handle fewer than five appeals a year. A county fair hearing specialist reviews each case to see if welfare agency staff handled it appropriately. The appeals officer attempts to resolve the situation before the case progresses to formal review. If the case is not resolved, the administrative law judge listens to the case. The fair hearing specialist, the client, and any client representatives participate in the hearing. The judge renders a decision within 90 days of the date that the client filed the appeal.

Cure requirements. To cure a sanction, clients must complete the activity that led to the sanction. For example, if the client missed orientation, then the client must complete the orientation session. If the activity is longer than 30 days, such as a 60-day work experience assignment, then the client is only required to participate for 30 days before their sanction is cured.

Efforts to re-engage sanctioned clients. The GAIN computer system generates a letter each month addressed to sanctioned TANF clients, inviting them to cure their sanction. In addition, the home-visiting program makes a formal effort to re-engage TANF clients in their first sanction. During home visits, home visitors identify and resolve undisclosed barriers to employment and encourage clients to come into compliance.

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KERN COUNTY, CALIFORNIA

A. Local Site Characteristics

Kern County is the third largest of California's 58 counties, with a total population just under 800,000. Bakersfield is the largest city within the county. In November 2006, the county unemployment rate was 7.3 percent as compared with a state rate of 4.6 percent.

B. TANF Program Administrative Structure and Staffing

Administrative structure. The Kern County Department of Human Services (DHS) provides all eligibility and case management services for TANF recipients. Case management social workers, carrying caseloads of between 60 and 70 clients, directly monitor client participation. Employment and training resources are provided by a collaborative of local partners, including DHS, the Employers' Training Resource, Employment Development Department, and Kern County Department of Mental Health. These agencies also monitor client participation.

Staff involved with sanctions. Social workers initiate sanctions, and eligibility workers impose sanctions.

C. Use of Sanctions

Sanctions are used to engage clients but not to penalize children for parents' noncompliance. California imposes partial sanctions, where the adult is removed from the grant, in order to maintain a safety net for children. About a quarter of Kern County's TANF caseload is in sanction status at any given point in time.

D. Work Requirements and Related Policies

Applicant work requirements. None.

Screening and assessment. DHS social workers assess all new clients in their homes. Assessments focus on early engagement, identification of personal and family challenges, and direct observation of client behaviors. If clients are not employed within three weeks of the initial assessment, a private provider conducts a comprehensive, in-depth assessment. Clients may also be referred to a mental health or substance abuse treatment provider for specialized assessments.

Exemptions from work requirements. Approximately a quarter of Kern County's TANF caseload is exempt from work requirements. Unlike the other study states, California exempts clients with physical disabilities from all activities. Other states may modify the required hours and activities for these clients based on a recommendation from a licensed physician.

Program expectations. Clients develop a welfare-to-work plan after the in-depth assessment and are assigned to at least 32 hours per week of work activities, 20 hours of which are in core activities that follow federal guidelines. Remaining hours may include job-readiness activities, school-based activities, education, mental health and substance abuse treatment, and domestic violence services. Required activities and hours may be modified with documented good cause from a licensed professional.

E. Sanction Process

Identifying non-participation. Each month, clients communicate with their DHS social worker to discuss their progress toward employment and to submit their monthly participation hours and activities. In addition, contracted service providers submit monthly client attendance and participation reports to the social workers. Clients report participation to contracted service providers weekly.

Addressing non-participation. When clients are noncompliant, case managers first contact the eligibility worker to determine if there is additional information about the case. They then send clients a notice of adverse action (NOA) informing them that continued noncompliance will result in a sanction; the notice also invites clients to a cause determination appointment. Clients have 20 days to respond to the NOA. If they do not respond and fail to keep the appointment, the social worker sends a sanction request to the eligibility worker. Clients who do respond are required to complete the activity whose abandonment led to the NOA. If they do not complete the activity, the case manager may send a sanction request and a second NOA within 10 days before the imposition of a sanction.

Imposing a TANF sanction. Once the sanction process is initiated, one to two months elapse before the imposition of the sanction. The eligibility worker must receive the sanction request from the social worker at least 10 days before the end of the month for sanctions to be imposed by the first of the following month. In some situations, such as a change in income or family composition, eligibility workers are required to send a second NOA at least 10 days before imposition of a sanction.

F. Reversing a Sanction

Appeals process. Clients are informed in the NOA that they have a right to appeal. Kern County's appeals specialist reviews and attempts to resolve cases before the state administrative hearing takes place. If the case is unresolved, DHS and clients present their cases to an administrative law judge. The judge has 60 days to render a decision. Sanctions may be overturned if clients successfully establish good cause. Between 3 and 12 sanctions are appealed each month.

Cure requirements. To cure a sanction, clients must attend a 1.5-hour sanction orientation, develop a cure plan that includes the activity whose abandonment led to the sanction. However, the cure requirement cannot last longer than 30 days. In addition, cure

plan requirements may be modified in accordance with clients' personal and family circumstances. Clients may call the sanction hotline to find out how to cure their sanction and to request times and dates for sanction orientation sessions.

Efforts to re-engage sanctioned clients. A sanction re-engagement team (SRT) made up of two staff (assigned to the team on a full-time basis) and one DHS supervisor (assigned to the team on a part-time basis) work to re-engage sanctioned TANF recipients. The team contacts clients by telephone and/or letter to inform them of what they must do to cure their sanction. The team may also establish good cause or help qualifying clients apply for an exemption from the work requirements. The SRT contacts between 100 and 200 clients each month, about a quarter of whom attend sanction orientation sessions. Efforts appear to be most successful with clients sanctioned within the preceding six months.

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SALT LAKE COUNTY, UTAH

A. Local Site Characteristics

About 1 million people reside in the sprawling Salt Lake County area. Most Utah residents are Caucasian (84 percent), with a mix of Hispanics or Latinos (11 percent), Asians (2 percent), Native Americans (1.3 percent), and African Americans (under 1 percent). Utah's unemployment rate is 2.5 percent, about half the national average. Most jobs are low-wage positions in the service sector. Half of Utah's TANF caseload lives in the state's central region, which is made up almost exclusively of Salt Lake County.

B. TANF Program Administrative Structure and Staffing

Administrative structure. The Utah Department of Workforce Services (DWS), a combined welfare and workforce development system, operates 35 employment centers statewide, including seven centers in the central region (Salt Lake County).

Staff involved with sanctions. Employment counselors in Salt Lake County serve a combined caseload of clients receiving TANF, Workforce Investment Act services, food stamps, general assistance, and refugee services. Employment counselors, carrying caseloads of between 30 and 40 clients, monitor client participation and initiate sanctions. Eligibility workers at a centralized call center impose sanctions.

C. Use of Sanctions

DWS administrators and staff refer to the sanction process as "the problem-solving process," which reflects the philosophy underlying the use of sanctions. The goal of the process is to help clients participate at the maximum level possible and to encourage non-participants to participate and get "back on track." DWS administrators also work to help clients make an "informed choice" not to participate before their case is closed for noncompliance.

An unintentional consequence of efforts to increase TANF work participation rates has been an increase in the use of TANF sanctions to motivate compliance. Program administrators fear that the number of sanctions imposed each month will exceed the number of those leaving welfare for work. Program administrators are exploring alternative ways to encourage compliance.

D. Work Requirements and Related Policies

Applicant work requirements. Clients are required to complete a one-hour computerized orientation as a condition of TANF eligibility. Clients complete the orientation as part of the intake interview.

Screening and assessment. After eligibility determination, clients complete an in-depth, standardized strengths-based assessment with their employment counselor. As part of the

assessment, counselors use the CAGE and TALE screening tools to detect substance abuse and domestic violence issues, respectively. For those with mental health or substance abuse issues, an in-house licensed clinical therapist (LCT) conducts in-depth psychosocial assessments that generate a clinical diagnosis.

Exemptions from work requirements. Utah is the only study state that uses a universal engagement model that requires all clients to participate to their maximum ability.

Program expectations. Employment plans, based on the strengths-based assessments, include mostly federally defined work or work-related activities. However, required hours and activities may be modified in accordance with a documented limitation.

E. Sanction Process

Identifying non-participation. In October 2006, Utah implemented a new process for monitoring and verifying clients' work participation hours. The process follows federal requirements for participation hours under the DRA and holds employment counselors and clients accountable. Clients report to employment and training service providers weekly and to their employment counselor at least bimonthly. Providers also report clients' participation hours bimonthly.

Addressing non-participation. Imposition of a sanction involves a two-phase process. Employment counselors mail a participation review appointment letter to non-participants inviting them to a meeting to be held within 7 to 10 days of the letter's mailing date; counselors frequently telephone as well to inform clients of the meeting. The purpose of the meeting is to talk about reasons for non-compliance (phase I). LCTs are invited to participate in the participation reviews. If clients fail to respond, then their worker sends another letter inviting them to a non-participation problem-solving case conference (phase II). The letter includes the date and time of the conference. The conference includes the employment counselor, supervisor, LCT (if involved), community providers, mental health clinicians, and the client and anyone invited by the client. The purpose of the conference is to determine any reasonable cause for non-participation and to develop a re-engagement plan. If clients do not attend the conference, then they are sent a third notice informing them that a sanction will be imposed.

Imposing a TANF sanction. Employment counselors request and initiate sanctions, and eligibility workers impose sanctions electronically. Employment center managers must review and approve all second- and third-occurrence sanctions.

F. Reversing a Sanction

Appeals process. Clients are notified by letter that they may appeal sanction decisions. State appeals officers handle the appeals. They review the DWS case file and hold a telephone conference call with the client and DWS staff. The appeals officer listens to the case and renders a decision. TANF sanctions are rarely appealed.

Cure requirements. Clients are required to participate for up to two consecutive weeks to cure their sanction. Hours and activities required to cure a sanction may be modified with documented good cause from a licensed professional.

Efforts to re-engage sanctioned clients. Employment counselors send an appointment letter to clients in their grant reduction month for first-occurrence sanctions. Otherwise, they make no efforts to re-engage sanctioned clients.

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Appendix B

Telephone Survey of Frontline Workers: Survey Instrument

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OMB # : 0970-0300
Expiration Date: 5/31/2009

MATHEMATICA
Policy Research, Inc.

U.S. Department of Health and Human Services

Study of Sanctions Policies Survey Instrument 6214-005

November 6, 2006

INTERVIEWER NAME: _____

INTERVIEWER ID#: |__|__|__|__|__|

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0970-0300. The time required to complete this information collection is estimated to average 30 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection.

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START TIME: |__|__|:|__|__|

CIRCLE: AM PM

My name is (INSERT NAME) and I'm calling from Mathematica Policy Research on behalf of the U.S. Department of Health and Human Services. We're doing a study to learn about the role and use of sanctions - or financial penalties for noncompliance with program requirements - in welfare offices. We would like to ask you about your role in implementing sanctions and your opinion about sanction policies and procedures. The interview will take about 20 minutes and everything you tell me will be completely confidential and will in no way affect your employment. I'd like to begin the interview now.

YES ..... 01 (CONTINUE)

NO ..... 00 → **RECORD DATE AND TIME FOR CALLBACK**

The first few questions are about your current position at this agency.

SECTION A: JOB DESCRIPTION

A1. Are you a . . . (**READ JOB TITLES FROM LIST FOR THIS SITE**)?

_____ → **GO TO A2**

RECORD JOB TITLE FROM LIST |__|__|

JOB TITLE NOT ON LIST 00

A1a. What is your job title?

_____

RECORD JOB TITLE IF NOT ON LIST

A1b. In a few words, please describe your job responsibilities.

_____

_____

_____

Thank you. We will review the information you provided and call you back if we need to schedule an interview with you. **END. PROVIDE SUPERVISOR WITH INFORMATION.**

A2. How long have you been at your current job as **(INSERT JOB TITLE IN A1)** at this agency?

LESS THAN 1 YEAR 01
1-2 YEARS 02
3-5 YEARS 03
6-10 YEARS 04
MORE THAN 10 YEARS 05
DON'T KNOW ..... d
REFUSED ..... r

There are many reasons for imposing sanctions – for instance, for failure to comply with TANF work requirements, for failure to comply with child support requirements, or for failure to comply with requirements to immunize children. In this survey, we are only interested in sanctions for failure to comply with TANF work requirements. So, in answering questions, please think about these types of sanctions.

A3. In your current position, are you personally responsible for any of the following? **(READ a - f)**

	YES	NO	DON'T KNOW	REFUSED
a. Deciding who is required to meet TANF work requirements	01	00	d	r
b. Determining what clients must do to meet their TANF work participation requirements	01	00	d	r
c. Monitoring a client's participation in TANF work or work-related activities	01	00	d	r
d. Deciding or recommending whether a client should be sanctioned for their participation in TANF program activities	01	00	d	r
e. Carrying out procedures to impose a sanction	01	00	d	r
f. Contacting clients who are in sanction status, either by phone, letter, or in-person for the purpose of trying to re-engage sanctioned clients in program activities	01	00	d	r

SECTION B: INFORMING CLIENTS ABOUT SANCTIONS

B1. Many welfare offices require all clients to participate in work or work activities in order to receive welfare benefits, but some offices exempt certain categories of clients from participation requirements. In your office, are any clients exempt from participating in work or work activities?

YES 01
NO 00
DON'T KNOW ..... d
REFUSED ..... r

B1a. Which of the following categories of clients are exempt? **(READ a - h)**

	YES, EXEMPT	NO, NOT EXEMPT	DON'T KNOW	REFUSED
a. Clients with very young children?.	01	00	d	r
b. Parents working a certain number of hours each week?	01	00	d	r
c. Clients with disabilities or certain physical health conditions?.....	01	00	d	r
d. Clients caring for family members with disabilities or health conditions?	01	00	d	r
e. Clients who are beyond a certain point in their pregnancy?	01	00	d	r
f. Clients with domestic abuse issues?	01	00	d	r
g. Clients with severe personal and family challenges, such as mental health issues or substance abuse? ..	01	00	d	r
h. Any others? (SPECIFY)..... _____ _____ |__|__|	01	00	d	r

B2. On average, how many TANF clients are you currently responsible for? Please include exempt and non-exempt clients.

PROBE: Your best estimate is fine.

|__|__|__|__| RECORD NUMBER OF CLIENTS

DON'T HAVE A CASELOAD ..... n
DON'T KNOW ..... d
REFUSED ..... r

B2a. About how many of these clients are exempt from TANF work requirements?

PROBE FOR PERCENTAGE OR NUMBER

|__|__|__| % OR |__|__|__|__| NUMBER

DON'T KNOW ..... d
REFUSED ..... r

B2b. Last month, how many of your clients were sanctioned for failing to meet TANF work requirements?

PROBE FOR PERCENTAGE OR NUMBER

|__|__|__| % OR |__|__|__|__| NUMBER

DON'T KNOW ..... d
REFUSED ..... r

B3. In your office, what is the minimum number of hours per week that <u>single parents of children older than 6</u> are required to participate in work or work-related activities?

|__|__|__| HOURS

NO MINIMUM 00
DON'T KNOW ..... d
REFUSED ..... r

B4. What happens to a family's cash grant when a sanction is imposed for the **(INSERT a - c)**? Is it canceled or eliminated, reduced by the adult portion of the grant, reduced by a certain percent, or reduced by a certain dollar amount?

INTERVIEWER: IF B4a – c = REDUCED BY PERCENTAGE (CODE 03) OR REDUCED BY DOLLAR AMOUNT (CODE 04), ASK B4a FOR EACH CODED IN SHADED AREA.

B4a. You mentioned that a family's cash grant is reduced by a (percentage/dollar amount) when a sanction is imposed for the (first/second/third) time. By what (percentage/dollar amount) is it reduced?

	B4.						B4a.			
	Cancelled/ eliminated	Reduced by the adult portion	Reduced by %	Reduced by $ amount	DON'T KNOW	REFUSED	PERCENTAGE	DOLLARS	DON'T KNOW	REFUSED
a. First time?	01	02	03	04	d	r	|__|__|__| %	$ |__|__|__|	d	r
b. Second time?	01	02	03	04	d	r	|__|__|__| %	$ |__|__|__|	d	r
c. Third time?	01	02	03	04	d	r	|__|__|__| %	$ |__|__|__|	d	r

B5. What happens to a family's Food Stamp grant during a TANF sanction? Is it . . .

eliminated, ... 01
partly reduced, or..... 02
does it remain the same? 03
DON'T KNOW ..... d
REFUSED ..... r

B6. During a TANF sanction, does the adult in the family lose eligibility for Medicaid?

YES 01
NO 00
DON'T KNOW ..... d
REFUSED ..... r

B7. Do you, yourself, provide clients with information about sanction policies for failure to meet work requirements – like what sanctions are and what kinds of actions can trigger them?

YES 01
NO 00
DON'T KNOW ..... d
REFUSED ..... r

B8. When do you personally provide clients with information about sanction policies for failure to meet work requirements? Do you provide it . . .**(INSERT a – i)**

	YES	NO	DON'T KNOW	REFUSED
a. during the application process for welfare?	01	00	d	r
b. during work program orientation?	01	00	d	r
c. during assessment?.....	01	00	d	r
d. during development of employment plans or individual responsibility plans?	01	00	d	r
e. during work activities?	01	00	d	r
f. during case management meetings or phone calls with clients?	01	00	d	r
g. during home visits?.....	01	00	d	r
h. during recertification?	01	00	d	r
i. at some other time? (SPECIFY) ..... _____ _____ |__|__|	01	00	d	r

B8a. How do you provide this information to the majority of your clients? Do you provide it . . . (**INSERT a - c**)

	YES	NO	DON'T KNOW	REFUSED
a. verbally?	01	00	d	r
b. in writing?.....	01	00	d	r
c. on video tape?	01	00	d	r

GO TO B10

B9. Who provides this information?

PROBE FOR JOB TITLE

_____

_____

|__|__|

DON'T KNOW ..... d

REFUSED ..... r

B10. In your opinion how effective are sanctions at encouraging clients to participate in TANF work and work-related activities? Would you say . . .

very effective, ... 01

somewhat effective,..... 02

not very effective, or 03

not at all effective?..... 04

DON'T KNOW ..... d

REFUSED ..... r

B11. Why do you think sanctions are not effective at encouraging clients to participate in work-related activities?

PROBE: What else?

CIRCLE ALL THAT APPLY

a. PEOPLE BECOME COMPLACENT/ CONTENT WITH THE WAY THINGS ARE 01

b. PEOPLE DON'T UNDERSTAND THE CONSEQUENCES 02

c. PEOPLE DECIDE THEY DON'T NEED CASH ASSISTANCE ANYMORE 03

d. PEOPLE'S LIVES ARE TOO COMPLICATED OR THEY HAVE TOO MANY PROBLEMS TO PARTICIPATE REGARDLESS OF THE CONSEQUENCES 04

e. SOMETHING ELSE (SPECIFY) 96

_____

_____

_____

|__|__| |__|__|

SECTION C: DECIDING WHETHER TO INITIATE A SANCTION

C1. **INTERVIEWER: CHECK PAGE 2. DOES A3d = "YES" (CODE 01)?**

YES 01

NO .....00 → **GO TO D1**

C2. Sometimes a client's actions automatically trigger a sanction and sometimes staff have discretion over whether or not to sanction a client. Do you personally have discretion to sanction clients who . . . **(INSERT a - g)**

C2a. **INTERVIEWER: CHECK C2. IF ANY C2 a - g = "NO" (CODE 00), ASK:**

Who has the most discretion when it comes to deciding whether or not to sanction clients who . . . **(INSERT EACH a - g WITH "NO" [CODE 00] RESPONSE IN C2).**

	C2.				C2a.					
	YES	NO	DON'T KNOW	REFUSED	YOUR SUPERVISOR	CLIENT'S CASEWORKER	CLIENT'S ELIGIBILITY WORKER	OFFICE MANAGER/ DIRECTOR	OTHER (SPECIFY)	DON'T KNOW
a. don't attend work program orientation?	01	00	d	r	01	02	03	04	96 _____	d
b. don't complete an employment or individual responsibility plan?	01	00	d	r	01	02	03	04	96 _____	d
c. don't attend one or more meetings with you?	01	00	d	r	01	02	03	04	96 _____	d
d. don't respond to sanction notifications within a specified period of time?	01	00	d	r	01	02	03	04	96 _____	d
e. participate in required activities, but not for enough hours?	01	00	d	r	01	02	03	04	96 _____	d
f. participate in required activities for some time, but then stop participating?....	01	00	d	r	01	02	03	04	96 _____	d
g. don't participate at all in required activities?	01	00	d	r	01	02	03	04	96 _____	d

C3. How much do you rely on each of the following in order to decide or recommend whether to sanction a client? **(READ a - e)** Do you rely on these a lot, somewhat, a little, or not at all?

C3a. How useful are **(INSERT a - d)** in identifying clients who are not participating? Would you say very, somewhat, not very, or not at all?

	C3.				C3a.				
	A LOT	SOMEWHAT	A LITTLE	NOT AT ALL	VERY	SOMEWHAT	NOT VERY	NOT AT ALL	DON'T KNOW
a. Written attendance records.....	03	02	01	00	03	02	01	00	d
b. Computerized participation reports.....	03	02	01	00	03	02	01	00	d
c. Discussions during formal staff meetings or case reviews..	03	02	01	00	03	02	01	00	d
d. Informal conversations with other staff members.....	03	02	01	00	03	02	01	00	d
e. Personal judgments about the clients' circumstances	03	02	01	00					

C4. How often do you talk with clients directly about their participation or nonparticipation? Would you say . . .

daily, ... 01
weekly,..... 02
monthly, ... 03
less than once a month, or 04
never?..... 05
VARIES, DEPENDS 06
DON'T KNOW ..... d
REFUSED ..... r

C5. How do you feel about the amount of information you usually have about clients' participation in program activities? Do you have . . .

more than enough information,.....01
enough information, or.....02
not enough information?.....03
DON'T KNOW .....d
REFUSED .....r

C6. Why do you feel you don't have enough information?

PROBE: Anything else?

CIRCLE ALL THAT APPLY

DON'T HAVE TIME TO REVIEW INFORMATION BECAUSE CASELOAD OR WORKLOAD IS TOO HIGH.....01

DON'T GET ATTENDANCE OR PARTICIPATION REPORTS CONSISTENTLY.....02

INFORMATION IN ATTENDANCE OR PARTICIPATION REPORTS IS NOT USEFUL 03

STAFF DON'T COMMUNICATE WELL OR AT ALL ABOUT CLIENT PARTICIPATION.....04

SOME OTHER REASON? (SPECIFY) 96

_____

_____

|__|__| |__|__|

C7. How much do you consider each of the following when deciding or recommending whether to sanction a client? (**READ a – e)** Do you consider this a lot, somewhat, a little, or not at all?

	A LOT	SOMEWHAT	A LITTLE	NOT AT ALL	DON'T KNOW	REFUSED
a. The effect the sanction will have on the family	03	02	01	00	d	r
b. The effort it takes to initiate and carry out a sanction	03	02	01	00	d	r
c. The client's attitude.....	03	02	01	00	d	r
d. Your relationship with the client	03	02	01	00	d	r
e. The client's history of participation	03	02	01	00	d	r

C8. Have you ever refrained from initiating or recommending a sanction for a non-participating client who has a documented . . . **(INSERT a – k)**

	YES	NO	DON'T KNOW	REFUSED
a. mental health issue?.....	01	00	d	r
b. substance abuse issue?	01	00	d	r
c. physical health issue?.....	01	00	d	r
d. need to care for an individual who is disabled?	01	00	d	r
e. domestic abuse issue?	01	00	d	r
f. child care problem?	01	00	d	r
g. transportation problem?.....	01	00	d	r
h. child behavioral problem?.....	01	00	d	r
i. homelessness or housing problem?.....	01	00	d	r
j. legal problem?	01	00	d	r
k. something else? (SPECIFY).....	01	00	d	r
_____				
_____ |___|___|				

C9. What is the message you hear from supervisors and program administrators about how you should use sanctions? Are you encouraged to use sanctions . . .

soon after detecting non-participation as a way of encouraging participation, ... 01

after some time and effort to encourage participation, or 02

only as a last resort? 03

VARIES 04

DON'T KNOW ..... d

REFUSED ..... r

C10. What do you personally think about how sanctions should be used? Should they be used . . .

soon after detecting non-participation as a way of encouraging participation, ... 01

after some time and effort to encourage participation, or 02

only as a last resort? 03

VARIES 04

DON'T KNOW ..... d

REFUSED ..... r

C11. On average, how long after detecting nonparticipation do you recommend a sanction or begin the sanction process? Would you say . . .

less than 1 month, ... 01

1-2 months,..... 02

3-4 months, or 03

more than 4 months?..... 04

DON'T KNOW ..... d

REFUSED ..... r

C12. In your opinion, what 2 personal problems or challenges stand in the way of clients' participation most often?

INTERVIEWER: PROBE FOR 2 RESPONSES

C12a. In your opinion, does your agency offer sufficient support services to clients with **(INSERT (FIRST/SECOND) RESPONSE FROM C12)** issues?

	C12.	C12a.			
		YES	NO	DON'T KNOW	REFUSED
a. MOTIVATIONAL ISSUES	01	01	00	d	r
b. MENTAL HEALTH ISSUES	02	01	00	d	r
c. SUBSTANCE ABUSE ISSUES	03	01	00	d	r
d. PHYSICAL HEALTH ISSUES	04	01	00	d	r
e. DOMESTIC ABUSE ISSUES	05	01	00	d	r
f. CHILD CARE PROBLEMS.....	06	01	00	d	r
g. TRANSPORTATION PROBLEMS ..	07	01	00	d	r
h. CHILD BEHAVIORAL PROBLEMS.	08	01	00	d	r
i. HOMELESSNESS OR HOUSING PROBLEMS	09	01	00	d	r
j. LEGAL PROBLEMS	10	01	00	d	r
k. SOMETHING ELSE (SPECIFY).....	96	01	00	d	r
___ ___					

C13. Thinking about your own caseload, approximately how many clients did you decide to sanction or recommend for sanction . . . **(INSERT a - b)**

a. last week? ..... |___|___|___|

b. last month?..... |___|___|___|

DON'T KNOW ..... d

REFUSED ..... r

SECTION D: IMPOSING A SANCTION

D1. Sometimes different departments have responsibilities for certain procedures. Before a sanction can be imposed, are you, yourself, required to do any of the following as standard practice? **(READ a - e)**

	YES	NO	DON'T KNOW	REFUSED
a. Send an "adequate and timely" sanction notification letter to the client?	01	00	d	r
b. Send one or more general letters to the client encouraging them to participate?	01	00	d	r
c. Place one or more telephone calls to the client? .	01	00	d	r
d. Conduct one or more in-person office meetings with the client?	01	00	d	r
e. Conduct a home visit with the client?	01	00	d	r

D2. **INTERVIEWER: DID RESPONDENT ANSWER "YES," CODE 01, FOR D1a?**

YES 01

NO ..... 00 → **GO TO D3**

D2a. How often do you actually send a sanction notification letter to the client before imposing a sanction? Would you say . . .

100% of the time,..... 01

about 75% of the time,..... 02

about 50% of the time,..... 03

about 25% of the time, or 04

never?..... 05

DON'T KNOW ..... d

REFUSED ..... r

D3. **INTERVIEWER: CHECK PAGE 15. DID RESPONDENT ANSWER "YES," CODE 01, FOR D1b?**

YES 01

NO ..... 00 → **GO TO D4**

D3a. How often do you actually send general letters to the client encouraging them to participate? Would you say . . .

100% of the time,..... 01

about 75% of the time,..... 02

about 50% of the time,..... 03

about 25% of the time, or 04

never?..... 05

DON'T KNOW ..... d

REFUSED ..... r

D4. **INTERVIEWER: CHECK PAGE 15. DID RESPONDENT ANSWER "YES," CODE 01, FOR D1c?**

YES 01

NO ..... 00 → **GO TO D5**

D4a. How often do you actually attempt to call clients before imposing a sanction? Would you say . . .

100% of the time,..... 01

about 75% of the time,..... 02

about 50% of the time,..... 03

about 25% of the time, or 04

never?..... 05

DON'T KNOW ..... d

REFUSED ..... r

D4b. How often are you able to reach clients by phone? Would you say . . .

100% of the time,.....01
about 75% of the time,.....02
about 50% of the time,.....03
about 25% of the time, or 04
never?.....05
DON'T KNOW .....d
REFUSED .....r

D5. **INTERVIEWER: CHECK PAGE 15. DID RESPONDENT ANSWER "YES," CODE 01, FOR D1d?**

YES 01
NO .....00 → **GO TO D6**

D5a. How often do you attempt to meet with clients in the office before imposing a sanction? Would you say . . .

100% of the time,.....01
about 75% of the time,.....02
about 50% of the time,.....03
about 25% of the time, or 04
never?.....05
DON'T KNOW .....d
REFUSED .....r

D5b. How often do clients attend these meetings? Would you say . . .

100% of the time,.....01
about 75% of the time,.....02
about 50% of the time,.....03
about 25% of the time, or 04
never?.....05
DON'T KNOW .....d
REFUSED .....r

D6. **INTERVIEWER: CHECK PAGE 15. DID RESPONDENT ANSWER "YES," CODE 01, FOR D1e?**

YES ..... 01 → **GO TO D6c**

NO 00

D6a. Is anyone responsible for making home visits to clients before a sanction can be imposed?

YES 01

NO 00

DON'T KNOW ..... d

REFUSED ..... r

D6b. Who is responsible for making home visits to clients?

PROBE FOR JOB TITLE

_____

RECORD TITLE |__|__| |__|__|

DON'T KNOW ..... d

REFUSED ..... r

D6c. How often do (you/other staff members) attempt to visit clients at home before imposing a sanction? Would you say . . .

100% of the time,..... 01

about 75% of the time,..... 02

about 50% of the time,..... 03

about 25% of the time, or 04

never?..... 05

DON'T KNOW ..... d

REFUSED ..... r

D6d. How often do (you/other staff members) reach clients at home during home visits? Would you say . . .

100% of the time,.....01
75% of the time,.....02
50% of the time,.....03
25% of the time, or 04
never?.....05
DON'T KNOW .....d
REFUSED .....r

D6e. How successful do you think home visits are in helping prevent clients from entering a sanction? Would you say . . .

very successful,.....01
somewhat successful, ...02
not very successful, or.....03
not at all successful? 04
DON'T KNOW .....d
REFUSED .....r

D7. Before imposing a sanction, are you personally required to provide supervisors or other staff with any written documentation of efforts you made to encourage clients to participate?

YES 01
NO 00
DON'T KNOW .....d
REFUSED .....r

D7a. What do you think about the effort required to put the documentation together? Does it require . . .

a lot of effort,.....01
some effort,.....02
not very much effort, or.....03
no effort at all?.....04
DON'T KNOW .....d
REFUSED .....r

D8. Do you personally need to change any codes in the computer system in order to impose a sanction?

YES 01
NO 00
DON'T KNOW ..... d
REFUSED ..... r

D8a. How easy or difficult is it to change codes in the computer system? Would you say . . .

very easy, ... 01
easy, ... 02
somewhat difficult, or 03
very difficult? 04
DON'T KNOW ..... d
REFUSED ..... r

GO TO D9

D8b. Do you need to send a request to another person or agency in order to impose a sanction in the computer system?

YES 01
NO 00
DON'T KNOW ..... d
REFUSED ..... r

D8c. Do you need to get approval from a supervisor before making this request?

YES 01
NO 00
DON'T KNOW ..... d
REFUSED ..... r

D8d. How often are your requests approved? Would you say . . .

100% of the time,.....01
about 75% of the time,.....02
about 50% of the time,.....03
about 25% of the time, or 04
never?.....05
DON'T KNOW .....d
REFUSED .....r

D9. On average, how long would you say it takes to make the first change in the computer system once there is a decision to sanction a client? Would you say . . .

less than 1 month, ...01
1-2 months,.....02
3-4 months, or 03
more than 4 months?.....04
DON'T KNOW .....d
REFUSED .....r

D10. On average, how long would you say the whole process of sanctioning a client takes from the time the decision is made to sanction to when the family receives a reduced check or stops getting a check? Would you say . . .

less than 1 month, ...01
1-2 months,.....02
3-4 months, or 03
more than 4 months?.....04
DON'T KNOW .....d
REFUSED .....r

INTERVIEWER: CHECK: RESPONSE CODE IN D10 MUST BE ≥ TO RESPONSE CODE IN D9.

D11. In general, how easy or difficult do you think it is to impose sanctions? Would you say . . .

very easy, ... 01
somewhat easy, ... 02
somewhat difficult, or 03
very difficult? 04
DON'T KNOW ..... d
REFUSED ..... r

D11a. What things make imposing sanctions difficult?

PROBE: Anything else?

_____

_____

_____
|__|__| |__|__|

DON'T KNOW ..... d
REFUSED ..... r

D11b. How often have you refrained from sanctioning a client because imposing a sanction was too burdensome on you? Would you say . .

often, ... 01
sometimes, ... 02
seldom, or 03
never? 04
DON'T KNOW ..... d
REFUSED ..... r

D12. **INTERVIEWER: CHECK PAGE 14, C13a, AND C13b. DID RESPONDENT ANSWER "1 OR MORE" IN C13a OR C13b?**

YES ..... 01 → **GO TO D13a**
NO 00

D13. Regardless of whether it was a families' first or subsequent sanction, approximately how many clients did you sanction . . .

a. last week? ..... |__|__|__|

b. last month?..... |__|__|__|

DON'T KNOW ..... d

REFUSED ..... r

D13a. In your experience, how often are clients sanctioned because they **(INSERT a - f)**. Would you say frequently, sometimes or never?

	FREQUENTLY	SOMETIMES	NEVER	DON'T KNOW	REFUSED
a. don't attend orientation? ..	02	01	00	d	r
b. don't complete an employment or individual responsibility plan?	02	01	00	d	r
c. don't attend one or more case management meetings?	02	01	00	d	r
d. participate in required activities, but not for enough hours?.....	02	01	00	d	r
e. participate in required activities for some time, but then stop participating?	02	01	00	d	r
f. don't participate at all in required activities?.....	02	01	00	d	r

D13b. Which one of the following is the most common reason why clients get sanctioned? Is it because they . . .**(READ a - g)**

CIRCLE ONE RESPONSE ONLY

a. don't attend work program orientation, ... 01
b. don't complete an employment or individual responsibility plan, ... 02
c. don't attend one or more case management meetings, ... 03
d. participate in required activities, but not for enough hours, ... 04
e. participate fully in required activities for some time, but then stop participating, ... 05
f. don't participate at all in required activities, or 06
g. some other reason? (SPECIFY) 96

_____

_____

|___|___|

DON'T KNOW ..... d
REFUSED ..... r

D14. **INTERVIEWER: CHECK PAGE 2. DOES A3d = "YES," CODE 01?**

YES 01
NO ..... 00 → **GO TO SECTION E**

D15. Now, think about the last client you decided to sanction or recommend for sanction. When did you make the decision or recommendation? Was it . . .

PROBE: IF MORE THAN ONE CLIENT SANCTIONED ON THE SAME DAY, TELL RESPONDENT TO PICK THE ONE (HE/SHE) REMEMBERS BEST.

within the past week, ... 01
within the past month, ... 02
within the past 3 months, ... 03
within the past 6 months, ... 04
within the past year, or 05
more than one year ago? 06
DON'T KNOW ..... d
REFUSED ..... r

D16. Was this the family's first, second, third, or more than third sanction?

FIRST 01

SECOND 02

THIRD..... 03

MORE THAN THIRD 04

DON'T KNOW ..... d

REFUSED ..... r

D16a. Why did you decide to sanction this client or recommend a sanction? Was it because the client . . . **(READ a - g)**

CIRCLE ONE RESPONSE ONLY

a. didn't attend orientation,..... 01

b. didn't complete an employment or individual responsibility plan, ... 02

c. didn't attend one or more case management meetings, ... 03

d. participated in required activities, but not for enough hours,..... 04

e. participated in required activities for some time, but then stopped participating, ... 05

f. didn't participate at all in required activities, or 06

g. some other reason? (SPECIFY) 96

_____

_____

|__|__|

DON'T KNOW ..... d

REFUSED ..... r

D17. Excluding official sanction notifications, how many letters encouraging this client to participate were sent out before sanctioning?

|__|__| LETTER(S)

DON'T KNOW ..... d

REFUSED ..... r

D18. How many phone calls were made to the client prior to sanctioning in order to encourage participation? Please include the times you or others reached and did not reach the client.

|__|__| CALL(S)

DON'T KNOW ..... d

REFUSED ..... r

D19. How many times did you or other staff meet with the client in the office to discuss their participation before sanctioning?

|__|__| TIME(S)

DON'T KNOW ..... d

REFUSED ..... r

D20. How many home visits were made to the client before sanctioning?

|__|__| HOME VISIT(S)

DON'T KNOW ..... d

REFUSED ..... r

D21. How long was it from the time you noticed this client wasn't participating to the time you decided to recommend or impose a sanction? Would you say . . .

less than 1 month, ... 01

1-2 months,..... 02

3-4 months, or 03

more than 4 months?..... 04

DON'T KNOW ..... d

REFUSED ..... r

SECTION E: RE-ENGAGING SANCTIONED CLIENTS

The final questions are about re-engaging sanctioned clients.

E1. In your office, is there a minimum period of time that clients must participate in activities in order to end a sanction and receive full benefits again?

YES 01
NO 00
DON'T KNOW ..... d
REFUSED ..... r

→ **GO TO E2**

E1a. For how much time must a client participate in work activities in order to receive full benefits again?

CIRCLE ONE RESPONSE

|___|___|___|
RECORD NUMBER

HOURS 01
DAYS 02
WEEKS 03
MONTHS..... 04
VARIES/DEPENDS..... 05
DON'T KNOW ..... d
REFUSED ..... r

E2. Is there a minimum period of time a . . . **(INSERT a - b)**

E2a. **IF "YES" IN E2, ASK:** What is the minimum period of time a **(INSERT a - b)**

	YES	NO	DON'T KNOW	DAYS	WEEKS	MONTHS	VARIES	DON'T KNOW
a. first sanction must remain in place?	01	00	d	|___|___|	|___|___|	|___|___|	97	d
b. second sanction must remain in place?	01	00	d	|___|___|	|___|___|	|___|___|	97	d

E3. In your office, is it possible for a client to receive full benefits again after a third sanction?

YES 01
NO 00
DON'T KNOW ..... d
REFUSED ..... r

E4. Is there a minimum period of time a client has to wait before they can begin receiving full benefits again after a third sanction?

E4a. **IF "YES" IN E4, ASK:** What is the minimum period of time the client has to wait?

E4.				E4a.					
YES	NO	DON'T KNOW	REFUSED	DAYS	WEEKS	MONTHS	VARIES	DON'T KNOW	REFUSED
01	00	d	r	|__|__|	|__|__|	|__|__|	97	d	r

E5. **INTERVIEWER: SEE PAGE 2. DOES A3f = "YES," CODE 01?**

YES 01
NO ..... 00 → **GO TO END**

E6. Compared to your other responsibilities, how much priority do you place on encouraging sanctioned clients to participate again? Would you say . . .

a lot, ... 01
some, ... 02
a little, or 03
none? 04
DON'T KNOW ..... d
REFUSED ..... r

E7. How much telephone contact do you usually have with clients who are in a sanction? Do you have . . .

a lot, ... 01
some, ... 02
a little, or 03
none? 04
DON'T KNOW ..... d
REFUSED ..... r

E8. How much in-person contact do you usually have with clients who are in a sanction? Do you have . . .

a lot, ... 01
some, ... 02
a little, or 03
none? 04
DON'T KNOW ..... d
REFUSED ..... r

E9. What percentage of sanctioned clients would you say end their sanctions and receive full benefits again?

PROBE FOR PERCENTAGE

|__|__|__| PERCENT

DON'T KNOW ..... d
REFUSED ..... r

END: Those are all of the questions I have. Thank you so much for your time and help with this important study.

END TIME: |__|__|:|__|__|

CIRCLE: AM PM

TOTAL TIME: |__|__| MINUTES

Appendix C

Telephone Survey of Frontline Workers: Methodology and Results

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This appendix provides detail on the methodology used to select and contact participants in for the telephone survey of frontline workers included in this study. It begins with a description of the purpose and goals of the survey, continues with a description of how the survey was conducted, and concludes by presenting tabulated staff responses to the survey.

The primary goal of the survey of front-line staff was to supplement the case study and administrative data with input from as many case managers and eligibility workers as possible on (1) their perceptions of the role of sanctions, (2) their understanding of sanction policies, (2) their use of sanctions to encourage program participation, and (4) methods of implementing sanctions. We conducted a survey to accomplish this goal for two reasons. First, we did not anticipate that case study interviews alone would be sufficient to provide the relevant information, as interviews were conducted with only a subset of front-line workers involved in the sanction process. And second, the type and amount of administrative data available for analysis in each site is not consistent across sites.

Sample Design

The sampling frame for the survey consisted of 186 workers across eight study sites. In visiting each of these sites, members of the study team collected names, titles, and contact information for all case managers, eligibility staff, and other front-line staff with responsibilities in the sanction process in an effort to draw the most representative picture of implementation of sanctioning practices in each site. When sites had more workers than we planned to interview, we selected a random sample to interview.

Survey Instrument and Pretest

MPR developed the survey instrument in early 2006 in consultation with the Administration for Children and Families. The survey was designed to last approximately 20 to 25 minutes and to be administered by telephone with interviewers recording responses on hard copies of the questionnaire. The majority of questions were closed-ended to minimize the time required to complete the survey and for ease of coding and analysis. Pretests of the questionnaire completed with nine front-line staff persons (four eligibility workers and five case managers) in Washington DC helped to ensure the clarity and purpose of individual questions specifically and the flow and sequencing of the questionnaire more generally.

Survey Data Collection

The survey was fielded over a period of three and a half months, from early November 2006 through mid-February 2007. We began conducting interviews in each site after the completion of a visit to the site by a study team member. After the completion of a site visit and the collection of contact information by the study team, potential respondents were alerted by the MPR on-site contact that they would be contacted by phone for a brief survey.

MPR interviewers contacted frontline staff using the contact information provided by site visitors. Respondents were informed upon contact that their responses would be confidential and would not affect their employment. The names and contact information

for 186 staff were submitted to the MPR Survey Operations Center for contact by trained MPR telephone interviewers. Among this number, 10 were determined to be ineligible based on their responses to some initial screening questions, leaving a sample size of 176 respondents. The total sample size for each site, as well as the response rate, is reported below in Table C.1.

Table C.1. Sample Size and Response Rate for Telephone Survey of Frontline Workers

	Total Sample Size	Nonrespondents[a]	Completed Interviews	Response Rate (%)
Suffolk County, NY	29	1	28	96.6
Pima County, AZ	9	0	9	100.0
Duval County, FL	16	1	15	93.8
DeKalb County, GA	29	3	26	89.7
Tarrant County, TX	12	1	11	91.7
Los Angeles County, CA	24	3	21	87.5
Kern County, CA	30	5	25	82.8
Salt Lake County, UT	27	1	26	96.3
Total	176	15	161	91.5

[a]Nonrespondents include those who chose not to participate in the survey and those who were unavailable during the survey fielding period.

Survey Results

To answer the research questions of interest, we completed simple descriptive analyses of survey data in six areas using SAS and Microsoft Excel: (1) contextual or background information; (2) staff knowledge and communication; (3) decision making; (4) implementation; (5) re-engagement; and (6) rates and reasons for sanctions. Information from tables in these six areas contributed to the analyses presented in the chapters of this report. The remainder of this appendix is a compendium of analysis tables referenced in the report text, and some additional tables.

Table C.2. Staff Roles and Responsibilities

	Percentage			
	Among all Staff	Among Case Managers	Among Eligibility Workers	Among Other Staff
Length of time in current position				
Less than one year	15.5	13.7	13.3	27.3
1-2 years	26.7	27.4	20.0	27.3
3-5 years	23.0	23.4	6.7	31.8
6-10 years	19.9	25.0	0.0	4.5
More than 10 years	11.8	7.3	53.3	9.1
Percentage who are personally responsible for				
Deciding who is required to meet work requirements	62.7	67.7	73.3	27.3
Determining what clients must do to meet their work requirements	68.9	82.3	26.7	22.7
Monitoring a client's participation in work or work-related activities	67.1	82.3	20.0	13.6
Deciding/recommending whether clients should be sanctioned	68.9	78.2	33.3	40.9
Carrying out procedures to impose a sanction	73.9	72.6	80.0	77.3
Contacting sanctioned clients to try to re-engage them in program activities	54.7	61.3	40.0	27.3
Sample size	161	124	15	22

Source: MPR survey of frontline workers.

Table C.3. Caseload Size and Composition

	Among All Staff		Among Case Managers		Among Eligibility Workers	
	Average	Median	Average	Median	Average	Median
Caseload size	107.0	70.0	91.9	60.0	130.3	150.0
Number of TANF clients exempt from work requirements	31.7	5.0	30.3	4.0	41.2	17.5
Percent of TANF clients exempt from work requirements	17.4	10.0	16.1	7.3	26.8	12.4
Number of clients sanctioned for failing to meet work requirements in the last month	7.4	3.0	5.0	3.0	13.5	4.0
Percentage of clients sanctioned for failing to meet work requirements in the last month	11.6	6.0	10.5	6.1	9.7	2.7
Sample Size	161		124		15	

Source: MPR survey of frontline workers.

Note: Averages calculated among staff who have a caseload.

Table C.4. Knowledge of Exemption Policies

	Percentage of Program Staff			
	In Sites Where Clients Are Exempt		In Sites Where Clients Are Not Exempt	
	Said Exempt	Said Not Exempt	Said Exempt	Said Not Exempt
Clients with very young children	67.3	30.9	38.7	61.3
Parents working a certain number of hours per week	50.0	49.1	38.7	54.8
Clients with disabilities or certain physical health conditions	89.1	9.1	87.1	12.9
Clients caring for family members with disabilities	90.0	8.2	96.8	3.2
Clients who are beyond a certain point in pregnancy	87.3	11.8	35.5	61.3
Clients with domestic abuse issues	80.0	14.5	54.8	35.5
Clients with severe personal and family challenges	78.2	18.2	67.7	29.0
Sample size	141			

Source: MPR survey of frontline workers.

Table C.5. Knowledge of Work Requirements

Accurate or Inaccurate Staff Statements in Survey Responses	Percentage
Said correct number of hours required per week	70.2
Said fewer hours than required per week	13.0
Said more hours than required per week	11.2
Said did not know number of hours required per week	5.6
Sample size	161

Source: MPR survey of frontline workers.

Table C.6. Knowledge of Sanction Policies Among Staff Responsible for Providing Information About Sanctions to Clients

Issue Related to Sanction Policies	Percentage of Program Staff: Generally Knowledgeable [a]	Percentage of Program Staff: Not Knowledgeable
The effect of first sanction on TANF grant	90.0	10.0
The effect of second sanction on TANF grant	82.3	17.7
The effect of third sanction on TANF grant	76.2	23.9
Minimum time a first sanction must remain in place	49.2	50.8
Minimum time a second sanction must remain in place	66.9	33.1
Minimum time a third sanction must remain in place	63.1	36.9
Length of time clients must participate in activities to end a sanction and receive full benefits again	60.8	39.2
Sample size	130	

Source: MPR survey of frontline workers.

[a] Staff who are "generally knowledgeable" understand the policy completely or understand the basic features of the policy if not the details (for example, know that a first sanction reduces the TANF grant by a certain percentage, but do not know what the correct percentage is; or know that there is a minimum period of time a first sanction must remain in place, but do not know what the correct period of time is). Categorizations are based on responses to questions B4, B4a, E1, E1a, E2, E2a, E3, E4, and E4a in the survey instrument (see Appendix B).

Table C.7. Knowledge of Sanction Policies Among All Staff

Issue Related to Sanction Policies	Percentage of Program Staff: Generally Knowledgeable [a]	Percentage of Program Staff: Not Knowledgeable
The effect of first sanction on TANF grant	86.3	13.7
The effect of second sanction on TANF grant	78.3	21.7
The effect of third sanction on TANF grant	70.8	29.2
Minimum time a first sanction must remain in place	53.4	46.6
Minimum time a second sanction must remain in place	68.3	31.7
Minimum time a third sanction must remain in place	60.3	39.8
Length of time clients must participate in activities to end a sanction and receive full benefits again	55.3	44.7
Sample size	161	

Source: MPR survey of frontline workers.

[a] Staff who are "generally knowledgeable" understand the policy completely or understand the basic features of the policy if not the details (for example, know that a first sanction reduces the TANF grant by a certain percentage, but do not know what the correct percentage is; or know that there is a minimum period of time a first sanction must remain in place, but do not know what the correct period of time is). Categorizations are based on responses to questions B4, B4a, E1, E1a, E2, E2a, E3, E4, and E4a in the survey instrument (see Appendix B).

Table C.8. Provision of Information to Clients About Sanction Policies

	Percentage or Average
Percentage of staff who provide information to clients	80.7
During application process for TANF	41.6
During work program orientation	62.7
During assessment	53.4
During development of employment or individual responsibility plans	60.2
During work activities	55.3
During case management meetings or phone calls with clients	72.7
During home visits	34.2
During re-certification	35.4
At noncompliance or after sanction	8.7
Ongoing	4.3
Other	7.5
Average number of venues in which staff provide information to clients	4.4
Percentage of staff who never provide information to clients personally	19.3
Percentage of staff who provide information to most clients	
Verbally	74.5
In writing	71.4
On video tape	5.0
Sample size	161

Source: MPR survey of frontline workers.

Table C.9. Personal Challenges Affecting Participation

	Percentage
Percentage of Program Staff Reporting Challenge as One of Two Most Common Challenges Clients Face	
Child care problems	42.3
Motivational issues	36.9
Transportation problems	29.7
Mental health issues	16.2
Physical health issues	16.2
Homelessness or housing problems	6.3
Lack of information about program	5.4
Domestic abuse issues	4.5
Child behavioral problems	4.5
Poor education	4.5
Substance abuse problems	3.6
Lack of soft skills	3.6
Percentage of staff who believe their agency offers sufficient support services to clients with the problems above	
Child care problems	40.5
Motivational issues	33.3
Transportation problems	22.5
Mental health issues	12.6
Physical health issues	12.6
Homelessness or housing problems	2.7
Lack of information about program	3.6
Domestic abuse issues	4.5
Child behavioral problems	3.6
Poor education	4.5
Substance abuse problems	2.7
Lack of soft skills	3.6
Sample size	111

Source: MPR survey of frontline workers.

Note: Fifty of 161 survey respondents are not responsible for initiating sanctions and were not asked these questions.

Table C.10. Personal Discretion in Sanctioning

	Percentage
Percentage of staff with discretion to sanction when clients	
Do not attend work program orientation	62
Do not complete and employment of individual responsibility plan	78
Do not attend one or more meetings with staff member	75
Do not respond to sanction notification within a specified period	69
Participate in required activities but not for enough hours	72
Participate in required activities for some time, but then stop participating	76
Do not participate at all in required activities	77
Sample Size	111

Source: MPR survey of frontline workers.

Note: Fifty of 161 survey respondents are not responsible for initiating sanctions and were not asked these questions.

Table C.11. Personal and Family Challenges Staff Have Ever Considered When Making Sanction Decisions

Reasons for Refraining from Sanctioning a Non-Participating Client	Percent
Mental health issue	75.7
Substance abuse issue	65.8
Physical health issue	78.4
Need to care for a disabled family member	68.5
Domestic abuse issue	72.1
Child care problem	57.7
Transportation problem	48.6
Child behavioral problem	54.1
Homelessness or housing problem	68.5
Legal problem	44.1
Death in the family	1.8
Another reason	5.4
Sample size	111

Source: MPR survey of frontline workers.

Note: Fifty of 161 survey respondents are not responsible for initiating sanctions and were not asked this question.

Table C.12. Considerations When Deciding Whether to Sanction

	Percentage
Percentage who consider the effect the sanction will have on the family	
A lot	23.4
Somewhat	33.3
A little	18.0
Not at all	24.3
Percentage who consider the effort it takes to initiate and carry out a sanction	
A lot	26.1
Somewhat	16.2
A little	14.4
Not at all	39.6
Percentage who consider the client's attitude	
A lot	18.9
Somewhat	27.9
A little	12.6
Not at all	39.6
Percentage who consider their personal relationship with the client	
A lot	24.3
Somewhat	25.2
A little	8.1
Not at all	41.4
Percentage who consider the client's history of participation	
A lot	40.5
Somewhat	34.2
A little	10.8
Not at all	13.5
Sample size	111

Source: MPR survey of frontline workers.

Note: Fifty of 161 survey respondents are not responsible for initiating sanctions and were not asked these questions.

Table C.13. Sources of Information to Make Decisions Around Sanctions

	Percentage
Percentage who rely on written attendance records	
A lot	64.0
Somewhat	24.3
A little	1.8
Not at all	9.0
Percentage who think written attendance records are	
Very useful	73.9
Somewhat useful	12.6
Not useful	2.7
Percentage who rely on computerized participation reports	
A lot	42.3
Somewhat	25.2
A little	9.0
Not at all	22.5
Percentage who think computerized participation reports are	
Very useful	53.2
Somewhat useful	20.7
Not useful	13.5
Percentage who rely on discussions during formal staff meetings or case reviews	
A lot	36.0
Somewhat	31.5
A little	9.9
Not at all	20.7
Percentage who think discussions during formal staff meetings or case reviews are	
Very useful	35.1
Somewhat useful	30.6
Not useful	18.9
Percentage who rely on informal conversations with other staff members	
A lot	7.2
Somewhat	38.7
A little	19.8
Not at all	33.3
Percentage who think informal conversations with other staff members are	
Very useful	9.9
Somewhat useful	36.0
Not useful	36.9
Percentage who rely on personal judgments about the client's circumstances	
A lot	34.2
Somewhat	36.0
A little	11.7
Not at all	18.0
Percentage who talk with clients directly about their participation	
Daily	23.4
Weekly	40.5
Monthly	25.2
Less than once a month	5.4
Varies or Depends	4.5
Percentage who do not have enough information about their clients' participation	20.7
Among those who do not have enough information, reasons for lack of information about their clients' participation. [a]	
Don't have time to review information because caseload is too high	4.3
Don't get attendance or participation reports consistently	17.4
Information in attendance or participation reports is not useful	13.0
Staff don't communicate well or at all about client participation	26.1
Hard to get information from clients	26.1
Another reason	26.1
Sample Size	111

Source: MPR survey of frontline workers.

Note: Fifty of 161 survey respondents are not responsible for initiating sanctions and were not asked these questions.

[a] Category sums to greater than 100 percent because respondents could give multiple answers.

Table C.14. Timing of Sanction Decisions

	Percentage
Percentage who believe that sanctions should be used	
Soon after detecting nonparticipation as a way of encouraging participation	45.0
After some time and effort to encourage participation	39.6
Only as a last resort	14.4
Percentage who are encouraged by supervisors and program administrators to use sanctions	
Soon after detecting nonparticipation as a way of encouraging participation	39.6
After some time and effort to encourage participation	25.2
Only as a last resort	30.6
Percentage who recommend sanctions, on average	
Less than 1 month after detecting nonparticipation	67.6
1-2 months after detecting nonparticipation	27.9
3-4 months after detecting nonparticipation	0.9
More than 4 months after detecting nonparticipation	0.9
Sample size	111

Source: MPR survey of frontline workers.

Note: Fifty of 161 survey respondents are not responsible for initiating sanctions and were not asked these questions.

Table C.15. Activities Required Before Sanctioning

Activity	Percent of Staff: Required to Conduct Activity	If Required to Conduct Activity, Frequency of Follow-Through[a]: All of the Time	Most of the Time	Half of the Time	Some of the Time	None of the Time
Send a standard sanction notice	62.1	89.0	6.0	1.0	0.0	3.0
Send other letters to clients	49.7	58.8	16.3	15.5	5.0	2.5
Telephone clients	51.6	72.3	21.7	6.0	0.0	0.0
Able to reach clients by phone	--	3.6	19.3	55.4	21.7	0.0
Meet with clients in the office	50.3	67.9	17.3	7.4	3.7	3.7
Able to get clients to attend	--	1.3	25.6	43.6	26.9	0.0
Conduct home visits	37.9[b]	31.1	16.4	21.3	11.5	9.8
Able to reach clients at home	--	3.3	13.1	31.1	26.2	0.0
Sample size			161			

Source: MPR Survey of frontline workers.

[a] "Most of the time" was defined as 75 percent of the time, and "some of the time" was defined as 25 percent of the time. For some activities, the frequency does not sum to 100 percent. The remaining responses were "don't know."

[b] Just over 17 percent of staff reported that they themselves were responsible for conducting home visits, and just over 20 percent reported that other staff members were responsible for conducting home visits.

Table C.16. Length of Time Required to Impose A Sanction

	Percent of Program Staff
Time it takes staff to make first change in the computer system to impose a sanction	
Less than 1 month	74.5
1-2 months	14.5
3-4 months	0.9
More than 4 months	0.0
Don't know	10.0
Time entire sanction process takes	
Less than 1 month	24.5
1-2 months	92.7
3-4 months	12.7
More than 4 months	1.8
Don't know	14.5
Sample size	110

Source: MPR survey of frontline workers.

Note: Fifty of 161 survey respondents are not responsible for initiating sanctions and were not asked these questions.

Table C.17. Effort Required to Impose a Sanction

	Percent of Program Staff
Required to provide supervisors with written documentation of efforts to encourage participation before sanctioning	47.8
Among those required, percent who think the documentation process requires	
A lot of effort	37.7
Some effort	41.6
Not very much effort	16.9
No effort at all	1.3
Don't know	2.6
Personally required to change codes in the computer system to impose a sanction	49.1
Among those required, percent who think the process of changing codes is	
Very easy	50.6
Somewhat easy	41.8
Somewhat difficult	5.1
Very difficult	1.3
Don't know	1.3
Required to send a request to someone else to impose a sanction in the computer system	19.3
Among those required, percent who need supervisory approval before making the request	32.3
Frequency with which supervisors approve these requests to sanction	
100 percent of the time	60.0
About 75 percent of the time	20.0
About 50 percent of the time	0.0
About 25 percent of the time	0.0
Never	20.0
Percent who think imposing sanctions is	
Very easy	21.7
Somewhat easy	39.8
Somewhat difficult	25.5
Very difficult	7.5
Don't know	5.6
Among those who think imposing sanctions is difficult, reasons for difficulty	
Length of process	20.8
Bureaucratic hurdles/ required documentation	28.3
Personal sympathy for client or family	11.3
Opportunities for conciliation	22.6
Another reason	28.3
Percentage who have refrained from sanctioning because imposing a sanction was too burdensome	
Often	2.5
Sometimes	6.8
Seldom	5.0
Never	82.0
Sample size	161

Source: MPR survey of frontline workers.

Table C.18. Re-Engaging Sanctioned Clients

	Among Staff Required to Contact Sanctioned Clients to Re-Engage Them				
	A Lot	Some	A Little	None	Don't Know
Priority that staff place on re-engaging sanctioned clients	53.4	14.8	15.9	11.4	4.5
Staff's usual telephone contact with sanctioned clients	21.6	37.5	21.6	15.9	3.4
Staff's usual in-person contact with sanctioned clients	11.4	33.0	27.3	26.1	2.3
Sample size			88		

Source: MPR survey of frontline workers.

Table C.19. Personal Opinions About Home Visits

	Percentage
Among respondents sites where a home visit is required, percentage who think, in terms of helping to prevent sanctions, home visits are	
Very successful	32.8
Somewhat successful	31.1
Not very successful	27.9
Not at all successful	4.9
Don't know	4.9
Total Sample size	61

Source: MPR survey of frontline workers.

Table C.20. Personal Opinions About Sanctions

	Percentage
Percentage who believe sanctions are	
Very effective	23.6
Somewhat effective	49.7
Not very effective	16.1
Not at all effective	7.5
Among those who believe sanctions are not effective, reasons why	
People become complacent/content with the way things are	39.5
People don't understand the consequences	5.3
People decide they don't need cash assistance anymore	13.2
People's lives are too complicated or they have too many problems to participate regardless of the consequences	5.3
Policies or consequences not strict enough	28.9
Another reason	21.1
Sample size	161

Source: MPR survey of frontline workers.

Table C.21. Sanction Rates Among Staff With Sanction Responsibility

	Percentage or Average Number of Clients Sanctioned	
	Last Week	Last Month
Average among all staff	2.7	8.4
Percentage among all staff		
0	45.8	16.8
1-2	28.0	22.4
3-5	15.9	21.5
6-14	3.7	21.5
15 or more	4.7	13.1
Average by type of staff		
Case managers	2.0	6.4
Eligibility workers	1.2	5.0
Average by caseload size among all staff[a]		
Lower caseload	1.4	5.7
Typical caseload	3.5	8.6
High caseload	2.9	10.9
Average by caseload size among case managers[a]		
Lower caseload	1.0	4.4
Typical caseload	2.7	6.6
High caseload	1.9	8.2
Average by job tenure[b]		
Short tenure at current job	2.8	8.0
Longer tenure at current job	2.4	8.2
Average by opinions about effectiveness of sanctions		
Believe sanctions are effective	2.5	7.6
Believe sanctions are not effective	3.1	10.0
Average by opinion about difficulty in imposing sanctions		
Believe imposing sanctions is easy	2.5	8.0
Believe imposing sanctions is difficult	2.9	8.7
Average by opinion regarding timing of sanctions		
Tend to sanction soon after detecting nonparticipation	3.1	9.2
Tend to sanction after some time and effort to encourage participation	2.6	7.8
Tend to sanction only as a last resort	0.7	4.7
Sample size	107	

Source: MPR survey of frontline workers.

Note: In some categories, the frequency does not sum to 100 percent. The remaining responses were "don't know."

[a] High caseloads are defined as more than 100 cases; lower caseloads are defined as 35 cases or less. Typical caseloads range from 35 to 100 cases..

[b] Short tenure is defined as less than 4 years at current job; longer tenure is defined as 4 years or more at current job.

Table C.22. Reasons Why Clients Are Sanctioned

	Percentage
They do not attend orientation	
Frequently	41.6
Sometimes	29.2
Never	23.0
They do not complete an employment or individual responsibility plan	
Frequently	43.5
Sometimes	42.9
Never	8.7
They do not attend one or more case management meetings	
Frequently	41.6
Sometimes	39.1
Never	8.1
They participate in required activities but for not enough hours	
Frequently	31.7
Sometimes	52.8
Never	7.5
They participate in required activities for some time but then stop participating	
Frequently	48.4
Sometimes	42.2
Never	3.1
They do not participate at all in required activities	
Frequently	62.7
Sometimes	27.3
Never	3.1
Most common reason why clients are sanctioned	
They do not attend orientation	15.5
They do not complete an employment or individual responsibility plan	8.7
They do not attend one or more case management meetings	6.8
They participate in required activities but for not enough hours	11.8
They participate in required activities for some time but then stop participating	13.7
They do not participate at all in required activities	36.0
Another reason	2.5
Sample size	161

Source: MPR survey of frontline workers.

Table C.23. Characteristics of Most Recent Sanction

	Percentage
When most recent sanction was initiated	
Within past week	35.4
Within past month	21.1
Within past 3 months	7.5
Within past 6 months	1.2
Within past year	0.6
More than 1 year ago	0.6
Family's sanction experience	
First	36.0
Second	14.3
Third	3.7
More than third	4.3
Reason for sanction	
Did not attend orientation	7.5
Did not complete an employability plan	4.3
Did not attend one or more case management meetings	5.6
Participated in required activities, but not for enough hours	5.6
Participated in required activities for some time, but then stopped participating	9.9
Did not participate at all in required activities	28.6
Another reason	5.0
Number of letters sent to client to encourage participation before sanction	
0	9.3
1	13.0
2	23.6
3	10.6
More than 3	5.0
Number of phone calls to client to encourage participation before sanction	
0	11.2
1	9.9
2	16.8
3	15.5
More than 3	9.3
Number of office meetings with client to encourage participation before sanction	
0	28.6
1	16.1
2	10.6
3	6.8
More than 3	2.5
Number of home visits to client to encourage participation before sanction	
0	50.3
1	11.2
2	0.0
3	1.2
More than 3	0.0
Amount of time between respondent noticing nonparticipation to initiation of sanction	
Less than 1 month	41.6
1-2 months	19.3
3-4 months	3.7
More than 4 months	0.0
Sample size	161

Source: MPR survey of frontline workers.

Appendix D

State Administrative data

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As part of this study's exploration of the relationship between sanction policy and procedural changes and engagement in work and work-related activities, we obtained and analyzed administrative data from management information systems or detailed management reports from both Texas and Georgia. Chapter VI presents some analyses of these data, and a more comprehensive set of tables to supplement that analysis is contained in this appendix.

I. TEXAS ADMINISTRATIVE DATA

Table D.1. Characteristics of Texas TANF Cases, by Cohort

Characteristic	Partial Sanction Cohort	Full Family Sanction Cohort
Ethnicity/Race of Case Head		
Non-Hispanic, White	19.8	19.4
Non-Hispanic, African American	30.5	31.3
Hispanic, any race	48.9	48.6
Other	0.8	0.8
Education of Case Head		
Less than high school diploma/GED	59.6	58.7
High school diploma/GED	40.4	41.3
Number of Children in TANF Case[a]		
0	0.7	0.7
1	41.6	41.9
2	30.0	29.9
3	17.0	16.9
4 or more	10.7	10.6
Age of Youngest Child in Case[b]		
Younger than 1	11.8	11.4
1 to 2	15.4	15.3
3 to 5	12.2	12.4
6 or older	18.3	18.4
Type of case		
Single-parent	58.1	54.6
Two-parent	4.7	4.6
Child-only	37.1	40.8
Cumulative TANF Months since 11/1996		
Less than 6 months	25.1	25.8
6 to 11 months	17.6	18.8
12 to 24 months	19.2	19.4
25 months or more	36.9	34.9
Sample size	131,556	138,916

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

[a] A family in which all of the minor children receive SSI may be eligible for TANF. For such a family, the TANF case would consist of only the adult member(s).

[b] Child age is calculated as of August 1 of the cohort year (2002 for Cohort 1 and 2003 for Cohort 2). Of the two cohorts, 55,522 cases in cohort 1 and 59,076 cases in cohort 2 were missing data for the youngest child's birth date.

Table D.2. Approximate Participation Among Single-Parent Cases in Texas, By Cohort

	Number on TANF (A)	Number Not Exempt (B)	Number Participating for at Least 30 Hours/ Month (C)	Approximate Participation Rate (C/A) (Percent)
Cohort 1: TANF cases in August 2002 (N=131,556)				
August	76,489	59,028	18,151	23.7
September	69,042	52,201	16,450	23.8
October	63,702	47,410	14,945	23.5
November	56,658	41,356	13,375	23.6
December	52,192	37,559	11,219	21.5
January	47,900	33,857	10,387	21.7
February	42,973	29,820	9,080	21.1
March	40,482	27,680	8,679	21.4
April	38,430	25,904	8,399	21.9
May	36,938	24,513	8,405	22.8
June	35,372	23,119	7,571	21.4
July	33,755	21,743	7,232	21.4
Cohort 2: TANF cases in August 2003 (N=138,916)				
August	75,845	60,339	23,170	30.5
September	49,734	35,557	20,454	41.1
October	46,669	33,136	18,553	39.8
November	38,821	26,319	14,961	38.5
December	34,081	22,201	12,738	37.4
January	30,513	19,140	11,312	37.1
February	26,307	15,634	9,517	36.2
March	24,135	13,810	8,667	35.9
April	21,634	11,927	8,019	37.1
May	20,408	10,907	7,045	34.5
June	18,822	9,809	6,310	33.5
July	18,026	9,191	6,284	34.9

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Note: Participation rates are calculated as the number of single-parent cases on TANF that are participating in activities for at least 30 hours per week divided by the number of single-parent cases on TANF. The rates are approximate because they do not exclude from the denominator cases that may be removed from the calculation according to federal law. Thus, the rates likely understate the actual participation rate.

Table D.3. TANF Caseload and Rate of Sanction Receipt Over Time in Texas, by Cohort

	Among Those on TANF			Among Those Not Exempt
	Number on TANF	Number Not Exempt	Percentage That Received a Sanction	Percentage That Received a Sanction
Cohort 1 (Aug. 2002)				
August	131,555	64,094	n.a.	n.a.
September	120,619	56,588	5.1	10.8
October	113,009	51,358	4.5	9.9
November	102,728	44,780	5.4	12.3
December	96,320	40,646	3.1	7.2
January	90,245	36,649	3.3	8.0
February	83,103	32,262	4.7	12.0
March	79,377	29,965	3.7	9.8
April	76,019	28,076	4.3	11.5
May	73,529	26,636	3.2	8.7
June	71,024	25,179	3.5	9.7
July	68,226	23,696	4.0	11.3
Cohort 2 (Aug. 2003)				
August	138,916	66,230	0.0	0.0
September	107,604	39,562	10.3	27.9
October	101,358	36,869	2.1	5.8
November	89,026	29,520	3.6	10.7
December	81,488	24,870	2.7	8.8
January	75,281	21,625	3.1	10.6
February	67,983	17,683	3.4	13.0
March	64,075	15,646	2.3	9.3
April	59,697	13,569	2.9	12.7
May	57,220	12,430	2.0	9.3
June	53,918	11,237	2.4	11.5
July	52,194	10,564	2.0	9.9

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Note: It was not possible with the data we obtained to determine the percentage of cases that received a sanction in August 2002 ("n.a." means not available). The state imposed no sanctions in August 2003 probably because it was in the process of implementing changes to its management information system to accommodate the policy changes that took effect in September. Sanctions imposed in September 2003 (for cohort 2) likely include those that were supposed to be imposed in August 2003 as well as in September 2003.

Table D.4. TANF Cases in Sanction Status Over Time in Texas, by Cohort

	Among Those on TANF			Among Those Not Exempt
	Number on TANF	Number Not Exempt	Percentage in Sanction Status	Percentage in Sanction Status
Cohort 1 (Aug. 2002)				
August	131,555	64,094	15.0	30.4
September	120,619	56,588	16.7	35.1
October	113,009	51,358	18.1	39.3
November	102,728	44,780	18.8	42.7
December	96,320	40,646	17.7	41.5
January	90,245	36,649	16.8	40.9
February	83,103	32,262	16.5	42.2
March	79,377	29,965	16.7	43.8
April	76,019	28,076	17.2	46.0
May	73,529	26,636	16.5	45.0
June	71,024	25,179	16.4	45.9
July	68,226	23,696	16.4	46.9
Cohort 2 (Aug. 2003)				
August	138,916	66,230	0.0	0.0
September	107,604	39,562	10.3	27.9
October	101,358	36,869	2.1	5.8
November	89,026	29,520	3.6	10.7
December	81,488	24,870	2.7	8.8
January	75,281	21,625	3.1	10.6
February	67,983	17,683	3.4	13.0
March	64,075	15,646	2.3	9.3
April	59,697	13,569	2.9	12.7
May	57,220	12,430	2.0	9.3
June	53,918	11,237	2.4	11.5
July	52,194	10,564	2.0	9.9

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Note: In Cohort 2, due to the policy change implementing an immediate full family sanction, the number of cases in sanction status in a month is equivalent to the number of cases receiving a sanction in that month. In Cohort 1, more cases in each month are in sanction status than received a sanction in that month because the former policy did not remove sanctioned families from the caseload. The state imposed no sanctions in August 2003 probably because it was in the process of implementing changes to its management information system to accommodate the policy changes that took effect in September. The percentage in sanction status in September 2003 (for cohort 2) likely includes those that were supposed to be imposed in August 2003 as well as in September 2003. In addition, it is possible that there were cohort 2 cases in partial sanction status in August 2003 (the month prior to the shift to a full-family sanction policy), but that the management information system variable indicating the percentage in sanction status was altered in August as a result of the ensuing policy shift.

Table D.5. Characteristics of Sanctioned TANF Cases in Texas, by Cohort

	Cohort 1			Cohort 2		
	Ever Sanctioned During Year	Never Sanctioned During Year	On TANF in July 2003	Ever Sanctioned During Year	Never Sanctioned During Year	On TANF in July 2004
Ethnicity/Race of Case Head						
Non-Hispanic, White	19.8	19.8	16.4	19.9	19.2	15.4
Non-Hispanic, African American	33.7	28.8	32.0	34.7	30.3	30.3
Hispanic, any race	45.7	50.7	50.9	44.7	49.7	53.6
Other	0.8	0.8	0.7	0.6	0.8	0.7
Education of Case Head						
Less than high school diploma/GED	61.9	58.4	65.1	62.1	57.8	64.3
High school diploma/GED	38.1	41.6	34.9	37.9	42.2	35.7
More than high school diploma/GED	0.0	0.0	0.0	0.0	0.0	0.0
Number of Children in TANF Case[a]						
0	0.3	0.8	0.6	0.2	0.8	0.7
1	36.4	44.4	40.7	39.2	42.6	42.3
2	31.1	29.4	29.9	30.7	29.7	29.6
3	19.2	15.8	17.0	18.4	16.5	16.5
4 or more	12.9	9.5	11.8	11.5	10.4	10.9
Age of Youngest Child in Case[b]						
Younger than 1	15.1	10.1	11.0	14.2	10.7	9.6
1 to 2	18.9	13.5	15.1	18.1	14.6	14.3
3 to 5	13.1	11.7	12.5	13.1	12.2	12.5
6 or older	16.2	19.5	20.1	15.3	19.3	20.7
Type of Case						
Single-parent	92.2	39.6	49.5	91.6	44.9	34.5
Two-parent	6.3	3.8	3.0	6.3	4.2	2.3
Child-only	1.5	56.6	47.5	2.1	50.8	63.2
Cumulative TANF Months since 11/1996						
Less than 6 months	28.3	23.3	16.8	31.2	24.4	14.7
6 to 11 months	20.7	15.9	13.9	21.7	18.0	13.7
12 to 24 months	21.6	17.9	19.1	21.5	18.9	19.2
25 months or more	28.2	41.7	48.7	24.5	37.6	51.1
Sample size	46,445	85,110	68,226	28,732	110,184	52,194

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

[a]A family in which all of the minor children receive SSI may be eligible for TANF. For such a family, the TANF case would consist of only the adult member(s).

[b]Child age is calculated as of August 1 of the cohort year (2002 for Cohort 1 and 2003 for Cohort 2). Of the two cohorts, 55,522 cases in cohort 1 and 59,076 cases in cohort 2 were missing data for the youngest child's birth date.

Table D.6. Employment Rates Among Cases That Left TANF in Texas, by Cohort

	Percent
Among Partial Sanction Cohort Cases that Went off TANF in Quarter 3 of 2002 (N=19,700)	
Employed in quarter 3 of 2002	49.0
Employed in quarter 4 of 2002	46.9
Employed in quarter 1 of 2003	43.2
Employed in quarter 2 of 2003	43.2
Among Partial Sanction Cohort Cases that Went off TANF in Quarter 4 of 2002 (N=27,835)	
Employed in quarter 4 of 2002	48.3
Employed in quarter 1 of 2003	44.5
Employed in quarter 2 of 2003	43.4
Among Partial Sanction Cohort Cases that Went off TANF in Quarter 1 of 2003 (N=20,647)	
Employed in quarter 1 of 2002	43.7
Employed in quarter 2 of 2003	42.3
Among Partial Sanction Cohort Cases that Went off TANF in Quarter 2 of 2003 (N=14,331)	
Employed in quarter 2 of 2003	40.6
Among Full Family Sanction Cohort Cases that Went off TANF in Quarter 3 of 2003 (N=42,154)	
Employed in quarter 3 of 2003	39.3
Employed in quarter 4 of 2003	39.8
Among Full Family Sanction Cohort Cases that Went off TANF in Quarter 4 of 2003 (N=34,421)	
Employed in quarter 4 of 2003	39.9

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

Note: Employment data are based on Unemployment Insurance wage data records and are unavailable for quarters 1 and 2 of 2004.

Table D.7. Employment Status Among Cases That Left TANF In Texas, by Cohort

	Number That Left TANF	Percentage Employed Among Those That Left TANF			
		July – September	October - December	January - March	April - June
Cohort 1: TANF cases in August 2002 (N=131,556)					
August	--	--	--	--	--
September	10,936	47.6	45.2	41.8	42.1
October	8,764	50.7	49.1	44.8	44.5
November	11,707	45.9	47.5	43.7	42.8
December	8,180	43.4	49.5	45.4	43.9
January	7,972	40.7	48.4	44.9	43.8
February	9,114	36.3	43.7	43.0	41.4
March	5,968	33.4	41.6	45.4	43.7
April	5,585	29.3	36.4	43.0	42.4
May	4,777	28.9	33.7	40.0	41.5
June	4,585	28.1	31.7	34.0	40.6
July	4,981	27.4	29.2	31.5	39.7
Cohort 2: TANF cases in August 2003 (N=138,916)					
August	--	--	--	--	--
September	31,312	38.7	39.3	N.a.	N.a.
October	10,842	41.1	41.5	N.a.	N.a.
November	15,026	39.1	39.3	N.a.	N.a.
December	10,566	40.3	41.0	N.a.	N.a.
January	8,947	39.6	39.6	N.a.	N.a.
February	9,708	37.8	37.8	N.a.	N.a.
March	6,523	37.1	37.5	N.a.	N.a.
April	6,934	36.4	36.5	N.a.	N.a.
May	5,149	35.4	35.9	N.a.	N.a.
June	5,616	33.8	34.0	N.a.	N.a.
July	4,488	34.7	34.4	N.a.	N.a.

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data. (Unemployment Insurance data was not provided for the first two quarters of 2004)

Note: N.a. means not available; MPR was unable to obtain Unemployment Insurance data beyond quarter three of 2003.

Table D.8. TANF and Employment Status In Texas, by Cohort

	Among All Cases				Among Those Off TANF	
	Off TANF		On TANF			
	Not Employed	Employed	Not Employed	Employed	Not Employed	Employed
Cohort 1: TANF cases in August 2002 (N=131,556)						
August	--	--	89.9	10.1	--	--
September	8.3	0.0	82.2	9.5	99.9	0.1
October	14.1	0.0	77.2	8.7	99.8	0.2
November	21.9	0.1	70.4	7.7	99.7	0.3
December	26.7	0.1	66.8	6.4	99.7	0.3
January	31.3	0.1	63.0	5.6	99.6	0.4
February	36.7	0.1	58.5	4.7	99.6	0.4
March	39.5	0.2	56.0	4.4	99.6	0.4
April	42.0	0.2	53.7	4.1	99.5	0.5
May	43.9	0.2	51.8	4.1	99.5	0.5
June	45.8	0.3	50.4	3.6	99.5	0.5
July	47.9	0.3	48.5	3.3	99.5	0.5
Cohort 2: TANF cases in August 2003 (N=138,916)						
August	--	--	88.4	11.6	--	--
September	21.6	0.9	68.1	9.4	95.9	4.1
October	26.8	0.2	63.6	9.4	99.1	0.9
November	35.6	0.3	56.4	7.7	99.2	0.8
December	41.1	0.2	52.2	6.4	99.4	0.6
January	45.5	0.3	48.7	5.5	99.4	0.6
February	50.8	0.3	44.5	4.4	99.4	0.6
March	53.6	0.3	42.1	4.0	99.4	0.6
April	56.6	0.4	39.4	3.6	99.3	0.7
May	58.5	0.3	38.0	3.2	99.4	0.6
June	60.9	0.3	36.0	2.8	99.5	0.5
July	62.1	0.4	34.9	2.7	99.4	0.6

Source: MPR analysis of Texas TANF administrative data and Texas Unemployment Insurance data.

II. Georgia Administrative Data

Table D.9. TANF Case Terminations in Georgia, 2000-2006

Year	Average Monthly Caseload	Annual Terminations	Regular TANF Cases Terminated		Two-Parent TANF Cases Terminated	
			Number	Percent	Number	Percent
2000	54,091	29,134	28,870	99.09	264	0.91
2001	50,904	28,512	28,176	98.82	336	1.18
2002	54,682	31,228	30,736	98.42	492	1.58
2003	57,823	37,890	37,195	98.17	695	1.83
2004	57,389	45,665	44,708	97.90	957	2.10
2005	45,325	41,782	41,195	98.60	587	1.40
2006	34,373	27,677	27,502	99.37	175	0.63

Source: MPR tabulations of Georgia DFCS data.

Note: Termination data is calculated by calendar year. Average monthly caseload is the average number of families on the TANF caseload in each month of a given State Fiscal Year.

Table D.10. First and Second Level Sanctions in Georgia, FY98 Through FY05

	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Clients With First Sanction Applied	n.a.	n.a.	476	410	168	210	380	835
Counties with Most First Sanctions*			Bibb Dougherty Mitchell Chatham Terrell	Dougherty Bibb Crisp Mitchell Richmond	Decatur Richmond Douglas Floyd Grady Muscogee	Bibb Chatham Houston Mitchell Decatur	Bibb Spalding Decatur Dougherty Carroll Colquit	Muscogee Bibb DeKalb Fulton Troup
Clients With Second Sanction Applied	23	4	6	6	19	13	24	89
Counties with Multiple Second Sanctions	Butts Lowndes		Glynn		Bibb	Bibb McDuffie Jackson	Upson Spalding Butts Colquitt Wayne	Muscogee Screven Troup Fulton Houston Sumter Clayton Colquitt Early Spalding Upson Washington Bacon Bibb Butts Coweta Newton

Source: MPR tabulations of Georgia DFCS data.

*****Shows top 5 counties, or more if several counties are tied for 5th place

Table D.11. Georgia TANF Applications, 2000-2006

Calendar Year	Applications	Percent Approved	Percent Denied
2000	115,155	50	50
2001	130,648	51	49
2002	137,791	51	49
2003	146,279	51	49
2004	145,314	73	27
2005	132,309	48	52
2006	104,547	22	78

Source: MPR tabulations of Georgia DFCS data.

Table D.12. Types of TANF Applications Denied in Georgia Over Time

		Regular TANF Applications Denied		Two-Parent TANF Applications Denied	
Calendar Year	Total Denials	Number	Percent	Number	Percent
2000	57,190	55,218	96.55	1,972	3.45
2001	64,284	62,106	96.61	2,178	3.39
2002	67,908	65,701	96.75	2,207	3.25
2003	71,310	68,379	95.89	2,931	4.11
2004	40,919	37,670	92.06	3,249	7.94
2005	69,022	65,192	94.45	3,830	5.55
2006	81,796	79,199	96.83	2,597	3.17

Source: MPR tabulations of Georgia DFCS data.

Table D.13. Frequency of Georgia TANF Application Denial Reasons as A Percentage of Applications Denied, 2000-2006

	Year						
Denial Reason	2000	2001	2002	2003	2004	2005	2006
Financial Ineligibility	21.7	21.6	20.7	20.6	34.4	15.9	11.0
Voluntary withdrawal	17.6	19.2	20.6	22.5	10.1	25.2	37.6
Failed to cooperate with eligibility process	34.1	36.0	36.5	33.3	14.0	33.5	36.8
Failed to meet other eligibility requirements	12.6	12.2	12.6	14.3	16.4	8.9	5.3
Other denial reasons	14.0	11.0	9.6	9.3	21.5	15.4	9.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: MPR tabulations of Georgia DFCS data.

Table D.14. Frequency of Georgia TANF Case Termination Reasons as a Percentage of Cases Terminated, 2000-2006

	Year						
Termination Reason	2000	2001	2002	2003	2004	2005	2006
Financial ineligibility	57.9	56.5	52.3	42.3	21.9	25.9	21.5
Voluntary withdrawal	0.0	0.0	0.0	4.7	18.3	12.2	13.3
Failed to cooperate with eligibility process	0.0	0.8	0.0	5.7	12.4	23.6	24.1
Failed to meet other eligibility requirements	19.4	24.8	29.5	27.8	24.0	20.6	21.3
Other termination reasons	22.6	17.9	18.2	19.3	22.6	17.6	19.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: MPR tabulations of Georgia DFCS data.