# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

**State: Washington – 2-Parent** **Fiscal Year: 2005**

## PART I – Implementation of All Eligibility Changes Made by the State Since FY 1995

| # | Eligibility Change | Implementation Date | Estimated Impact on Caseload Since Change (positive or negative impact) |
|---|---|---|---|
| Changes Required by Federal Law | | | |
| 1 | Cooperation with QC as an eligibility factor for AFDC. | October 1995 | 0 |
| 2 | Exchange of information with law enforcement agencies. | January 1997 | 0 |
| 3 | Fugitive felons and probation/parole violators are ineligible for TANF. | January 1997 | -16.50 |
| 4 | Teen parent appropriate living situation rules implemented. | February 1997 | -21 |
| 5 | Disqualification for unlawful practices (welfare fraud) implemented. | May 1997 | -2.92 |
| 6 | Ten year disqualification for fraudulently misrepresenting residence to receive assistance in more than one state implemented. | May 1997 | 0 |
| 7 | Lifetime disqualification for drug-related felony convictions implemented. | May 1997 | -153.33 |
| 8 | TANF 60-month time limit implemented. | August 1997 | 0 |
| 9 | Child support non-cooperation sanction replaced by 25% grant reduction penalty. | August 1997 | 27.17 |
| 10 | Denial of assistance to teen parents not in school rules implemented. | August 1997 | -4.33 |
| 11 | TANF ineligibility for non-qualified aliens implemented. | August 1997 | -553.17 |
| State-Implemented Changes | | | |
| Changes Related to Income and Resources | | | |
| 1 | Inaccessible Resources – resources when sold for less than ½ of applicable resource limit are inaccessible. | May 1996 | 0 |
| 2 | Personal property of great sentimental value is exempt without regard to ceiling value. | January 1997 | 0 |
| 3 | Non-recurring lump-sum income in the form of compensatory awards is treated as a resource, not income. | January 1997 | 0 |
| 4 | 50% of gross earned income is exempted when determining benefit level. | August 1997 | 466.17 |
| 5 | Elimination of the 100% of Need test. | August 1997 | 0 |
| 6 | Vehicle equity increase from $1,500 to $5,000. | August 1997 | 776.25 |
| 7 | TANF recipients are allowed savings accounts of up to $3,000 in addition to resources up to $1,000. | August 1997 | 62 |
| 8 | Vehicles used to transport disabled individuals are exempt without regard to value. | August 1997 | 2.92 |
| 9 | The 185% of Need test is eliminated. | August 1999 | 0 |
| 10 | Child earned income disregard. | February 2002 | 0 |
| Changes Related to Categorical or Demographic Eligibility Factors | | | |

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**State: Washington – 2-Parent** **Fiscal Year: 2005**

## PART I – Implementation of All Eligibility Changes Made by the State Since FY 1995

| # | Eligibility Change | Implementation Date | Estimated Impact on Caseload Since Change (positive or negative impact) |
|---|---|---|---|
| 1 | AFDC recipient households have the option of including or excluding the child of unmarried parents when the child is living with both parents | December 1995 | 0.50 |
| 2 | 100-hour rule permanently eliminated for TANF recipients. | July 1997 | 722.50 |
| 3 | State-funded cash aid program for legal immigrants implemented to provide for TANF ineligible non-qualified aliens. | August 1997 | 0 |
| 4 | AREN component of TANF is broadened and payment cap is lifted. | August 1997 | 0 |
| 5 | Consolidated assistance unit rules applied, non-sibling children living with the same caretaker will be placed in the same assistance unit. | November 1997 | 0 |
| 6 | Pilot program to eliminate 100-hour rule for applicants implemented. | November 1997 | 0 |
| 7 | Residency requirements imposed on recent arrivals from other states, those living in state for less than 12-months are paid at prior state payment level. | November 1997 | 0 |
| 8 | State is enjoined from imposing residency requirements on recent arrivals from other states (e.g., those living in state for less than 12-months are paid at prior state payment level). | February 1998 | 0 |
| 9 | GA-S clients (pregnant women in 1st or 2nd trimester) are folded into the WorkFirst (TANF) program and become subject to TANF 60-month time limit and work requirements. | May 1999 | 0 |
| 10 | State law changes WorkFirst participation exemption criteria from parents with a child under 12 months of age to those with a child under three months of age. | July 1999 | 0 |
| 11 | Deprivation due to absence, incapacity, death, or unemployment of a parent is eliminated by ESB 5798. Associated qualifying parent requirements are eliminated. | August 1999 | 8,519.83 |
| 12 | GA-H clients (assistance for children with legal guardians) are folded into the WorkFirst (TANF) program. | July 2000 | 0 |
| 13 | AREN component of TANF is tightened and payment cap is imposed. | August 2000 | 0 |
| Changes Related to Behavioral Requirements | | | |
| 1 | Disqualification for drug-related felony convictions modified to add an exemption for clients who participate in or have completed treatment. | August 1997 | 0 |
| 2 | Teen parent requirements for appropriate living situation are amended by state law to further restrict eligibility beyond TANF requirements, a living situation is not appropriate if a minor parent is under 16 and resides with the adult parent of his/her child ("child rape" situations). | August 1997 | 0 |
| 3 | Adult parent of teen parent's child is ineligible for TANF if inappropriate living situation exists. | November 1997 | -0.50 |

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

**State: Washington – 2-Parent** **Fiscal Year: 2005**

## PART I – Implementation of All Eligibility Changes Made by the State Since FY 1995

| # | Eligibility Change | Implementation Date | Estimated Impact on Caseload Since Change (positive or negative impact) |
|---|---|---|---|
| Changes Due to Full-Family Sanctions | | | |
| | | | |
| Other Eligibility Changes | | | |
| 1 | Enactment of ESHB 3901 repeals the 48 of 60-month STEP waiver time limit. | April 1997 | 0 |
| 2 | Repeal of the striker provision which states a person on strike on the last day of the month is retroactively ineligible to the first of the month and an overpayment is established, it is eliminated. | August 1999 | 0 |

| | |
|---|---|
| Estimated Total Net Impact on the Caseload of All Eligibility Changes | 6,693* |
| Total Prior Year Caseload | 5,398* |
| **Estimated Caseload Reduction Credit** | 56.8% |

* Numbers are rounded.

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

**State: Washington – 2-Parent** **Fiscal Year: 2005**

## PART II – Application Denials and Case Closures, By Reason

| | Fiscal Year 1995 | | Fiscal Year 2004 | |
|---|---|---|---|---|
| **Reason for Application Denials** | Number | Percentage | Number | Percentage |
| Employment Or Excess Earnings | 2,004 | 11.53% | 2,389 | 19.33% |
| Marriage | * | * | * | * |
| 5-Year Time Limit | * | * | * | * |
| Work-Related Sanction | * | * | * | * |
| Child Support Sanction | * | * | * | * |
| Teen Parent Failing School Attendance | * | * | * | * |
| Teen Parent Failing To Live In An Adult Setting | * | * | * | * |
| Failure To Finalize IRP | * | * | * | * |
| Failure To Meet IRP Requirements | * | * | * | * |
| State/Tribe Time Limit | * | * | * | * |
| Child Support Collected | 6 | 0.03% | 0 | 0.00% |
| Excess UI (Excluding Child Support) | 1,155 | 6.65% | 0 | 0.00% |
| Excess Resources | 779 | 4.48% | 542 | 4.38% |
| Youngest Child Too Old To Qualify | 0 | 0.00% | 1 | 0.01% |
| Minor Child Absent From Home | 287 | 1.65% | 1 | 0.01% |
| Fail To Meet Eligibility Requirements or Review | 13,143 | 75.65% | 2,088 | 16.89% |
| Transfer To State MOE | * | * | * | * |
| Voluntary Case Closure | 0 | 0.00% | 5,488 | 44.39% |
| Other | 0 | 0.00% | 1,853 | 14.99% |
| **Total Application Denials** | **17,374** | **100%** | **12,362** | **100%** |
| **Reasons for Case Closures** | Number | Percentage | Number | Percentage |
| Employment Or Excess Earnings | 436 | 4.83% | 4,030 | 40.25% |
| Marriage | * | * | * | * |
| 5-Year Time Limit | * | * | * | * |
| Work-Related Sanction | * | * | * | * |
| Child Support Sanction | * | * | * | * |
| Teen Parent Failing School Attendance | * | * | * | * |
| Teen Parent Failing To Live In An Adult Setting | * | * | * | * |
| Failure To Finalize IRP | * | * | * | * |

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

**State: Washington – 2-Parent** **Fiscal Year: 2005**

## PART II – Application Denials and Case Closures, By Reason

| | Fiscal Year 1995 | | Fiscal Year 2004 | |
|---|---|---|---|---|
| Failure To Meet IRP Requirements | * | * | * | * |
| State/Tribe Time Limit | * | * | * | * |
| Child Support Collected | 1 | 0.01% | 4 | 0.04% |
| Excess UI (Excluding Child Support) | 486 | 5.38% | 0 | 0.00% |
| Excess Resources | 133 | 1.47% | 62 | 0.62% |
| Youngest Child Too Old To Qualify | 0 | 0.00% | 4 | 0.04% |
| Minor Child Absent From Home | 414 | 4.59% | 1 | 0.01% |
| Fail To Meet Eligibility Requirements or Review | 3,562 | 39.46% | 2,841 | 28.38% |
| Transfer To State MOE | * | * | * | * |
| Voluntary Case Closure | 670 | 7.42% | 2,470 | 24.67% |
| Other | 3,325 | 36.83% | 600 | 5.99% |
| **Total Case Closures** | **9,027** | **100%** | **10,012** | **100%** |

* Reason either Not Applicable at this time or cannot be determined from current data collection.

**State: Washington – 2-Parent** **Fiscal Year: 2005**

## Part III – Description of the Methodology Used to Calculate the Caseload Reduction Estimates (attach supporting data to this form)

**PART 1—IMPLEMENTATION OF ALL ELIGIBILITY CHANGES MADE BY THE STATE SINCE FFY 1995**

**General**

The data source for all impact estimates is the Automated Client Eligibility System (ACES), the MIS used to manage Washington state's cash assistance caseloads. Caseload effects were calculated for each month of the fiscal year using information available in ACES. Calculating the number of cases that meet the change criteria each month eliminates the need to calculate new cases each month and carry forward some portion of the old cases from the previous month. Where data was only available for entering cases, instead of for both entering and ongoing cases, entries have been amortized over time, based on historic exit rates, to account for the ongoing caseload. Monthly averages represent the sum of monthly calculations divided by 12. Child-only cases are included. See "*Form ACF-202 Attachment I: Washington Caseload Reduction Credit Calculation FFY 2005*" for methodology of calculation of the FFY 2005 Caseload Reduction Credit.

Following is a list of all changes reported in Part I, both those which impacted caseloads and those which had no impact or are accounted for in other eligibility changes. See "Form ACF-202 *Attachment II: Washington Caseload Reduction Report FFY 2005—Impact of FFY 2004 Eligibility Changes*," for a detailed calculation of the effects of all eligibility changes over each month of the fiscal year.

**Changes Required by Federal Law**

Item 1: No negative impact – this requirement ended with the enactment of PRWORA.

Item 2: No negative impact – this requirement doesn't affect eligibility for TANF.

Item 8: No negative impact – cases began to reach the 60-month time limit in August 2002. No cases have been terminated; all have been extended under hardship extension categories.

Item 9: Violators who would have been previously excluded from open cases were identified. Caseload changes are reported if the change in case size due to excluding a violator would reduce the payment standard below that case's countable income.

Item 11: Washington State implemented SFA to fill this gap. The SFA caseload is used to estimate the impact of this change. The SFA caseload are cases otherwise eligible for TANF that are made ineligible by this law.

**State Implemented Changes: Income & Resources**

Item 1: The ACES system tracks inaccessible resources. Cases with inaccessible resources valued in excess of $1,000 were counted.

Item 2: The ACES system tracks vehicles identified as having great sentimental value. Cases listing a vehicle with sentimental value where the vehicle had a value in excess of $5,000 were counted.

Item 3: Unable to determine positive impact - data not available – cases were processed manually, outside of the ACES system.

Item 4: Net income from eligibility calculations was recalculated using the 20% disregard in effect before the policy change. Cases that had net income with the 50% disregard less than the payment standard but net income with the 20% income disregard greater than the payment standard were counted.

Item 5: Unable to determine positive impact - data not available – classifications of income used in this test are not available.

Item 6: The ACES system tracks vehicle resources. Cases with a vehicle valued between $1,500 and $5,000 were counted.

Item 7: The ACES system tracks liquid resources. Cases with total savings valued between $1,000 and $3,000 were counted.

Item 8: The ACES system tracks vehicle resources. Cases with a vehicle valued over $5,000 that was used as disabled transportation were counted. Cases with disabled transportation valued between $1,500 and $5,000 are counted in Item 6 of this section.

Item 9: Average monthly denials for over 185% of Need as a percent of the total caseload was calculated for July 1997 through September 1999. It was assumed that cases made eligible by the policy change will apply at the same rate. Total caseload entries in October 1997 were tracked to estimate the percent of entering cases that remain on the caseload in months following entry. These percentages were used to amortize entering cases over time. After 25 months, the decay rate has reached 0 cases.

Item 10: Earned income is disregarded for a child who is age 17 or younger, not married or emancipated, and in school. To calculate the impact, we looked at children age under 18 with a part time or half-time school status who was employed more than 150 hours during the month (35 hours * 4.3 weeks). We divided half of the clients monthly earned income combined with the households earned income and determined if it was greater than or equal to the households grant.

**State Implemented Changes: Categorical/Demographic Factors**

Item 1: Identified cases with two unmarried parents where one parent is a recipient and the other parent and a child in the home are non-members. It is assumed that cases would have been ineligible if the non-members had been included so all cases identified are counted.

Item 2: 2-parent cases where one parent was employed at least 100 hours during the month were counted.

Item 3: No positive or negative impact – did not effect eligibility for TANF.

Item 4: Cases with net income above the payment standard became eligible for AREN if the net income remained below the payment standard plus the cost of the emergent need. Cases receiving AREN with net income above the payment standard were counted.

Item 5: The ACES system tracks cases subject to consolidation rules. Cases indicating consolidation rules have been applied were counted.

Item 6: Positive impact of this change is accounted for in Item 2 of this section.

Item 9: Prior to the policy change, the ACES system tracked two types of cash assistance cases with pregnant women: GA-S and TANF. Following the change, the ACES system continued to track TANF pregnant cases. For May '98 - April '99, average monthly GA-S cases as a percent of GA-S plus TANF pregnant cases was calculated. Each month's impact was calculated by applying this percentage to the TANF pregnant caseload.

Item 10: No negative impact – non-participation results in grant reduction, not ineligibility.

Item 11: Average monthly denials for lack of deprivation as a percent of the 2-parent caseload was calculated for August 1998 through July 1999. It was assumed that now eligible lack of deprivation cases will apply at the same rate. 2-parent caseload entries in October 1997 were tracked to estimate the percent of entering cases that remain on the caseload in months following entry. These percentages were used to amortize entering cases over time.

Item 13: Income limit imposed so cases with net income above the payment standard no longer eligible for AREN if the net income remained below the payment standard plus the cost of the emergent need. Cases receiving AREN with net income above the payment standard were counted under Item 4 criteria. Under this change, net income cannot exceed TANF eligibility limits regardless of emergent need thereby reversing criteria of Aug-97. No new TANF cases will be created as a result of this change and it will not be possible to identify cases that would have been eligible under prior criteria.

**State Implemented Changes: Behavioral Requirements**

Item 1: Negative impact - caseload reductions reported for "Changes Required by Federal Law" Item 7 are adjusted for this change.

Item 2: Negative impact – caseload reductions reported for "Changes Required by Federal Law" Item 4 are adjusted for this change.

Item 3: No negative impact – children on case remain eligible for assistance, so no change in the all family caseload.

**State Implemented Changes: Other Eligibility Changes**

Item 1: No negative impact – the waiver was discontinued before any cases had reached the time limit.

Item 2: No positive impact – Washington state's federal TANF caseload reporting is based on benefits issued within the month of service. This policy change only affected retroactive benefits issued after the month of service.

**PART II – APPLICATION DENIALS AND CASE CLOSURES BY REASON**

**Case Denials**—Comparative FFY 1995 baseline and FFY 2004 case denial data have been established using a 5-step process.

Step 1: Using the Washington state "*2-475 Action Report, SFSSB4:SFSSB4M360M*," case denials by state reason code for the period October 1994 through September 1995 were then extracted and summarized. See attached spreadsheet, "*Form ACF-202 Attachment III: Washington Caseload Reduction Report FFY 2005—Baseline 1995 Case Denials, 2-475 Action Report*." The individual state case denial reason codes for 1995 are compiled on page 1 of the attachment.

Step 2: On page 2 of Attachment III, the 1995 state case denial reasons are: (1) compiled into the corresponding form *"FSA-3800 Part III-Reasons for Denials of AFDC Applications"* report categories used in 1995, and (2) then grouped into the applicable Form ACF-202 categories.

Step 3: State case denial data was cross checked against form FSA-3800 for quarters ending 12/31/94, 3/31/95, 6/30/95 and 9/30/95 to verify consistency with past federal reporting. See *"Form ACF-202 Attachment IV: Washington Caseload Reduction Report FFY 2005—Baseline 1995 Data—AFDC Case Closures and Denials—Quarters Ending 12/94, 3/95, 6/95, 9/95."*

Step 4: The detailed categories of state denial codes for 1995 were categorized into those groups required by "*Part II-Application Denials and Case Closures, By Reason*," of Form ACF-202, and their respective percent of total denials calculated on page 3 of Attachment III.

Step 5: FFY 2004 data was obtained by mapping ACES denial codes to Form ACF-202 categories. Denials tracked in the ACES system were counted for each available category. See *"Form ACF-202 Attachment V: Washington Caseload Reduction Report FFY 2005—Two-Parent Family Application Denials."*

**Case Closures—**Comparative FFY 1995 baseline and FFY 2002 case closure data have been established using a 5-step process.

Step 1: Using the Washington state "*Average Grant-Money Pay Cases"* report (SFCRA7-050C-3), case closures by state reason code for the period October 1994 through September 1995 were extracted and summarized. See "*Form ACF-202 Attachment VI: Washington Caseload Reduction Report FFY 2005--Baseline 1995 Case Closures, [SFCRA7-050C-3] Average Grant-Money Pay Cases.*" The individual state case closure reason codes for 1995 are compiled on page 1 of the attachment.

Step 2: On page 2 of Attachment VI, the 1995 state case closure codes are: (1) compiled into the corresponding form *"FSA-3800 Part IV-Reasons for Other Dispositions of AFDC Applications"* report categories used in 1995, and (2) then grouped into the applicable form ACF-202 categories.

Step 3: State case closure data was cross-checked against form FSA-3800 for quarters ending 12/31/94, 3/31/95, 6/30/95 and 9/30/95 to verify consistency with past federal reporting. See *"Form ACF-202 Attachment IV: Washington Caseload Reduction Report FFY 2005—Baseline 1995 Data—AFDC Case Closures and Denials—Quarters Ending 12/94, 3/95, 6/95, 9/95."*

Step 4: The detailed categories of state closure codes for FFY 1995 and FFY 2004 were categorized into those groups required by "*Part II-Application Denials and Case Closures, By Reason*," of form ACF-202, and their respective percent of total closures calculated on page 3 of Attachment VI.

Step 5: FFY 2004 data was obtained by mapping ACES closure codes to Form ACF-202 categories. Closures tracked in the ACES system were counted for each available category. See "*Form ACF-202 Attachment VII: Washington Caseload Reduction Report FFY 2005—Two-Parent Family Case Closures."*

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

**State: Washington – 2-Parent** **Fiscal Year: 2005**

## PART IV -- Certification

I certify that we have provided the public an appropriate opportunity to comment on the estimates and methodology used to complete this report and considered those comments in completing it. Further, I certify that this report incorporates all reductions in the caseload resulting from State eligibility changes and changes in Federal requirements since Fiscal Year 1995. (A summary of public comments is attached.)

_____
(signature)

DEB BINGAMAN
(name)

Assistant Secretary, Economic Services Administration
(title)