Department of Health and Human Services
Maine People Living Safe, Healthy and Productive Lives

Paul R. LePage, Governor Mary C. Mayhew, Commissioner

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MEMORANDUM

TO: Members, Joint Standing Committee on Health and Human Services

Members, Joint Standing Committee on Appropriations and Financial Affairs

FROM: Mary C. Mayhew, Commissioner

SUBJECT: **Public Law 2011, Chapter 380 Sec. PP-9: Report on the Impact of Temporary Assistance for Needy Families Program Reforms**

Background

The Personal Responsibility and Work Opportunities Reconciliation Act of 1996 (PRWORA) established a lifetime limit of 60 months on cash assistance received through the federal Temporary Assistance for Needy Families block grant. The law allows states to set time limits shorter than 60 months. It also allows a state to use federal TANF funds to aid up to 20% of its caseload beyond the 60-month limit based on hardship.

In addition PRWORA requires states to reduce TANF-funded cash assistance benefits to families who are noncompliant with the state's work requirements. In general, most able-bodied adult recipients of assistance must be engaged in at least 30 hours of a work activity each week. Specifically, federal law requires states to reduce the family cash assistance benefit by at least a "pro rata" share or to stop the cash assistance if an individual in the family who is required to engage in a work-related activity refuses, without good cause, to do so.

Maine's Policies

From the implementation of PRWORA in1996 to 2011, Maine responded to the federal law concerning time limits and sanctions for non-compliance in the following manner:

- Maine did not set specific eligibility criteria for hardship extensions and routinely allowed families to receive assistance after reaching 60 months.
- The maximum sanction Maine imposed on a TANF family that did not comply with work requirements was the loss of the adult portion of the cash assistance for six months or until the family complied, whichever was longer.

22 M.R.S.A. Ch. 1053-B, §3762-3763

Effective January 1, 2012, Maine implemented a strict 60 month life time limit on the receipt of TANF assistance and adopted a stricter sanction policy that included a full-family sanction. An explanation of the changes follows.

60-Month Lifetime Limit on Assistance

The count for the lifetime limit on assistance began with June 1, 1997; the date the TANF program in Maine was implemented and the federal time limit began. All families with at least 56 months of TANF assistance as of January 1, 2012, were sent notice explaining the new law. The TANF closure date for these families was May 31, 2012, unless granted an extension.

Exemptions from the Time Limit

The department has identified groups of families for whom the state's time clock does not run. Twenty-seven percent (2,773 families) of the TANF caseload (10,760 families) is exempt from the lifetime limit and includes:

- Minor child(ren) living with a single parent who receives SSI benefits or with two parents who both receive SSI benefits.
- Minor child(ren) living with a legally responsible non-parent caretaker relative who is not in the assistance unit.
- An adult living in Indian Territory or Trust lands where at least 50% of the adults are not employed. All Indian Territory except Penobscot Territory is exempt.
- Any month of receipt in which an individual is a pregnant or minor parent who is not the head of household.
- Any month for which the individual received only non-cash assistance such as Alternative Aid, Emergency Assistance, Transitional Services or Food Supplement.

Temporary Hardship Extensions to the Time Limit

The department has established criteria under which assistance may be temporarily extended (up to 6-month increments) when a family reaches the time limit. These are not limited to a one time approval; recipients may request one or more additional extensions upon establishing that the conditions supporting the extension continue to exist.

- Victims of domestic violence
- Disability
- Caring for a significantly disabled family member
- Participation in a training or education program
- Working families
- Pregnancy
- Loss of job
- Occurrence of an emergency situation

Process for Families Who Reach Lifetime Limit

Notice:
Families receive a notice at least 120 days prior to reaching their 60th month. The notice includes:

- An explanation of the 60 month lifetime limit on TANF assistance; and
- Offers the family the opportunity to hold a meeting to review the family's case; and
- Explains the exemption and extension criteria that may extend TANF cash assistance; and
- Explains the family's appeal rights.

Case Management:
All TANF cases which are approaching the 60 month lifetime limit are first reviewed by the ASPIRE worker assigned to the case. Meetings are scheduled at the family's request to discuss their options, including application for a temporary hardship extension. Families are asked to provide documentation to verify they meet the criteria for a specific temporary hardship extension. ASPIRE Supervisors then verify that the count of months on TANF is correct and review the family's potential eligibility for a temporary hardship extension. Edits to the Automated Client Eligibility System (ACES) prevent any case from closing due to time limits without supervisory approval.

From the implementation of the time limit, January 1, 2012, through September 30, 2012, all requests for extensions were submitted to the ASPIRE and TANF Program Managers for a final decision. Program Managers also represented the department in the Administrative Hearings held during this time. Beginning on October 1, 2012, the responsibility for decisions and representation at Hearings has been placed with supervisory staff at the regional office level. ASPIRE and TANF Program Managers continue to provide oversight.

During the period of extended benefits, the family receives intensive case management and is subject to all TANF cash assistance eligibility and reporting requirements and must participate in Family Contract Amendment activities. At the end of the temporary hardship extension period, each case is reviewed to determine if the reason for the extension continues to exist. Those cases may be eligible to receive another extension.

TANF Closures:
Families who do not meet any of the time limit hardship exemption criteria are given information regarding other resources and community -based organizations that may be available to help meet their basic needs.

In addition to a temporary hardship extension, the following programs may be available to TANF families that reach the 60-month limit. Eligibility requirements for each program vary.

- Food Supplement
- MaineCare

- Child Support Enforcement
- Emergency Assistance (no more than once every 12 months)
- Subsidized Housing (limited availability)
- General Assistance (GA)
- Fuel Assistance (LiHEAP)

Sanction Policy Changes

Pursuant to 22 M.R.S.A §3763 Maine adopted the following sanction schedule:

- For the first failure to comply, benefits to the individual will be terminated for the lesser of ninety (90) days or until the failure to comply ceases. Benefits for the remainder of the eligible family members will continue.
- When the first failure to comply lasts for longer than 90 days, and for any subsequent violation, termination of benefits applies to the adult recipient and the full family unit.

Families whose TANF case is closed for non-compliance may reapply for TANF at any time provided they meet all other eligibility guidelines. These families must sign a Family Contract Amendment and agree to adhere to its terms. There is no mandatory penalty period that must be served prior to reinstatement.

TANF Lifetime Limit Data

Impact of the 60 month Lifetime Limit on Assistance:
June, 2012, was the first month that TANF families would have stopped receiving cash assistance benefits because they reached their 60-month (5-year) time limit. From June 1, 2012, to October 18, 2012, a total of 2,152 TANF families (20% of the caseload) met the 60-month lifetime limit. Of those families, 943 (44%) requested a temporary extension based on hardship and 569 (60%) of the families requesting a temporary hardship extension were eligible. Five hundred and fifty-three (59%) of the approved extensions were for households in which the head-of-household was unable to work or engage in work activities due to a verified disability.

- The number of cases closed as a result of the 60 month lifetime limit
  - June 1,813 Initial closure 17% of caseload
  - July 61
  - August 89
  - September 107
  - October 82
    Total cases closed 2,152
    Extensions granted (569)
  - Actual Cases Closed 1,583

- Average of 79 cases monthly will reach the limit (.008% of the caseload)

- Number of cases for which assessment information was requested and provided
    - Each family reaching the 60 month time limit was asked to provide, and offered assistance in obtaining, assessment information or documentation to be used in the decision to grant extended benefits.
    - 100% of those families who asked for an extension were required to provide additional information
        - 22% of those asked to provide assessment information provided it

Extension Requests of Total Cases Closed May 1-October 18:

- Number of cases closed = 2,152
- Number of extensions requested = 943 (44% of those closed >60 months applied for an extension)
- Total approved = 569- (60% of those who requested extended benefits)
- Actual Cases closed after extensions – 1,583

Requests for Temporary Hardship Extension by Category:

- Victim of Domestic Violence = 41 – 4%
    - Approved = 28 – 48%
- Caring for a Significantly Disabled Family Member = 158 – 16%
    - Approved = 88 – 57%
- Disabled = 553 – 59%
    - Approved = 332 – 60%
- Participating in an Approved Education/Training Program = 150 - 16%
    - Approved = 109 – 73%
- Working Families (35+ hours/week)= 17
    - Approved = 6 – 65%
- Pregnant = 18
    - Approved = 6 – 50%
- Job Loss = 7
    - Approved = 0
- Emergency = 19
    - Approved = 0

Administrative hearings requested: 38

Outcome:

- Affirmed – 9
- Reversed – 1
- Pending – 10
- Abandoned – 6 (client failed to appear)
- Withdrawn – 10 (client withdrew the request prior to the hearing date)
- Denied – 1 (hearings unit denied the request for a hearing)
- Dismissed – 1 (hearing held when it should not have been-hearings unit dismissed it later

Impact of Sanction Policy:
The rule governing sanctions for non-compliance with work requirements became effective February 1, 2012. Those families under sanction at that time were notified of the changes and given 90 days to come into compliance or face case closure. Since implementation of this rule 1,743 families (16% of the caseload) have been sanctioned. Five hundred and fifty-six families were subject to case closure.

Families have the opportunity to comply with work requirements at any time. There is no minimum penalty period. From June 1, 2012, to October 18, 2012, 28% of the families sanctioned for up to 90 days or closed under the full-family sanction later came into compliance and were reinstated.

The number of individual sanctions imposed:

o June	386
o July	305
o August	344
o September	355
o October	333
Total cases sanctioned	1,743 (16% of caseload)

The number of full-family sanctions imposed:

o June	107
o July	111
o August	129
o September	104
o October	105
Total full family sanctions imposed	556 (5% of caseload)

Total families complying with work requirements after being sanctioned (includes both the 90-day sanction and the case closures for non-compliance):

o June	17
o July	91
o August	105
o September	158
o October	127
Total	498 or (28% of sanctioned families complied)

If you have any questions or would like further information, please feel free to contact Bethany Hamm, Director of Policy and Programs in the Office for Family Independence, at 207-624-4103.

MCM/klv