

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Date of Completion: 1/4/2019	
State: North Carolina	Fiscal Year to which credit applies: 2019
Overall Report <input checked="" type="checkbox"/> (check one)	Apply the overall credit to the two-parent participation rate? <input checked="" type="checkbox"/> yes
Two-parent Report <input type="checkbox"/>	<input type="checkbox"/> no

PART 1 –Eligibility Changes Made Since FY 2005
(Complete this section for EACH change)

- Name of eligibility change: **Work First Benefits**
- Implementation date of eligibility change: **April 2011**
- Description of policy, including the change from prior policy:

September 2009 Policy: Policy was revised to mandate that in order to receive a Work First Family Assistance (WFFA/TANF) check, all aspects of the recipients' Mutual Responsibility Agreement (MRA) Core Requirements and the MRA Plan of Action must be met, unless there is good cause. This includes completing the required hours of work, training, education, or other activities. Work First cash assistance checks will be issued the month after completing all requirements on the MRA or if good cause is established for the benefit month.

Revised Policy: If the recipient complies with his/her MRA, the administrative reopen and administrative reapplication automated processes can be used for Work First Benefits (WFB) cases that have closed without having to complete the manual application process. This change was effective April 2011.
- Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form):

The methodology used to calculate this impact comes from the North Carolina Families Accessing Services through Technology, referred to as NC FAST case management system.

A count of the number of Work First Benefits cases closed or sanctioned each month due to non-compliance with the MRA was generated. The codes used from NC FAST to generate this data include: 'NFCC5036' (Client failed to meet requirements of MRA); 'NFSR5008' (Work First Family Assistance Employment Services Non-Compliance); 'NFSR5010' and 'NFSR5018' (Failure to participate in required substance abuse treatment).

A 5% attrition rate was then applied (to account for cases that may have left the caseload for reasons other than sanction or non-compliance). A table was created to calculate the rate for the Work First Benefits closures and a final table was created to combine the decaying effects of the caseload returns and attrition. The results are displayed in the Part II excel spreadsheet attached.

For FFY2018, the effect of this policy is -4310.

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5. Estimated average monthly impact of this eligibility change on caseload in comparison year: -4310

1. Name of eligibility change: **Job Quit Penalty**

2. Implementation date of eligibility change: **March 2010**

3. Description of policy, including the change from prior policy:

The Job Quit Penalty was implemented in March 2010. Under this policy, a family will be ineligible for Work First Family Assistance for a period of three months if the participant quits a job without good cause or is dismissed from a job due to work place behavior. The ineligible period is defined as the month of quit and the next two months (effective March 2010).

April 2012: A new Job Quit History tracking screen was created in the Eligibility Information System (EIS) to assist caseworkers in identifying individuals with a Job Quit penalty. Policy was also expanded to clarify the Job Quit penalty period.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

The methodology used to calculate this impact for FY2017 comes from the North Carolina Families Accessing Services through Technology, referred to as NC FAST case management system.

The methodology used in NC FAST is the actual number of TANF cases sanctioned for Job Quit with code 'NFSR5003' which resulted in a case closure with code 'NFCC5078'. If the family is new to Work First/TANF, Job Quit is not applied at application. However, if the family has received Work First/TANF in the past and Job Quit was explained, then the Job Quit sanction may be applied at application.

For FFY2018, the effect of this policy is -183.

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5. Estimated average monthly impact of this eligibility change on caseload in comparison year: -183

1. Name of eligibility change: **Substance Use Testing**
2. Implementation date of eligibility change: August 1, 2015
3. Description of policy, including the change from prior policy:

The North Carolina General Assembly revised North Carolina General Statute 108A-29.1, to require screening of each applicant for or recipient of Work First (TANF) program assistance whom the Department reasonably suspects is engaged in the illegal use of controlled substances. When reasonable suspicion has been established, the drug test for Work First program applicants and recipients becomes a condition of eligibility.

If the applicant or recipient does not complete either the Alcohol Use Disorder Identification Test (AUDIT) or the Drug Abuse Screening Test (DAST-10), refuses testing, or has a confirmed positive test result, the applicant or recipient is ineligible for Work First cash assistance. The remaining household members may be eligible to receive Work First.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

The methodology used to calculate this impact for FY2017 comes from the case management system, North Carolina Families Accessing Services through Technology (NC FAST). The actual number of TANF cases closed due to Substance Use related sanctions when no remaining household members are eligible were calculated. The Substance Use related sanction codes include:

- NFSR5019 – Refused AUDIT/DAST-10 Assessment;
- NFSR5010 – Failure to participate in required substance use treatment;
- NFSR5016 – Positive Substance Use Test;
- NFSR5017 – Failure to attend QPSA Appointment/Substance Use Test;
- NFSR5018 – Failure to participate in required Substance Use Treatment.

For FFY2018, the effect of this policy is -8.

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5. Estimated average monthly impact of this eligibility change on caseload in comparison year: -8

Date of Completion: 1/4/2019

State: North Carolina

Fiscal Year to which credit applies: 2019

PART 2 – Estimate of Caseload Reduction Credit

(Complete Part 2 using Excel Workbook provided.)

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Overall Credit

	A	B	C	D	E	F
1	North Carolina			Fiscal Year to which credit applies:		2019
2				Date of Completion:	1/4/2019	
3	PART 2 – Estimate of Caseload Reduction Credit					
4						
5	<u>Impact of All Changes</u>			<u>Caseload Reduction Calculation</u>		
6	Work First Benefits	-4310		FY 2005 TANF Caseload	33,773	
7	Job Quit Penalty	-183		FY 2005 SSP Caseload		
8	Substance Use Testing	-8		Total FY 2005 Caseload	33,773	
9				FY 2018 TANF Caseload	14,756	
10				FY 2018 SSP Caseload		
11				Total FY 2018 Caseload	14,756	
12				Excess MOE Cases in FY 2018	2,814	
13				Adjusted FY 2018 Caseload	11,942	
14				Caseload Decline	21,831	64.6%
15				Decline – Net Impact	17,330	
16						
17				Caseload Reduction Credit =		51.3%
18						
19						
20						
21						
22						
23						
24						
25						
26	Net Impact	-4,501				
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						

**FORM ACF-202 – TANF CASELOAD REDUCTION REPORT
Two-Parent Credit**

	A	B	C	D	E	F
1	North Carolina			Fiscal Year to which credit applies:		2019
2				Date of Completion:	1/4/2019	
3	PART 2 – Estimate of Caseload Reduction Credit -- 2-Parent Caseload					
4						
5	Impact of All Changes			Caseload Reduction Calculation		
6				FY 2005 TANF 2-Parent Caseload		
7				FY 2005 SSP 2-Parent Caseload		
8				Total FY 2005 Caseload	0	
9				FY 2018 TANF 2-Parent Caseload		
10				FY 2018 SSP 2-Parent Caseload		
11				Total FY 2018 2-Parent Caseload	0	
12				Excess MOE 2-Parent Cases in FY 2018	0	
13				Adjusted FY 2018 Caseload	0	
14				Caseload Decline	0	0.0%
15				Decline – Net Impact	0	
16						
17				2-Parent Caseload Reduction Credit =		0.0%
18						
19						
20						
21						
22						
23						
24						
25						
26	Net Impact		0			
27						
28						

North Carolina

Work First Benefits

Date of Completion: 1/4/2019

	Impact on Each Month in FY 2018												Grand Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover	723	1,486	2,302	3,166	4,189	4,075	5,017	5,627	6,201	6,813	7,458	8,091	
Oct	354	-30	-78	-104	-123	-145	-169	-185	-200	-214	-228	-242	
Nov		366	-27	-75	-99	-124	-140	-158	-174	-191	-206	-220	
Dec			375	-91	-146	-177	-206	-226	-246	-262	-282	-296	
Jan				447	25	-23	-53	-78	-99	-122	-144	-160	
Feb					400	-2	-58	-90	-113	-137	-158	-175	
Mar						382	0	-47	-76	-101	-121	-140	
Apr							363	-5	-55	-82	-103	-120	
May								350	-49	-100	-128	-149	
Jun									381	-4	-44	-71	
Jul										366	-1	-38	
Aug											349	7	
Sep													325
Total	1,077	1,822	2,572	3,344	4,246	3,986	4,755	5,188	5,568	5,965	6,390	6,812	51,726
FY 2018 monthly average												4,310	

North Carolina

Policy Name

Job Quit

Date of Completion: 1/4/2019

	Impact on Each Month in FY 2018												Grand Total	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
Time of Closure														
Prior years carryover	0	0	0	0	0	0	0	0	0	0	0	0	0	
Oct	10	0	0	0	0	0	0	0	0	0	0	0	0	
Nov		19	0	0	0	0	0	0	0	0	0	0	0	
Dec			11	0	0	0	0	0	0	0	0	0	0	
Jan				14	0	0	0	0	0	0	0	0	0	
Feb					9	0	0	0	0	0	0	0	0	
Mar						15	0	0	0	0	0	0	0	
Apr							17	0	0	0	0	0	0	
May								19	0	0	0	0	0	
Jun									23	0	0	0	0	
Jul										15	0	0	0	
Aug											16	0	0	
Sep												15	0	
Total	10	19	11	14	9	15	17	19	23	15	16	15		183
2018 monthly average													15	

North Carolina

Policy Name

Substance Use Testing

Date of Completion: 1/4/2019

Time of Closure	Impact on Each Month in FY 2016												Grand Total	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
Prior years carryover	0	0	0	0	0	0	0	0	0	0	0	0	0	8
Oct	0	0	0	0	0	0	0	0	0	0	0	0	0	
Nov		0	0	0	0	0	0	0	0	0	0	0	0	
Dec			1	0	0	0	0	0	0	0	0	0	0	
Jan				1	0	0	0	0	0	0	0	0	0	
Feb					0	0	0	0	0	0	0	0	0	
Mar						1	0	0	0	0	0	0	0	
Apr							0	0	0	0	0	0	0	
May								1	0	0	0	0	0	
Jun									0	0	0	0	0	
Jul										0	0	0	0	
Aug											3	0	0	
Sep													1	
Total	0	0	1	1	0	1	0	1	0	0	3	1		
2018 monthly average													1	

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Excess MOE Worksheet

	A	B	C	D	E	F
1	North Carolina			Fiscal Year to which credit applies:		2019
2				Date of Completion:		1/4/2019
3	<u>Excess MOE Calculation Worksheet</u>					
4						
5	Caseload Data			Expenditure Data		
6	FY 2005 TANF Caseload	33,773		Total Expenditures		
7	FY 2005 SSP Caseload	0		FY 2018 Total Federal Expenditures		\$324,761,459
8	Total FY 2005 Caseload	33,773		FY 2018 Total MOE Expenditures		\$279,206,019
9	FY 2018 TANF Caseload	14,756		Total Expenditures (Federal + MOE)		\$603,967,478
10	FY 2018 SSP Caseload	0				
11	Total FY 2018 Caseload	14,756		Assistance Expenditures		
12				FY 2018 Federal Expenditures on Assistance		\$36,847,046
13	2-Parent Caseload Data			FY 2018 MOE Expenditures on Assistance		\$1
14	FY 2005 2-p TANF Caseload	0		Total Expenditures on Assistance (Federal + MOE)		\$36,847,047
15	FY 2005 2-p SSP Caseload	0		Percentage of Expenditures on Assistance		6.10%
16	Total FY 2005 Caseload	0				
17	FY 2018 2-p TANF Caseload	0		Expenditures Per Case		
18	FY 2018 2-p SSP Caseload	0		Average Expenditures per Case		\$40,930
19	Total FY 2018 Caseload	0		Average Expenditures per Case on Assistance		\$2,497
20						
21				MOE and Excess MOE		
22				Required MOE (80% or 75%)		\$164,014,910
23				Excess MOE Expenditures		\$115,191,109
24				Excess MOE Expenditures on Assistance		\$7,027,617
25	Adjusted Caseload Data					
26	Adjusted FY 2018 Overall Caseload	11,942		Assistance Cases Funded by Excess MOE		2,814
27	Adjusted FY 2018 2-parent Caseload	0		2-Parent Assistance Cases Funded by Excess MOE		0
28						
29						
30						
31						
32						
33						

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PART 3 -- 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 2005.

(signature)

Michael Becketts

(name)

(title)