

Temporary Assistance for Needy Families (TANF)

“Assistance” Overview

PROMOTING THE VALUES OF WORK, RESPONSIBILITY AND FAMILY

Introduction

The TANF Cash program provides a monthly cash benefit to eligible individuals for the purpose of assisting them to reach economic self-support. The monthly cash benefit provides “assistance” for the purchase of basic needs such as food, clothing, housing and personal care items. Per federal rule, TANF cash recipients are limited to 60 months of benefits in a life time and work eligible recipients must participate in Employment and Training activities and comply with Child Support Enforcement Division in securing child/medical support.

The table below shows Montana’s cash assistance caseload for state fiscal years 2008 through 2013. Caseloads increase from the summer of 2008 (with the historic low number of cases at 2,961 in June 2008) to the summer of 2010 primarily due to the nationwide recession. By June of 2012 caseloads were declining as the recession began to subside and both seasonal and general employment opportunities improved. In SFY 13, a recipient’s average length of stay on TANF was 18 months. Cases close due to employment, sanction or other reasons such as moving out of state or at recipient’s request.

State Fiscal Year (SFY)	Single Parent Households		Two-parent Households		Child Only Cases		Average Case load
SFY 2008	1605	51%	303	10%	1264	40%	3172
SFY 2009	1713	52%	336	10%	1251	38%	3300
SFY 2010	1992	53%	404	11%	1331	36%	3727
SFY 2011	1889	53%	357	10%	1331	37%	3577
SFY 2012	1673	50%	320	10%	1328	40%	3321
SFY 2013	1513	46%	256	8%	1487	46%	3256
Average	1731	51%	329	10%	1332	39%	3392

In addition, the Montana TANF cash program can provide assistance to specified caretaker relatives who are related within the 5th degree of kinship to the minor child (ren) for whom they are caring. This includes, but is not limited to, grandparents, aunts, uncles, brothers, first cousins, nephews, nieces or disabled parents in receipt of Supplemental Security Income (SSI). These cases are often referred to as “child only cases. Adults in these cases can choose to participate in Employment and Training services to receive a benefit amount for themselves; however their income and resources are then taken into consideration in the eligibility determination. From SFY 2008 to SFY 2013, child only cases accounted for an average of 39% of the overall caseload and continue to comprise a large percentage of the total TANF caseload. The national Federal Fiscal Year (FFY) 2010 average of child only cases is 46.3%.

Eligibility

Eligibility determination for the TANF cash program is made by considering all financial and nonfinancial criteria of each filing unit member. The filing unit includes all family members, related to the minor child(ren) by blood, adoption or marriage to the child’s parent. Those filing unit members meeting the



criteria will have their needs included in benefits and are collectively referred to as the assistance unit. There must be an eligible minor child in the assistance related family members to be eligible. Eligibility is the local Office of Public Assistance.



unit for other determined by

Non-financial requirements include:

- U.S. Citizen or eligible alien
- Montana resident
- Furnishing of a Social Security Number
- Age of minor child (A minor child is under age 18, or if age 18 is attending secondary school full-time.)
- Must have a minor child living with a specified relative who is within the 5th degree of kinship or be a pregnant woman in her last trimester.
- Cooperation with Child Support Enforcement Department
- Compliance with Quality Control Reviews
- Negotiating and signing a Family Investment Agreement and a WoRC Employability Plan for anyone who is work eligible.

Resource limits

All resources (such as, bank or investment accounts, vehicles, land, etc.) Owned by filing unit members must be evaluated for accessibility, value, and exclusion status when making an eligibility determination. Countable resources cannot exceed **\$3,000**, regardless of family size. Primary residence and the vehicle with the highest value are excluded resources.

Income limits

Income or money obligated to the household from any source, even if it is diverted to an entity outside the household, is considered available to the household. In order to encourage work, a substantial part of a TANF recipient's earnings is disregarded in determining a family's monthly cash benefits amount. The first \$200 of earnings plus 25 percent of additional earnings each month is not counted in the grant calculation. In addition, recipients are allowed up to \$200 per month, per dependent for child care required for employment and the full amount of child support paid to non-household members to encourage parents to fulfill their financial obligation for legally-binding child support payments.

There are five sets of income standards that are based on the Federal Poverty Level or Administrative Rules of Montana (ARM) and they are:

1. The gross monthly income (GMI) standard, based on 30% of the **2011** Federal Poverty Level;
2. The net monthly income standard (NMI), based on 30% of the **2011** Federal Poverty Level;
3. The benefit standard, based on 30% of the **2011** Federal Poverty Level;
4. The TANF cash assistance payment standard, based on 33% of the **2011** Federal Poverty Level; and
5. The Post-Employment payment standard is defined in ARM.

For each benefit month, the total countable income of the filing/assistance unit is first tested against the gross monthly income (GMI) standard; then, (after specified disregards) against the benefit standard. The Montana legislature established that beginning July 1, 2013 a family's countable income (total income less allowable deductions) must be at or below 30% of the 2011 Federal Poverty Level (FPL) to be eligible for cash assistance benefits. As shown in the eligibility table, a family of three would be



eligible with a net monthly income of \$463. States also set the monthly benefit payment that TANF Families receive. The 2013 legislature increased the payment standard to 33% of the 2011 FPL. A household of three with no earned or unearned income would receive \$510 as reflected in the table below.

For example: A household of three with earned income of \$600 per month would have the first \$200 of the gross income disregarded (\$600-\$200 = \$400) plus an additional 25% disregarded (\$400 x 25% = \$100.) leaving a net income of \$300.00. The \$300 in net income is below the Benefit standard of \$463.00 making the family eligible for TANF cash. The Payment standard for a household size of three is \$510 and is reduced by the net earned income of \$300 (\$510 - \$300 = \$210)

GMI and Benefit Standards are 30% of the 2011 FPL			
2011 Base Poverty Guidelines	Family Size	Gross Monthly Income Standard	Benefit Standard
\$10,890	1	\$642	\$272
\$14,710	2	\$867	\$368
\$18,530	3	\$1,092	\$463
\$22,350	4	\$1,317	\$559
\$26,170	5	\$1,542	\$654
\$29,990	6	\$1,767	\$750
\$33,810	7	\$1,992	\$845
\$37,630	8	\$2,217	\$941

Payment Standard is 33% of the 2011 FPL		
2011 Base Poverty Guidelines	Family Size	Payment Standard
10,890	1	\$299
14,710	2	\$405
18,530	3	\$510
22,350	4	\$615
26,170	5	\$720
29,990	6	\$825
33,810	7	\$930
37,630	8	\$1,035

*Calculations are:

$NMI \text{ for } 30\% \text{ of poverty} = (Base \text{ Poverty Guideline}/12) \times .30) / .785$

$GMI \text{ for } 30\% \text{ of Poverty} = NMI \times 1.85$

$Benefit \text{ Standard} = NMI \times .785 \text{ or } Base \text{ Poverty Guideline}/12) \times .30$

Work Readiness Component (WoRC) Employment and Training – TANF Cash Support Program (Non-assistance)

Federal rule requires states to ensure TANF cash recipients that are work eligible engage in activities listed in 45 CFR 261.30 – 261.32 for a minimum average of 30 hours per week for single work-eligible adults and 30-35 hours per week for two-parent households. Montana requires single parent households with a child under the age of 6 to participate 27 hours per week, or 33 hours per week if no child under the age six. Two-parent households must participate 33 hours per week for each adult.

Most employment and training services for the TANF cash program have been provided under a Work Readiness Component (WoRC), which is locally contracted to a public agency or a private organization in each county or service delivery area (a group of counties designated for federal training purposes). WoRC is a transitional program developed to provide support and guidance to recipients as they move into the workforce/employment.



TANF work-eligible applicants and recipients are referred by the local Office of Public Assistance to the WoRC program for development of participation activities. Individuals referred to the WoRC program must negotiate a WoRC Employability Plan before the household is eligible for TANF Cash Assistance. An Employability Plan (EP) is developed in partnership between the recipient and the WoRC case manager.

The WoRC office provides written and verbal information on employment resources, supportive services for which they are eligible, including childcare, the contractor's obligations and the recipient's responsibilities and consequences for non-participation, and the availability of other non-WoRC resources in the community and/or surrounding area. Each individual recipient also completes an initial screening which includes a barrier reduction guide and a domestic violence screening which serve as the basis for identifying recipient's barriers and strengths.

In Montana the main barriers to employment are: transportation, reliable child care including care for high needs children, physical or mental health issues and caring for a disabled family member including primary caregivers for elderly or disabled parents or other relatives. Approximately 6% of recipients (average of 203 households) per month report on the Domestic Violence Screening questionnaire that they have been or are currently in a Domestic Violent situation.

State TANF cash recipients who meet the eligibility criteria for Tribal TANF programs may choose to receive employment and training services through Tribal Native Employment Works (NEW) or through the state's WoRC program. Four tribes in Montana provide Tribal NEW services: Blackfeet, Fort Peck, Crow and Northern Cheyenne.

There are specific eligibility requirements TANF cash assistance recipients must fulfill to remain eligible for benefits. Federal rule in 45 CFR 261.14 requires states to impose penalties if a work eligible individual refuses to engage in work or work activities. On January 1, 2008, Montana implemented a progressive sanction policy for work eligible TANF cash assistance recipients who fail or refuse to comply with, or verify participation in, activities negotiated with either Tribal NEW or WoRC case managers. Recipients have the opportunity to provide good cause for non-compliance and may have sanctions removed or lifted if good cause is granted. The sanction penalties are as follows:

State Fiscal Year	Households Referred to WoRC	Referred to Tribal NEW
2008	1528	704
2009	2423	<i>Not available</i>
2010	2867	<i>Not available</i>
2011	1905	644
2012	1750	601
2013	<i>Not available</i>	<i>Not available</i>
Average	2095	650

SFY	Number of Households with 2nd or subsequent sanction resulting in closure
2008	358
2009	506
2010	335
2011	327
2012	585
2013	<i>Not Available</i>
Average	422

- 1st Sanction: One (1) month penalty period for the sanctioned individual(s)
- 2nd Sanction: One (1) month total household ineligibility period
- 3rd Sanction: Three (3) month total household ineligibility period
- 4th and subsequent sanction: Six (6) month total household ineligibility period





TANF Block Grant Child Care - TANF Cash Support Program (Assistance)

The TANF Block Grant Child Care (BGCC) is available to eligible TANF cash assistance recipients engaged in approved Family Investment Agreement/WoRC Employability Plan (FIA/EP) activities with a demonstrated need for childcare.

Each family receiving TANF Block Grant Child Care assistance is required to pay a \$10 per month copayment.

A State may transfer a total of up to 30% of its net current year block funds to the Child Care and Development Block Grant. Child care is critically important to accomplishing the goals of TANF. Since most States are unable to fulfill the demand and need for child care with their Child Care and Development Funds, this transfer is a vehicle for expanding the availability of child care to TANF recipients.

TANF Block Grant Child Care			
State Fiscal Year	Total Children served	Total Family's served	Expenditures
2008	1455	NA	\$ 2,578,525.57
2009	2823	1629	\$ 3,497,318.42
2010	2823	1897	\$ 5,051,400.02
2011	3112	1836	\$ 5,029,698.93
2012	2724	1564	\$ 4,032,659.02
2013	2039	1196	\$ 2,774,226.32
Average	2496	1624	\$ 3,827,304.71
Average Cost per child			\$ 1,533.38

TANF Working Caretaker Relative Child Care – TANF Cash Support Program (Assistance)

This program was approved by the 2006 Legislature in House Bill and is designed to assist specified caretaker relatives, such as grandparents and aunts/uncles, who are receiving child only TANF Cash benefits with child care costs associated with the minor child(ren) for whom they are receiving TANF Cash assistance.

TANF Working Caretaker Relative Child Care Program			
State Fiscal Year	Total Cases served	Total Family's Served	Expenditures
2008	81	NA	\$ 239,935.81
2009	178	121	\$ 459,456.52
2010	178	133	\$ 613,511.50
2011	160	104	\$ 320,778.42
2012	139	88	\$ 295,969.84
2013	133	93	\$ 120,497.00
Average	145	108	\$ 341,691.52
Average Cost per Child			\$ 2,359.20

This program is designed to allow caretaker relatives to remain employed and keep the child(ren) out of foster care. Effective 4/1/2012, eligible caretaker relatives must have income at or below 250% of the current FPL and pay a \$50 copayment. Prior to 4/2012 the co-payment was \$100, which reduced the amount of recipients in the program as caretaker relatives were eligible for regular child care services at a lower monthly co-pay.



TANF WoRC supportive Services – TANF Cash Support Program (Assistance)

TANF WoRC Supportive Services provides up to \$1250 per state fiscal year, per case for TANF Cash recipients. Supportive Services are available to pay expenses that may be incurred and are needed to support negotiated employment activities at WoRC or Tribal NEW. Supportive Services can promote meaningful work activities and employment as well as help recipients develop planning and budgeting skills. Supportive Services can help with credit counseling, legal issues, GED testing, short term training, clothing, cell phones, and transportation related issues such as gas, public transportation passes, vehicle registration and repairs.

TANF Parents as Scholars Program – TANF Cash Support Program (Assistance)

The Parents as Scholars Program was approved in the 2011 Legislative Session in House Bill 385, and revised the previous program. Effective January 1, 2012, this program allows up to 25 TANF Cash recipients statewide at any one time to continue attendance in a vocational/educational program for the purpose of continuing education that leads toward a certificate, associate’s degree, or a baccalaureate degree or to continue in a program allowing for fulltime Adult Basic Education leading to a GED/HISET beyond the 12-month federal time limit.

Federal rule in 45 CFR 261.33 imposes lifetime limit of 12 months that recipients can participate in vocational education as a countable activity towards the required monthly hours of participation of; 108 hours for single parent households with child under six years, or 132 hours for two parent households and single parent households without a child under age six.

SFY 2012		SFY 2013		SFY 2014 as of 3/28/2014	
Enrolled	42	Enrolled	35	Enrolled	33
Graduated	13	Graduated	6	Graduated	1
Single parent	40	Single parent	33	Single parent	30
Two parent	2	Two parent	2	Two parent	3
Average # of Children	2	Average # of Children	2	Average # of Children	2
Closed due to Employment	3	Closed due to Employment	8	Closed due to Employment	3

Recipients in the Parents as Scholars Program are included in the states work participation rates denominator as they receive a monthly TANF cash benefit. Hours completed in this activity beyond the 12 month federal limit are included in the state’s (even if full hours are completed) work participation rate numerator.

TANF Child Support Supplemental payments – TANF Cash Support Program (Assistance)

TANF Child Support Supplement Payments		
State Fiscal Year	Average Number annual payments to Custodial Parents	Average Amount in Dollars received
2012	529	\$43,799
2013	401	\$54,732
Average	465	\$49,266

The 2005 Legislature, in House Bill 529, approved the TANF Child Support Supplemental payments of up to \$100 per month beginning January 1, 2006 to provide TANF Cash recipients an additional cash benefit.

The amount is based on current child support collected from a non-custodial parent; this payment is an amount equal to the amount of current child support collected, up to but not exceeding \$100.00 per month per TANF household.

This payment is often referred to as a “pass-through” payment.



TANF Post Employment Program – TANF Cash Support Program (Assistance)

Beginning July 1, 2008, households who are losing eligibility for the TANF Cash program due to the receipt of new or increased earned income, may be eligible for three months of assistance under the TANF Cash Post-Employment Program. This program is designed to help recipients as they transition into the work force. During the transition period, WoRC case managers provide ongoing case management and recipients continue to receive child care assistance through the TANF Block Grant Child Care program and TANF WoRC supportive services.

Post-Employment benefits are a set amount, tiered at \$375, \$275 and \$175 and are limited to 3 months in a 12 month period. Benefits are reduced by any unearned income or recovery of previous overpayments, with 100% of the new earned income disregarded from the budget. Months used in the TANF Post-Employment program count toward the 60-month time limit.

State Fiscal Year	Average Number of TANF Participants who accessed Post Employment Payments
2008	191
2009	192
2010	177
2011	Not available
2012	Not available
2013	Not available

TANF Extended Benefits – TANF Cash (Assistance)

Federal regulations allow states to extend TANF benefits to no more than 20% of the average annual statewide caseload for households that include an adult who has received 60 or more months of TANF cash assistance. Montana extends TANF Cash to an average of 1% of recipients statewide, who meet the extension criteria of having a physical or mental incapacity, domestic violence circumstance or who are needed in the home to care for an incapacitated household member.

TANF Cash Extended Benefit Cases - Receiving benefits beyond the 60 month lifetime					
State Fiscal Year	Physical/ Mental Incapacity	Physical/ Mental Incapacity Due to Domestic Violence	Needed In Home to Care for a Incapacity of HH Member	Domestic Violence	Total Number on Extended Benefits
2008	9	3	2	8	22
2009	6	0	2	10	18
2010	9	0	2	4	15
2011	41	2	0	22	65
2012	39	0	5	30	74
2013	10	4	3	0	17
Average	19	1.5	2	12	35



Per federal rule, TANF cash recipients are limited to 60 months of benefits in a life time. Montana has an average of 28 households that close each year due to reaching the 60th month of benefits.



State Fiscal Year	Number of cases that closed due to 60 month time clock exhaustion
2008	28
2009	25
2010	34
2011	33
2012	21
Average	28

Additional TANF Statistics

Number of Adults and Children Recipients on TANF

The number of adult and children recipients on TANF for the most current nine (9) month period of July 1, 2013 to March 31, 2014 shows a 16% decrease in total recipients (decrease of 1364 recipients) in comparison to the 5 year average of 8496 recipients.

The reason for the decrease of recipient numbers is unknown at this time and may be associated with a difference in data collection methods used in the department's legacy system TEAMS versus the current CHIMES EA system.

Adults and Children Recipients on TANF			
State Fiscal Year	Adults Accessing TANF	Children 0-19 years Accessing TANF	Total Persons Accessing TANF
2008	2158	5717	7874
2009	2336	5865	8201
2010	2777	6587	9364
2011	2597	6282	8879
2012	2296	5865	8161
2013	NA	NA	NA
Average	2433	6063	8496

Average Number of Adults and Children TANF Recipients 7/1/2013 - 3/31/2014	
Total Recipients	7432
Total Adults	1756
Total Children	5485



Work Participation Rates

Work Participation Rates (WPR) measure the degree to which families receiving assistance in TANF are engaged in work activities specified under Federal law. The majority of reported hours involve direct work, mostly in employment but also in work experience and job search/readiness activities. TANF requires that States meet two separate minimum work participation standards each year, one for all families and another for two-parent families.

States can receive a credit against work participation standards for caseload reductions since FFY 2005. In FFY 2009, the all-families minimum participation standard requirement was 50 percent, and the two-parent family's minimum participation standard was 90 percent.

Federal Fiscal Year	All Families Rate	Two-parent Rate
2008	44.2	51.6
2009	44.2	58.7
2010	51.6	57.2
2011	49	58.6
2012	Not available	Not available

Montana's Work Participation Rates, like most states, fall below the federal standards. However, due to caseload reductions since 2005, including caseload adjustments due to excess maintenance-of-effort (MOE) spending, Montana has met the all-families and two-parent families participation standards. For FFY 2012, Montana's preliminary work participation rate for all families is: 47.3% and 56.6% for the two parent rate.

Recipients by Age

Age	Average	Age	Average
0-11 Mths	458	18	112
1	455	19	83
2	474	20-25	812
3	464	26-30	683
4	474	31-35	513
5	456	36-40	394
6	391	41-45	326
7	380	46-50	309
8	363	51-60	479
9	327	61-70	196
10	288	71-80	63
11	270	81-90	7
12	242	91+	0
13	236		
14	230		
15	216		
16	188		
17	158		

- More than 69% of recipient children were under 16 year-old.
- Sixteen percent of TANF Cash recipient children are under two years of age, while 22 percent were between the ages of two and five.
- Less than five percent of the children were 16 years of age or older.
- Most TANF recipient children are U.S. citizens, and only one child was a qualified alien in the most recent years of data available.
- The majority a recipients 71 years and older are caretaker relatives that have chosen to participate in employment and training activities to receive a monthly benefit amount. The additional income is used to supplement minimal Social Security benefits.





TANF Demographic data

Current demographic data indicates that approximately 53.4% (4530) of recipients are native American/Alaskan Native with an average of 2848 recipients residing on one of the seven (7) Montana Indian Reservations. White recipients make up approximately 40% of caseloads. The majority of recipients are non-Hispanic, single/never married.

TANF Demographic Data July 1, 2013 - Dec 31, 2013			
	Adult 6 month average	Children 6 month average	Total Household members
Marital Status			
Divorced	189	-	189
Married	339	-	339
Single-Never Married	1253	-	1253
Separated	158	-	158
Widowed	6	-	6
UnKnown	0	-	0
Race			
Pacific Islander	4	8	12
White	987	2563	3550
Native American/Alaskan Native:	1190	3340	4530
<i>resides on reservation</i>			2848
<i>not on reservation</i>			1689
Asian	7	17	24
Black	34	102	136
Ethnicity			
Hispanic/Latino	105	261	365
Non-Hispanic/Latino	2578	5869	8447
Citizenship			
Citizens	2681	5529	8210
Non-Citizens	2	1	3



Other “Assistance”

Ft Belknap and Rocky Boy Tribal TANF (Assistance)

In addition to the Tribal Family Assistance Grant (TFAG) that tribal TANF programs receive as federal funding, MCA 53-4-210 provides that the State must provide Maintenance of Effort (MOE) funds to those tribes who have chosen to implement a Tribal TANF plan and who are currently serving the same service population served by the State TANF program in 1994. Currently only Rocky Boy (Chippewa Cree) and Fort Belknap receive this MOE funding. Blackfeet and Salish Kootenai have Tribal TANF Programs but have chosen to serve a different service population.

The MOE funding amounts for SFY 2014 are below:

Chippewa Cree	\$335,182
Fort Belknap	\$256,156

Originally MCA provided the MOE funds must be used on benefits. However in the 2011 Legislative Session, Senate Bill 156 allowed for use of these funds for supportive services and for benefits.

TANF Emergency Assistance (Assistance)

TANF Emergency Assistance provides financial assistance to eligible families with children under age 21 when an unforeseen event has occurred which may cause the destitution of the child or a situation involving abuse or neglect of a child which has occurred or may occur in the immediate future. Emergency Assistance funds can help with basic needs such as food, clothing, shelter (rent or temporary lodging) utilities and car repairs. Recipients do not have to be in receipt of or eligible for TANF Cash.

The Montana TANF program also provides Emergency Assistance funding to Child and Family Services Division (CFSD) to assist children or families to help overcome abuse and/or neglect, prevent the child’s removal from the home, expedite the return of the child to the home, or prevent the need for protective services for the child. Program allocation is \$2,100,000. Actual expenditures for SFY 13 of \$1,950,000.



TANF Assistance Estimated for SFY 2014	
Cash Assistance*	\$ 15,000,000.00
Child Support Supplemental	\$ 603,186.00
Tribal MOE	\$ 591,338.00
Work Supportive Services	\$ 500,000.00
Emergency Assistance	\$ 2,100,000.00
Total Funding	\$ 18,794,524.00

*includes Post Employment,
Parents as Scholars, Cash Benefits
& Extended benefits

TANF Assistance Estimated for SFY 2014

