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August 8, 2018

Senator Roger Katz, Chair  
Representative Mastraccio, Chair  
Committee on Government Oversight  
Cross Building, Room 220  
82 State House Station  
Augusta, ME 04333

Dear Chairman Katz, Chairwoman Mastraccio, and Members of the Committee,

Thank you for your request for information related to the following topics:

- Hardship extensions and exemptions from the 60-month lifetime limit;
- ASPIRE-TANF program and Fedcap's operation of that program
- TANF work participation rate requirements; and
- Process for identifying and determining uses for TANF funds.

Please find our responses below. Let us know if you have additional questions.

### **Hardship extensions and exemptions from the 60-month lifetime limit**

With the passage of the five-year lifetime limit, the Department of health and Human Services (Department) began a complete desk review of cases nearing that duration. This review was done to determine if the household could be potentially eligible for an extension. Notices were sent to the entire TANF caseload, informing the household of the new law and the ability to request various extensions.

The Department sends annual notices to all participants, as well as a notice when they have reached 55 months – five months before the five-year limit. These notices inform the participant of their length of time participating in the program, the five-year limit, and the right to apply for an extension. In addition to multiple notices about the right to an extension, the Department sends an application for an extension to each household thirty days prior to reaching the five-year limit.

To ensure consistency in review, requests for extensions are reviewed in the Central Office, according to protocol designed to ensure objectively and eliminate bias. The Department never discourages participants from requesting extensions, and to the contrary, we go to great lengths to make participants aware of the ability to receive an extension, and the policy is applied fairly and equally when reviewing the information for extension.

### **General Information:**

- TANF Hardship Extensions can be requested for one month to six months in length
- All extension types require verification

- Extension types include:
  1. Domestic Violence
  2. Disability
  3. Caring for a Significantly Disabled Family Member
  4. Participation in a Training or Education Program
  5. Working Families
  6. Pregnancy
  7. Loss of Job
  8. Occurrence of an Emergency situation

**Process:**

For open cases –

- The Department sends data to Fedcap on a monthly basis, updating the number of months that each participant has received TANF.
- A notice is sent out to all open TANF cases each June reminding them of the five-year lifetime limit on TANF benefits.
- Participants receive a letter from OFI in the 55<sup>th</sup> month of TANF receipt. This letter informs them of the upcoming TANF closure due to reaching the time limit. This letter includes an application for extension.
- A written application for an extension is not required for a participant to request an extension.
- Fedcap staff discuss extensions with participants experiencing any one of the extension type reasons.
- Fedcap assists participants in collecting and submitting any verification needed for an extension.
- Senior Planner staff in the OFI Central Office determine eligibility for extension requests statewide within three business days of receiving the request and verification.

For closed cases re-applying for TANF –

- An applicant that has received TANF for five years can request an extension verbally or in writing at their TANF application interview.
- Senior Planner staff in the OFI Central Office will determine eligibility for the extension within three business days of receiving the request and verification.

When an extension is approved on an application, the Senior Planners will then schedule the participant to attend Orientation at a Fedcap Opportunity Center. This is required for TANF eligibility and to begin engagement with Fedcap.

The Department determines an average of 588 extension requests per year. Of those, the majority are for extensions related to Disability. On average, 50 percent of the all extensions are granted based on Disability. The second most requested extension is caring for a significantly disabled family member and the third most requested is participation in training or education program. Approvals for the second and third most requested extensions are slightly higher than 50 percent in each category.

**ASPIRE-TANF program and Fedcap’s operation of that program**

Fedcap began receiving participants at the end of January 2017. They have sixteen regional offices across the state. They have successfully transitioned all participants into the Breaking the Cycle (BTC) program and are nearly fully staffed.

Since the implementation of BTC the following results have occurred:

- Employment outcomes have nearly doubled
- Real work participations rates (not counting the Worker Supplement Benefit) have quadrupled
- The average length of time on TANF has decreased by 60 percent
- The average length of time between TANF enrollment and employment-and-training engagement has decreased by 86 percent
- 33 percent of sanctioned households have been re-engaged and our back in the program

The Department manages this contract actively and with tight oversight. We have four Regional Planners embedded at the various sites. The Planners look for policy discrepancies, provide policy expertise, and report any issues to the Senior Program Manager on a weekly basis. The Senior Program Manager engages with Fedcap management almost every day.

The Department has collaborated with advocacy agencies to resolve any issues that have occurred and is establishing periodic meetings to work together in the best interest of our participants.

As the Department and Fedcap have worked on this program, both entities have remained flexible and have adjusted to challenges to better serve participants. The Department will continue to work closely with Fedcap and other interested parties to be sure the program is functioning in a way that is moving families toward economic independence.

### **TANF work participation rate requirements**

Federal TANF law requires that State's meet a 50 percent "all families" rate and a 90 percent "two-parent" rate. The law also defines the countable work activities that comprise the rate. The activities are broken out by core and non-core definitions, and there are limits placed on how much non-core participation can count toward a family's requirement. Some examples of core activities are: unsubsidized employment, work experience placement, community service programs, and vocational educational training. Non-core examples include: education directly related to employment (ESL, Adult Ed), and job skills training directly related to employment.

Single parent households must participate at least 30 hours per week. For families consisting of two-parents, one parent is required to be engaged at least 35 hours if child care is not being provided or 55 hours between both parents if child care is provided. Given the number of hardship exemptions allowed by statute, even with significant oversight, there can be no realistic expectation that the State will meet the Federal requirements.

Maine's penalty status for not meeting work participation is outlined in detail in the OPEGA report.

### **Process for identifying and determining the uses for TANF funds**

The TANF OPEGA report accurately captures the Department's approach to the use of TANF funds. First and foremost is programming with a focus of moving families toward economic independence. The Department has been able to cast a wide safety net with these flexible funds. Whole family approaches, youth programming, child welfare, heating assistance, increased housing allowances, and increased basic benefits are just a few areas of spending that demonstrate the multi-faceted approach to reducing the number of families living in poverty.

Sincerely,

Bethany Hamm, Director  
Office of Family Independence