

**Family Services Review Commission Meeting
TANF Review**

**April 2, 2009, 8:30 a.m. to 12:00 noon
District 3 conference room, Winema Place**

Members present: Jessica Chanay, Diane Cohen-Alpert, Ellen Gradison, Tawna Sanchez

DHS staff present: Erinn Kelley-Siel, Mickey Serice, Jim Neely, Vic Todd, Xochitl Esparza, Mary Anne Camp

Invited Guests:

Members excused: Kim Freeman

Members absent: Maggie Bagon

Meeting materials sent via e-mail prior to meeting: Meeting Agenda, Draft Minutes of the February 5, 2009 Meeting, December 2008 Food Stamp Timeliness Report, List of Priority 1 and 2 Legislative Bills being tracked by CAF, January 2009 CAF Public Assistance Caseloads

Handouts from meeting:

- Mary Anne : January 2009 Self Sufficiency at a Glance,
 - 1 Jessica Chanay:
 - 2 Xochitl Esparza: *January 31, 2009 PAS Update and TANF Time Limits Report*

Greeting and Roll Call

The meeting was called to order at 8:35 a.m. with a quorum in attendance. Jessica welcomed everyone and did a quick overview of the FSRC and what she hopes today's meeting accomplishes in Reviewed agenda for meeting. Erinn reviewed what programs are covered by CAF, thanked everyone for being here today. Previously, the TANF redesign committee was very helpful and the time since 2007 has put the program in a different place. Felt that bringing group together would be a good idea to come up with new ideas for the issues at hand. Week by week, dynamics of program are changing. Hope that group goes away with a better understanding of issues and what we may need to do.

Chair Report:

1 Member check in and meeting agenda reviewed.

Minutes from last meeting will be reviewed next meeting along with minutes from this meeting.

TANF Overview: Erinn – Addressed where we have been with TANF and what we have tried to accomplish. Handout – HB2469. TANF redesign was a long process, when waiver was set to expire it was realized that most felt there was a lot of room to improve. When the new federal regulations came down, Oregon stepped back to assess how to best meet the needs of families that fit in with the federal reg's. Need to look at things along 2 tracks – policy and program & budget track. Erinn took away from the previous process

that it wasn't just about the program and employment of parents, it was about the fact that each family had a child.

The most progressive step was the creation of the post TANF program – this consisted of a small cash assistance program and some medical to help with transition. Strengthened Parents as Scholars program – the was to help promote continuing education for adults. Also, there was stress on early identification of needs during assessment to help address issues to help make parents employable. There were JOBS program enhancements. All aspects of TANF design was a real effort to incorporate redesign committee recommendations. 07 – 08 was on track to achieve goals plus employment and family stability. With the economic situation, the focus has changed. Discussed the chart on the back of handout – this is what was presented to budget committee to help them understand the TANF process. Other issue as a program was one of the primary strategic goals in the self sufficiency arena; clients don't come to us and ask to receive TANF – the are facing other issues and have to be destitute to qualify. There is a very high threshold to qualify – case assistance has not gone up much, families are living under the federal poverty level. Wanted to acknowledge opportunities to serve families earlier before they lose everything to qualify for TANF. The hope was that the legislature was aware, from this and other documents, was that TANF isn't a stand alone program, it intersects with others to help families address all their needs. Wanted to clearly send message – 70 million in general funds in addition to other funds were being spent and were achieving the goals. Wanted to let them know that we needed to hold on to what we have. After October '08 – realized the field was understaffed based on the current caseload model. More understaffed than ever before – the situation at this time is being stressed as an emergency. CAF is struggling to provide services, fighting to keep integrity of program. Less staff means fewer services.

Xochitl – 3 main items that came out of DRA

1 – limited definitions that count to activities – had a set of int final rules – quite restr – states had opp for feedback – final rules set in 06, was a little flexibility but not much.

2 – inst more admin requ's. more workload and staff time. Yearly monitory for attendance.

3 – caseload reduction credit that OR used to benefit from. Whole philosophy around reducing cases – don't have to meet 50% baseline. New baseline year was 08, don't have a very good reduction rate now

Vic – change was that having credit gave state a lot of flexibility, now don't have based on new baseline.

Other handout – TANF is really program that is a subset of overall population being served. Important more so even now, what has happened with all programs is the incredible growth, pressure on staff. Show's caseload changes – dec to dec. phen has contined and has just got food stamp #'s, up another 10,000 cases. Page 3 table – depicts staffing needs. Came thru dec rebalance and cont'd rebalance, staffing issues have continued to grow. Where ended up looking is looking at JOBS program and how to prioritize serv's and workload issue generally. 4th page – dep't internal effort/discussion on how to look at prioritization of workload and what are were primarily focused on – providing services to clients. In conjunction with JOBS budget – not adequate funding,

also have had to prioritize what doing with respect to activities and serv's available. Gives an idea of process to look at these. Laid out ideas and guidance for districts when looking at renegotiating contracts and looking at services for clients. Jessica – process for deciding priority assignment. Talked with PM & DM's to talk about program and go thru & id collectively what are crucial services. Erinn – did data based analysis of services based on geo area to help. In Col & Clat – col co 20%, clat 6 % decrease. Clat able to prov full serv's, col co can't. what are core act's fed's looking at, what are core needs, what are comm needs. Tried to divide agenda around program effort and budge effort, not really poss. Took a pro reduction in dec, was really not taking less but not getting more. Services are getting more limited for clients. 13,500 mandatory, now 16,000. very upfront wit leg, clients wouldn't get services needed, contracts won't be getting redone.

Tip tier? –

Kim – one dist, families aren't nec losing serv's – may mean they are getting serv's out in the comm. What do we need to provide by contracting that can't be obtained out in the community.

Ellen – is there any indication that maybe some of the restrictions may be loosened. Erinn – working thru APHSA to see if can get some things relaxed. Not seeing anything happening. Every state approaches program differently. OR is considered an anomaly, does offer more serv's for families.

Current & Future Environment:

Budget – Erinn – alluded to changes made, none have been made without leg knowing and approving. Started last dec. was an add'l action, last dec, budget red to post TANF ben by 50\$. Was facing cost to serve clients, much less dramatically for VR. All being put on wait list, first 3 mo's, about the same on wait list as are rec'ing serv's. (#2). What originally ant in family supp, not only not serving families we need to but not even serving 50% of anticipated. Seeing children coming from foster care showing up on TANF caseload – 30% or so. One of things in converstations, one very discouraging thing is that element needs to be limited but need it to

Out of dec for CAF, dis for 09-011 budget. Federal gov picking up conv about stimulus, reflecting on budget problems. Big picture since gov's budget published, on the worse side. 880 million for this bi. Rev forcast went down for next bi. didn't include staffing needs & increased need for serv's. leg dis was how to address early. Not enough time to really achieve budget red's before end of budget, leg moving bill thru leg process, sev bud hearings – HB5552 – reductions taken over all in DHS.

First red app'v – 185% of fed pov level for non-needy rel'. save 1.5 million, affect 47% of current famililes. May end up with child going into foster care. Also app'd change around job quit penalty – now have penalty have quit family is inel if without good cause, now app'd to single parent fam. Basic living exp's – red from 200% to 100%. Tried to point out that fam's wait until res's are exhausted, so people wait until last minute, accumulation of issues. Was to try to stabilize issues, now more limted. Even tho focus is on TANF, important to understand ERDC also. Was pro's also a couple of elig limits, 2 moved forward – numbers after are order list submitted. Do curr pro subsidy cit children who have non-cit parent and self emp'd, proposal now is to eliminate this. Currently sub 1st mo's co-pay for families on ERDC, now gone. Have to pay co-pay upfront, all fam's approved to start 4-1, all but 3 are taken.

Eric – only thing to add is that with increase in caseload, there weren't any add'l staff allowed for.

Erinn – one thing we were able to do is to exempt some positions from hiring freeze. On food stamp side, with food stamp bonus, were able to add 60 food stamp staff. Field very grateful for but it is a very small.

Eric – 60 staff, bonus money, not enough to keep staff thru end of bi. with stimulus money should be able to keep staff thru majority of next biennium. Wanted to add the from conv's with folks in field, even with mngmnt furloughs and other things happening, staff more concerned with people they are serving rather than focusing on staffing issues. #3

Gov proposed budget based on fall economic forecast, since then pro red's and other fiscal challenges. Stimulus \$ has also since comes thru that have implications for fs and TANF. Budget forecast keeps going down, exp going up. Even since update (#3) things change daily. May not fully avail TANF or other monies, have a lot of questions, about whether can take full advantage of, dynamics for stimulus is very different. Not imp's in 5552 but are being imp'd, can see that in add to red's, there are other ways to limit program. Limit ERDC to only fam's to those who are leaving TANF. Those fam's will still have some challenges, copays up 6%, red in copay, also red to provider rate available. May mean less providers. On TANF, significant changes being pro'd. counting SSI ben rec'd by parents for elig determination. Impact 1400 fam' a mo. Red TANF grant amount. When not able to enhance ben thru coop incentive payment, this would go away, impact everyone on cash. Gov rec inc'd elim of 2 parent in 7-10. also may assume fam's will come back on as single parent. 800 fam's a mo. Post TANF ben would cont to decline. Pre ssi staffing – reduction in staff.

Eric – continue with #3 – next page – 23 – more diff dynamics in self suff and caf as whole, w major funding sources are block grant. One grant stay same no matter what cost are, increase in costs have to be covered from other sources. Child care – major is child care dev fund and is block grant, seen some col inc's. very limited. Flows thru empl dept. 4 child care subsidy payment. On TANF side, caseload and exp have hist had carry over dollars, no longer the case. We are spending entire block 42 million ea quarter. Move into MOE – TANF block grant, do have as state have req'd amount must spend – 97 million state spending 195.6 total. Before work aprt credit, have been able to take red in part, because of changes and likely not going to meet work part, budgeting at higher level. Page 26, example of main of effort. Can we as state id funds meet moe. Make lions share within DHS with JOBS – get from housing and several other programs. And also thru DOJ (OJD?). need to find moe is all agencies are under pressure, imp as state to understand that red's in other areas will impact DHS even if not directly. Could lose federal funds if we don't meet moe and coordinate existing pro's that qualify.

?? – dept of rev includes – is also inc'd earned inc credit? In additional to TANF moe have moe for CCDF grant. Track CCDF and TANF requirements tog, some can double count some numbers. Trying very hard to work with emp dept to meet both parts. Only actual portion that gets refunded will be counted, not the amount that gets credited. In looking at diff between – at gov's level – 11 million short of meeting moe. Doesn't mean there weren't other dollars can't count, the conv hasn't taken place with other programs/dep's to find add'l monies. Additional info good for context. Whole presentation on website. 107.8 million dollars in reduction are in TANF/ERDC

In gov's 3.1 billion dollars shortfall – target 3-4 million potential red's.
#4 – letter to agency directors – from leg fiscal off. Asking for 30% red list from all agencies. Refer to #3 – if look at this, gov'd rec budget essential level – set of assumptions taken to get to that essential budget level. ss & ch programs are not considered mandated from budget standpoint. Ss – 65 million shortfall. To continue pro's would need 65 mill above ess budget. Probably 105 million with current caseload. Does not include if fully fund TANF and JOBS, would need a significant increase. Would need another 34 million to fully fund JOBS. These figures not included in essential budget numbers.

Erinn – needed for this group and leg, do with current caseload projections. Need to show what is needed to fully fund staffing and program needs. This is where reductions need to start from. Include some caveats in moving process forward to show what the real effects are.

In looking at numebers on doc – look at first 2 lines – no mandated programs. Next 3 lines sub care/adop/other pro's – about 25%, considered mandated. Large chunks fed mandated. The other half dollare are pro supp and admin – 95% are staff that provide service. 215 million red's out of caf. Where do you go? Half money in program. Look at what's mandated/not mandated. Difficult conversation, gov's budget won't get you there. Jessica – leg asked for 30% red, how does leg play into it. Gov budget a starting point. Erinn – 1.2 billion in all of DHS in reductions needed. Leg may release 30% reduction list.

Leg timelines – put 30% list out, have community forums. For DHS, rebalance budget, propose to leg and going to do reshoot for next biennium – probably late april, early may. In meantime, by end of may – leg has to make dec as to how to handle funding for next biennium. Adj is june 30. where we are today – caseloads changing daily and forecasts are pretty significant. Need growing and is significant. May stabilize in next biennium but may not start down for quite a while.

Eric – poss one glimmer of hope – impact of stimulus dollars not included. Some of FMAP and other big dollar amounts not in our control, do have 2 specific ones – TANF increase and CCDF grant. CCDF – could rec up to 19.3 million, hope to hear soon about how much and when available. Belief is that we can leverage entire amount. Fed's looking at giving all money out. Didn't have to take the entire red's that may have needed. On TANF side – will be receiving some – max is 80 mill, if at same caseload level, could draw down at least 60 million. In looking at next bi at any red to TANF will limit our abilities to draw down monies. Hasn't heard any specifics as yet, just waiting. In EBL budget, may not even qualify but even with reductions there are still opportunities to draw down – 20 to 40 may be available for us. Fed's have grant website that is available to everyone – encourages folks to look at all, not just social services. Even if dollars aren't for DHS, could be beneficial. E-mail Eric directly if you have any ideas for grants for us to apply for.

Caseload projections – released soon, maybe as early as next week, will be out before rebalance. Will do another one mid May. Vic – not unlike what we have already experience. In TANF, Food stamps and medical. Erinn – bigger picture – caseload will continue to go up. Program designed to meet need when people struggling. In emp, one thing keeps off TANF is unemp checks, with fed extensions – 79 weeks total – only a handful have lost benefits. When this stops, folks will probably bounce over to TANF.

Because of the increase – folks coming on and not leaving yet – increase would be bigger in TANF if inc in weeks hadn't been implemented.

Vic – seeing folks that don't qualify for UI.

Group Discussion:

Erinn voiced that rather than think about operational issues, think about how to change program to work better as drastically having to reduce levels of services. Will be tough, at a certain point, the program stops making sense. May be asked to rebuild – given amount and asked to put a new program budget together. Will need to balance staffing, services and needs. In order for program to make sense will have to look at things very differently. Jessica – in terms of leg timeline – making final dec's in next 6-8 weeks so not a lot of time to come up ideas.

30% reduction list – turned in last Friday.

Instead of details – principles and strategy that will help guarantee we can be building and not lose more. Put something together to at least make it possible to get the 80 million. Erinn feels that at some point in next 6 weeks, may be asked what can you do with this amount of money. Current program design isn't functioning based on budget and needs. In partnership with this group have outline of what may be needed and where can we go with it.

Next TANF meeting: Friday April 12, 2009. location tba.

FSRC meeting:

Future Agenda Items:

April:

- Other ideas:* Invite Eric Moore to discuss budget issues
- Presentation by the Client Services Committee
- Invite Representative Kotek to discuss legislative issues
- Invite Cathy Iles to discuss the Key Performance Measures
- Further discussion of legislative session changes

Next Meeting: The next FSRC meeting is scheduled for May 7, 2009, 8:30 a.m. to 12:00 noon in Room 252 of the Human Services Building.

The meeting adjourned at