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Phyllis Gilmore, Secretary

Sam Brownback, Governor

December 20, 2016

Administration for Children and Families
Office of Family Assistance
330 C Street, S.W.
Washington, D.C. 20201

This is to submit the Fiscal Year 2017 TANF Caseload Reduction Report. Kansas elects to apply for a separate Two-Parent Family caseload reduction credit. This information is also being sent to the regional administrator. If you have general questions on this information, please feel free to contact me. If you have questions or comments regarding the methodology, please contact Judy Kennedy at 785-296-2968 (email Judy.C.Kennedy@ks.gov).

Sincerely,

Sandra Kimmons
Director of Economic and Employment Services

cc: Mr. Gary Allen, Regional TANF Program Manager, Administration for Children and Families, 601 East 12th St., Room 349, Kansas City, MO 64106

Form ACF-202 TANF Caseload Reduction Report

Date of Completion: December 9, 2016	Fiscal Year To Which Credit Applies: 2017
State: Kansas	

Overall Report √ <hr style="width: 100%;"/> Two-parent Report _____ <hr style="width: 100%;"/>	Apply the overall credit to the two-parent participation rate? _____ Yes √ No <hr style="width: 100%;"/>
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Part 1 - Eligibility Changes Made Since FY 2005

1. **Name of Eligibility Change:** Work Readiness Screening
2. **Implementation Date:** October 2006 and July 2013
3. **Description of Policy:**

October 2006: A work readiness screen, mainly conducted prior to the approval of cash assistance, was established as a condition of eligibility. Applicants who failed to cooperate were denied assistance, while recipients who failed to complete the screen were assessed a work penalty.

July 2013: The work readiness screening requirement was discontinued to align with revised application requirements.

4. **Description of the Methodology Used to Calculate the Estimated Impact of this Eligibility Change:** Cases closed and denied for failing to cooperate with the work screening requirement are recorded with a unique code in the Kansas eligibility system. The caseload impact applied the attrition rate for approved cases (refer to the attachment) since the majority of cases were denials. The following table cumulates the policy's caseload impact:

Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Prior Year Carryover	-140	-131	-123	-116	-108	-99	-90	-83	-76	-62	-47	-39	
Oct 2015	0	0	0	0	0	0	0	0	0	0	0	0	
Nov		0	0	0	0	0	0	0	0	0	0	0	
Dec			0	0	0	0	0	0	0	0	0	0	
Jan 2016				0	0	0	0	0	0	0	0	0	
Feb					0	0	0	0	0	0	0	0	
Mar						0	0	0	0	0	0	0	
Apr							0	0	0	0	0	0	
May								0	0	0	0	0	
Jun									0	0	0	0	
Jul										0	0	0	
Aug											0	0	
Sep												0	
Total	-140	-131	-123	-116	-108	-99	-90	-83	-76	-62	-47	-39	-1,114
Average monthly cases													-92.8

5. **Estimated average monthly impact of this caseload change in comparison year** -92.8

Form ACF-202 TANF Caseload Reduction Report

Date of Completion: December 9, 2016

State: Kansas

Fiscal Year To Which Credit Applies:

2017

1. **Name of Eligibility Change:** Increase in Earned Income Disregard
2. **Implementation Date:** May 2008
3. **Description of Policy:** Prior to the policy change, the first \$90 of earned income and 40 percent of the remaining income was disregarded when determining the family's benefit. The new policy increased the variable disregard to 60 percent.
4. **Description of the Methodology Used to Calculate the Estimated Impact of this Eligibility Change:** Cases with earnings were obtained from the Kansas eligibility system. The cases with income between the former and new disregard limits appear in the next table:

Month	Cases
Oct 2015	125
Nov	141
Dec	119
Jan 2016	126
Feb	110
Mar	111
Apr	99
May	121
Jun	120
Jul	95
Aug	106
Sep	92
Average	113.8

5. **Estimated average monthly impact of this caseload change in comparison year** 113.8

Form ACF-202 TANF Caseload Reduction Report

Date of Completion: December 9, 2016

State: Kansas

Fiscal Year To Which Credit Applies:

2017

1. **Name of Eligibility Change:** Five-Month Transitional Payment
2. **Implementation Date:** January 2009
3. **Description of Policy:** A five-month \$50 transitional payment was provided to employed families whose earnings would have resulted in ineligibility for cash assistance. The policy permitted a new five-month payment cycle following the loss and resumption of employment.
4. **Description of the Methodology Used to Calculate the Estimated Impact of this Eligibility Change:** Cases with the \$50 transitional payment were obtained from the Kansas eligibility system:

Month	Cases
Oct 2015	404
Nov	419
Dec	406
Jan 2016	411
Feb	394
Mar	353
Apr	337
May	321
Jun	326
Jul	330
Aug	341
Sep	368
Average	367.5

5. **Estimated average monthly impact of this caseload change in comparison year**

367.5

Form ACF-202 TANF Caseload Reduction Report

Date of Completion: December 9, 2016

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Fiscal Year To Which Credit Applies:

2017

1. **Name of Eligibility Change:** Inclusion of the Grandparents as Caregivers Program
2. **Implementation Date:** July 2009
3. **Description of Policy:** The separate, state-funded Grandparents as Caregivers Program was included in the TANF cash assistance Program.
4. **Description of the Methodology Used to Calculate the Estimated Impact of this Eligibility Change:** Of the 151 Grandparents as Caregivers cases participating in the last month of the program's operation (June 2009), 93 participated in the TANF cash assistance program in the following month, July 2009. The 93 cases represented 2.33 percent of TANF Child-Only Cases. It is not possible to identify the cases that would have chosen the Grandparents as Caregivers Program. Therefore, it is assumed that their proportion remains unchanged over time, at 2.33% of TANF Child-Only cases. Applying the 2.33 percent to FY 2016 child-only cases results in an estimated impact of 63.6 average monthly cases.
5. **Estimated average monthly impact of this caseload change in comparison year** 63.6

Form ACF-202 TANF Caseload Reduction Report

Date of Completion: December 9, 2016

State: Kansas

Fiscal Year To Which Credit Applies:

2017

1. **Name of Eligibility Change:** Application Requirements
2. **Implementation Date:** November 2011, July 2013, January 2014
3. **Description of Policy:**

November 2011. Applicants were required to complete 20 job contacts per week before their eligibility determination and 20 job contacts per week before meeting with a case manager to develop a self-sufficiency plan.

July 2013. The revised application policy eliminated the pre-eligibility job search requirement. The new policy required clients to register in the state's public workforce system and complete a work skills assessment. Eligibility was conditioned on completing both the registration and assessment. In addition, because of the work assessment feature in the new policy, the October 2006 *Work Readiness Screening* policy was discontinued.

January 2014. Clients who failed to register in the workforce system were required to produce a valid excuse.

July 2016. The revised application policy eliminated the requirement for the clients to register in the state's public workforce system and complete a work skills assessment. The new policy required the completion of a self-assessment form and the completion of an online orientation for employment services.

4. **Description of the Methodology Used to Calculate the Estimated Impact of this Eligibility Change:** To measure the increase in denials due to the policy, a pre-policy baseline denial rate of 12.3 percent was established based on denials for the *failure to cooperate* and the *failure to complete applicant job search*. The estimated increase in denied cases attributed to the policies was determined by the multiplying the difference between the pre-policy and FY 2016 denial rate by total applications. The estimated increase in denials was cumulated using the attrition curve for new cases (refer to the attachment). The average monthly case impact is summarized in the following table:

Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Prior Yr Carryover	-1693	-1597	-1506	-1420	-1347	-1272	-1204	-1143	-1093	-1036	-982	-935	
Oct 2015	-80	-78.1	-71.7	-61.9	-54.7	-49.7	-45.1	-40.6	-37.4	-35.1	-32.9	-30.8	
Nov		-137	-134	-123	-106	-93.7	-85.2	-77.3	-69.6	-64	-60.1	-56.3	
Dec			-101	-98.7	-90.7	-78.2	-69.2	-62.9	-57.1	-51.4	-47.3	-44.4	
Jan 2016				-135	-131	-121	-104	-92.1	-83.7	-75.9	-68.3	-62.9	
Feb					-92.5	-90.3	-83	-71.6	-63.3	-57.6	-52.2	-47	
Mar						-91.1	-88.9	-81.6	-70.4	-62.3	-56.6	-51.4	
Apr							-47.2	-46.1	-42.3	-36.5	-32.3	-29.3	
May								-10.2	-9.98	-9.17	-7.91	-7	
Jun									-77.3	-75.4	-69.3	-59.8	
Jul										-52.5	-51.3	-47.1	
Aug											-20.2	-19.7	
Sep												-54.2	
Total	-1,773	-1,813	-1,813	-1,838	-1,822	-1,796	-1,727	-1,625	-1,604	-1,556	-1,480	-1,445	-20,292
Average monthly cases													-1,691.0

5. **Estimated average monthly impact of this caseload change in comparison year** -1691.0

Form ACF-202 TANF Caseload Reduction Report

Date of Completion: December 9, 2016

State: Kansas

Fiscal Year To Which Credit Applies:

2017

1. **Name of Eligibility Change:** Change in Treatment of VA Compensation for Work Therapy
2. **Implementation Date:** January 2013
3. **Description of Policy:** Compensated work therapy benefits from the Veteran's Administration were treated as earned income rather than unearned income.
4. **Description of the Methodology Used to Calculate the Estimated Impact of this Eligibility Change:** Because the majority of earned income was disregarded in the benefit determination, the policy's effect was to increase the qualifying income allowed for cash assistance. The Mann Whitney U Test was used to assess the change in the proportion of cases with VA disability payments. The result indicated a small, but significant, change in the percentage of cases with VA disability payments.

Month	Cases w/ VA Disability Payments	TANF Cases	Denial Rate	Mann Whitney U Test	
				95% confidence level	
				<i>Pre-Policy</i>	<i>Post-Policy</i>
Jul 2012	5	9,889	0.051%	<i>N</i>	6
Aug	6	9,881	0.061%	<i>Mean Rank</i>	3.7
Sep	4	9,791	0.041%	<i>z_U</i>	2.72
Oct	5	9,756	0.051%	<i>p</i>	0.007
Nov	5	9,316	0.054%		
Dec	5	9,120	0.055%		
Jan 2013	<i>Policy Chg</i>				
Feb	6	8,590	0.070%		
Mar	5	8,289	0.060%		
Apr	11	8,263	0.133%		
May	7	8,018	0.087%		
Jun	7	7,790	0.090%		
Jul	5	7,794	0.064%		

The difference between the pre-policy and FY 2016 percentage of cases with veteran's disability income was multiplied by the total cases in FY 2016 to obtain the caseload impact:

Month	w/ VA Disability	Total Cases	w/ VA Disability	Pre-Policy Percent	Change	Change in Cases
Oct 2015	6	5799	0.103%	0.052%	0.05%	3.0
Nov	5	5600	0.089%	0.052%	0.04%	2.1
Dec	3	5496	0.055%	0.052%	0.00%	0.1
Jan 2016	2	5370	0.037%	0.052%	-0.01%	-0.8
Feb	1	5161	0.019%	0.052%	-0.03%	-1.7
Mar	2	4941	0.040%	0.052%	-0.01%	-0.6
Apr	2	4910	0.041%	0.052%	-0.01%	-0.6
May	4	5040	0.079%	0.052%	0.03%	1.4
Jun	4	5187	0.077%	0.052%	0.03%	1.3
Jul	3	5231	0.057%	0.052%	0.01%	0.3
Aug	3	5316	0.056%	0.052%	0.00%	0.2
Sep	3	5262	0.057%	0.052%	0.01%	0.3
Average						0.4

5. **Estimated average monthly impact of this caseload change in comparison year**

0.4

Form ACF-202 TANF Caseload Reduction Report

Date of Completion: December 9, 2016

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Fiscal Year To Which Credit Applies:

2017

1. **Name of Eligibility Change:** Suspicion-Based Drug Testing
2. **Implementation Date:** July 2014
3. **Description of Policy:** TANF applicants, recipients, and third party payees who indicated an unlawful use of controlled substances or analogs were tested for drug use. The indicators of drug use included: arrest records from drug related charges within the last 12 months, employment records (loss of job, failing a drug test, etc., within the last 12 months), self-declaration, visual observation of drug use, observation of drug paraphernalia, Substance Abuse Subtle Screening Inventory screen indicators, and a prior refusal to take a drug test.

The consequences for both positive drug tests and the refusal to take a drug test were limited to the individual's portion of the case benefit. The progressive consequences for a positive drug test follow:

- 1st positive test: Ineligibility for assistance until the completion of substance abuse treatment and job skills training.
- 2nd positive test: 12-month ineligibility and completion of substance abuse treatment and job skills training.
- 3rd position test: Lifetime ineligibility.

The consequences for refusing to submit to a drug test follow:

- 1st refusal: 6-month ineligibility and submit to a drug test.
- 2nd refusal: 12-month ineligibility and submit to a drug test.
- 3rd refusal: Lifetime ineligibility.

4. **Description of the Methodology Used to Calculate the Estimated Impact of this Eligibility Change:** A special report was developed to track the policy. The cases that closed due to this policy were counted for two quarters. This period represents the average length of stay for new applicants during FY 2016 minus the length of stay the sanctioned cases received assistance before a sanction is imposed.

Quarter	Oct-Dec '15	Jan-Mar '16	Apr-Jun '16	Jul-Sep '16
Prior Year	-13			
Oct-Dec '15	-23	-23		
Jan-Mar '16		-18	-18	
Apr-Jun '16			-9	-9
Jul-Sep '16				-18
Total	-36	-41	-27	-27
Average Monthly Cases				-32.8

5. **Estimated average monthly impact of this caseload change in comparison year** -32.8

Form ACF-202 TANF Caseload Reduction Report

Date of Completion: December 9, 2016

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2017

1. **Name of Eligibility Change:** Time Limit Policies
2. **Implementation Date:** November 2011, July 2015, and July 2016
3. **Description of Policy:** Successive reductions were imposed for the cash assistance time limit. In each case, transition provisions accompanied the new time limit:

48-Month Limit: Cases with over 60 months of assistance at the time of the policy change were allowed a six-month extension. Cases with 36-59 months of assistance at the time of the policy change received an extension up to 12-months, not to exceed an overall 60 months of assistance. Hardship provision: 12 additional months.

36-Month Limit: Cases with over 48 months of assistance at the time of the policy change were allowed an extension up to 60 months of assistance.

24-Month Limit: Cases with over 30 months of assistance at the time of the policy change were allowed an extension up to 48 months.

4. **Description of the Methodology Used to Calculate the Estimated Impact of this Eligibility Change:** The pre-policy caseload baseline represents the average number of cases during the 12 months prior to the policy for each time limit cohort. The cases in each time limit cohort during the Caseload Reduction Report fiscal year were compared to the pre-policy caseload level to obtain the case impact.

Month	48-Month Time Limit			36-Month Time Limit			24-Month Time Limit			Total Case Change
	Pre-Policy Caseload Baseline	Cases Over 49 mos	Case Change	Pre-Policy Caseload Baseline	Cases Over 36 mos	Case Change	Pre-Policy Caseload Baseline	Cases Over 36 mos	Case Change	
Oct 2015	1,010	21	-989	418	227	-191	444	--	0	-1,180
Nov	1,010	19	-991	418	197	-221	444	--	0	-1,212
Dec	1,010	18	-992	418	174	-244	444	--	0	-1,236
Jan 2016	1,010	16	-994	418	160	-258	444	--	0	-1,252
Feb	1,010	7	-1,003	418	54	-364	444	--	0	-1,367
Mar	1,010	3	-1,007	418	36	-382	444	--	0	-1,389
Apr	1,010	2	-1,008	418	27	-391	444	--	0	-1,399
May	1,010	2	-1,008	418	29	-389	444	--	0	-1,397
Jun	1,010	0	-1,010	418	28	-390	444	--	0	-1,400
Jul	1,010	2	-1,008	418	23	-395	444	380	-64	-1,467
Aug	1,010	3	-1,007	418	23	-395	444	312	-132	-1,534
Sep	1,010	2	-1,008	418	26	-392	444	268	-176	-1,576
Avg Mo Cases			-1,002			-334			-31	-1,367

5. **Estimated average monthly impact of this caseload change in comparison year**

-1357

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Excess MOE Calculation

The TANF regulations allow a proportional adjustment to the caseload reduction credit when the State maintenance of effort expenditure exceeds the required level. (TANF Regulations, §261.43(2)). The calculation below computes the additional credit under this provision. (The acronym "SSP" denotes a separate state TANF program.)

Caseload Data

FY 2005 TANF Caseload	17,621.7
FY 2005 SSP Caseload	-
Total FY 2005 Caseload	17,621.7

FY 2016 TANF Caseload	5,279.0
FY 2016 SSP Caseload	-
Total FY 2016 Caseload	5,279.0

2-Parent Caseload Data

FY 2005 2-P TANF Caseload	1,282.8
FY 2005 2-P SSP Caseload	-
Total FY 2005 Caseload	1,282.8

FY 2016 2-P TANF Caseload	285.3
FY 2015 2-P SSP Caseload	-
Total FY 2015 Caseload	285.3

Adjusted Caseload Data

Adjusted FY 2016 Overall Caseload	5,263.5
Adjusted FY 2016 2-Parent Caseload	284.5

Expenditure Data

<i>Total Expenditures</i>	
FY 2016 Total Federal Expenditures	78,108,432
FY 2016 Total MOE Expenditures	66,271,040
Total Expenditures (Federal + MOE)	144,379,471

Assistance Expenditures

FY 2016 Federal Expenditures on Assistance	38,427,513
FY 2016 MOE Expenditures on Assistance	3,307,455
Total Expenditures on Assistance (Federal + MOE)	41,734,968
Percentage of Expenditures on Assistance	28.9%

Expenditures Per Case

Average Expenditures per Case	27,350
Average Expenditures per Case on Assistance	7,906

MOE and Excess MOE

Required MOE (80%)	65,847,343
Excess MOE Expenditures	423,697
Excess MOE Expenditures on Assistance	122,476

Assistance Cases Funded by Excess MOE	15.5
2-Parent Assistance Cases Funded by Excess MOE	0.8

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Part 2 - Estimate of Caseload Reduction Credit

Impact of All Eligibility-Related Policy Changes

Work Readiness Screening	(92.8)
Increase in Earned Income Disregard	113.8
Five-Month \$50 Transitional Payment	367.5
Inclusion of Grandparents as Caretakers Program	63.6
Application Requirements	(1,691.0)
Change in Treatment of VA Compensated Work Therapy	0.4
Suspicion-Based Drug Testing	(32.8)
Time Limit Policies	(1,367.0)
Total	(2,638.3)

Caseload Reduction Calculation

Base Year Caseload	
FY 2005 TANF Caseload	17,621.7
FY 2005 SSP Caseload	-
Total FY 2005 Caseload	17,621.7

Caseload in Prior Fiscal Year	
FY 2016 TANF Caseload	5,279.0
FY 2016 SSP Caseload	-
Total FY 2016 Caseload	5,279.0

Excess MOE Cases in FY 2016	15.5
Adjusted FY 2016 Caseload	5,263.5

Caseload Decline 12,358.2 70.1%

Impact of Policy Changes	(2,638.3)
Decline – Net Impact	9,719.9

Caseload Reduction Credit 55.2%

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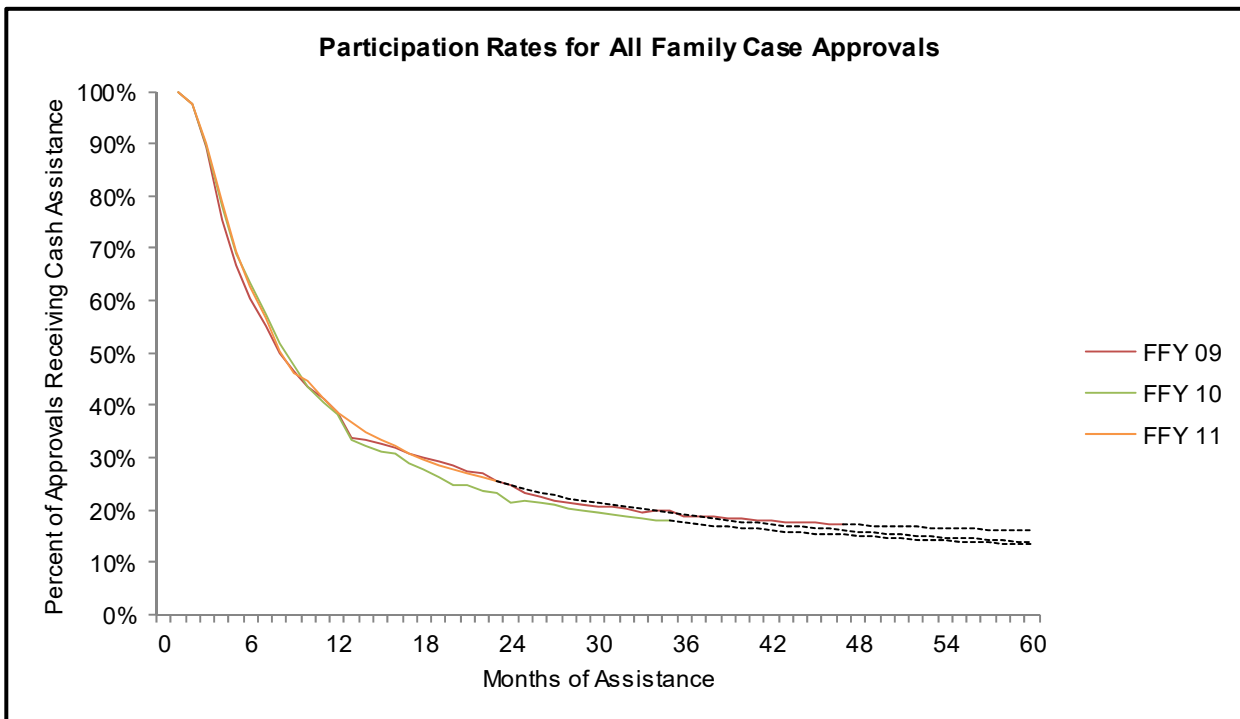
Fiscal Year To Which Credit Applies:

2017

Attachment: Attrition Rate for TANF Cash Assistance Approvals Applicants

The caseload impact of an applicant denied assistance extends beyond the month of denial and includes subsequent months for which the case would have otherwise received assistance. Therefore, for policies centering on applications, the participation in cash assistance must be determined.

Approved cases were selected from a month in each quarter during FY 2009 – FY 2011. The cases were followed to obtain the percentage of the initial cases receiving assistance in the ensuing months. A September 2011 endpoint was chosen to isolate the pre-policy participation characteristics from the effects of the application policies beginning in November 2011. The participation rates were completed by curve-fitting (denoted by the dashed lines in the graph) to obtain 48-month and 60-month participation rates. The following graph shows the resulting participation rates by fiscal year for All Family cases:



A similar review was performed for One- and Two-Parent Family cases (i.e. those generally mandatory for work participation). The resulting average length of stay on assistance was almost identical to that for All Family cases. The average of the All Family case attrition curves for FY 2009 – FY 2011 was applied to the Work Readiness Screening and Application Requirements policies.