



Family Assistance Letter #108

September 29, 2011

TO: Directors, County Departments of Job and Family Services

FROM: Trudie J. Bormann, Deputy Director
Office of Family Assistance

SUBJECT: **TANF Work Participation Rate Corrective Compliance Plan**

On August 28, 2009, Ohio received notification of its failure to meet both the two-parent and all-family work participation rates for federal fiscal year (FFY) 2007 and of a potential \$32,758,572 penalty to the State Family Assistance Grant (i.e. TANF) as a result. Ohio filed an appeal of reasonable cause for failure to meet the rate. On July 29, 2011, the U.S. Department of Health and Human Services, Administration for Children and Families, responded that the information submitted for FFY 2007 did not demonstrate Ohio's claim of reasonable cause. As a result, the state must enter into a corrective compliance plan.

The following corrective measures are included in our submitted corrective compliance plan. These measures are intended to bring Ohio into compliance with both the overall work participation rate (50 percent) and the two-parent work participation rate (90 percent) in FFY 2012 (October 1, 2011 – September 30, 2012). Failure to meet these rates in this time frame will result in a financial penalty applied against the state.

Before submitting the plan, we met with the Ohio Job and Family Services Directors Association, county directors and representatives from the metropolitan areas as well as directors and representatives from other counties to solicit ideas for inclusion into the plan. Many of the measures set forth below were a result of those meetings.

First Month Pay-for-Performance Program

Ohio law currently permits county departments of job and family services (CDJFS) to assign applicants for TANF assistance to job search activities before their TANF assistance benefits are approved. Failure to comply with the job search assignment can result in the imposition of one, three or six month tiered sanctions. Step-by-step instructions have been shared on how to use the first month pay-for-performance option. A webinar has been scheduled for October 17, 2011, to discuss appropriate use of this assignment. Sign up instructions were issued on September 23 from the Office of Family Assistance to county work activity coordinators and directors. In addition, the state will

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seek changes to the Ohio Revised Code to align the self-sufficiency contract with the eligibility determination.

Additional Program Policy Changes

The state is reevaluating procedures for restoring TANF assistance after a family serves a sanction. Currently, state law provides that the failure or refusal ceases at the end of the sanction with the receipt of a compliance form signed by the assistance group. The state is exploring options to mandate and standardize a work participation demonstration as a willingness to comply prior to reinstatement.

County Corrective Compliance Plans

Counties that failed to meet the work participation rates for state fiscal year (SFY) 2011 will be required to develop corrective compliance plans to explain how their agency will meet the rates for FFY 2012. These plans will require sign off from the boards of county commissioners ensuring their county is committed to correcting its noncompliance. Notification and format will be forthcoming.

System/Automation and Reporting Strategies

A new Web-based time and attendance verification system will be developed to verify when work-eligible individuals complete work hours. The system will have security checks in place to require access at specific job site locations and to require supervisory sign-off when work hours are completed. This information will then be transmitted into a state-supported portal and have the ability to be copied into the Client Registry Information System – Enhanced (CRIS-E). This automation will eliminate the need to manually track down attendance verification and laboriously enter data.

To further enhance the usefulness of case management reports (GWP103), the state will increase the frequency of data provided for them and explore daily, weekly or even real-time loading of data.

To ensure appropriate reporting for work-eligible individuals caring for children under the age of 6, system edits are being incorporated into CRIS-E to force more accurate completion of the household composition data fields.

Federal Reporting Changes

Ohio will amend its sampling plan and submit a smaller sample in order to reduce the number of errors that are returned for correction. Additionally, we will pull the sample for each month shortly after the month ends and make it available for your agency's review of the data prior to submission to ensure you have submitted all possible verified hours. This is a new process that will be implemented and additional information will be forthcoming from the Office of Family Assistance.

State Hearings Improvements

In order to provide more timely hearings ODJFS has increased its hearing officer capacity by 20 percent and will limit the approval of continuances to federal mandates.

Enhanced Training and Technical Assistance

Ohio will implement a statewide online job search/job readiness tool.

Ohio will issue monthly summary reports detailing county performance and targeting categories for improvement to each county.

To improve communication with the boards of county commissioners, the state will be sharing information on the impending penalty and its potential local consequences. In addition, ODJFS will provide monthly updates to the boards regarding each county agency's performance in meeting work participation requirements.

Statewide Communication

ODJFS will be launching a media campaign to inform the public about the requirements associated with the TANF program.

Separate State Program

In an effort to improve low-income working families' access to nutritious food, in January 2012 Ohio will launch a new state-sponsored program called Ohio Works Now. Ohio Works Now will provide a small supplemental TANF-funded food assistance benefit to employed TANF-eligible needy families with children in addition to the food assistance benefits the families already receive. The families must have a work-eligible individual with a minor child, and be employed sufficient hours to meet the TANF work participation requirement for that family.

Ohio Works Now benefits will be food assistance benefits, not cash assistance benefits. They will be loaded onto families' Ohio Direction Cards and must be spent only as permitted in Ohio's Food Assistance Program. However, the families participating in the program will be included for potential reporting for the state's work participation rate under the category of a separate state program funded with state maintenance-of-effort funds.

The Ohio Works Now process is completely automated and will require no worker action other than answering client inquiries about the program. Families will not have to apply for the Ohio Works Now benefit. Eligibility for the benefit will be determined each month based on data in the CRIS-E eligibility system. This program will issue a benefit of \$10.00 a month in state-funded food assistance benefits to employed needy families with children who are already in receipt of federal food assistance.

The addition of the Ohio Works Now program alone, without decisive improvement by each CDJFS in achieving the required work participation rate, is insufficient to ensure federal compliance. This temporary program is only intended to supplement the improvement efforts of each CDJFS in FFY 2012. The expectation is that through the combination of successful county continuous improvement plans and implementation of the other above named actions each county will achieve the required rate on a monthly

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basis by the end of FFY 2012 and will continue that performance each month in FFY 2013. The Ohio Works Now program will not be available to supplement in FFY 2013.

These corrective compliance components will begin implementation between October 1, 2011, and September 30, 2012 and it is imperative that Ohio meet its all-family and two-parent work participation rate for FFY 2012 to avoid the actual financial penalty.

Included is a copy of the Governor's Executive Order authorizing the Ohio Works Now program and the Corrective Compliance Plan submitted to the U.S. Department of Health and Human Services (Attachment A), and a description of the Ohio Works Now program (Attachment B).

If you have any questions about this letter, please contact:

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