Jeffrey A. Meyers
Commissioner

Christine L. Santaniello
Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF ECONOMIC & HOUSING STABILITY
BUREAU OF EMPLOYMENT SUPPORTS

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April 19, 2019

The Honorable Lucy Weber
Health and Human Services Oversight Committee, Chairman
Legislative Office Building
33 North State Street, Room 205
Concord, NH 03301

Dear Honorable Chairman Weber:

In accordance with RSA 167:77-c, the Division of Economic & Housing Stability is providing annual information to the Health and Human Services Oversight Committee concerning the Temporary Assistance for Needy Families (TANF) financial assistance program.

As you know, our families are affected by the economic situation in our state and nation. I hope the enclosed information illustrates the efforts of the Division to serve our vulnerable families.

This report provides and illustrates caseload and program impacts from January to December 2018. You may obtain archived reports if needed by contacting Lynn Wilder, Bureau Chief at (603) 271-9275.

If you have questions or require additional information or clarification, please contact me at (603) 271-5023 or at Christine.Santaniello@dhhs.nh.gov.

Sincerely,

Christine L. Santaniello
Division Director

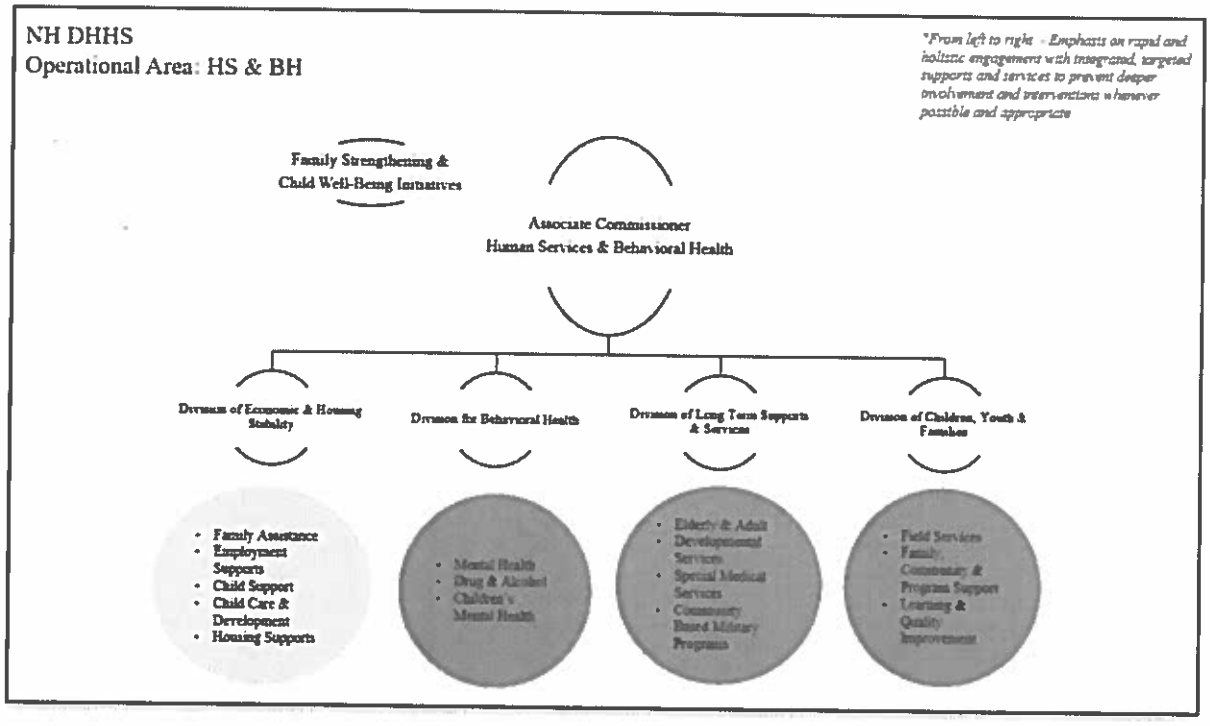
Attachment
cc: The Honorable Martha Fuller Clark
The Honorable Charles McMahon
The Honorable Cindy Rosenwald
The Honorable Mary Jane Wallner
The Honorable Jeb Bradley
The Honorable Polly Campion
The Honorable James MacKay
Ann Fitzgerald, House Committee Services Director
David Bates, Committee Researcher
John Williams, Director of Legislative Affairs, DHHS

Department of Health & Human Services
Division of Economic Housing & Stability (DEHS), Bureau of Employment Supports
Temporary Assistance for Needy Families (TANF) Program
April 2019 Report

Temporary Assistance to Needy Families
Annual Report to Health & Human Services Oversight Committee

The mission of the Department of Health and Human Services (DHHS) is to assist communities and families in providing opportunities for citizens to achieve health and independence. The Division of Economic & Housing Stability (DEHS) works to provide support services to assist individuals and families towards reaching economic self-sufficiency. The DEHS is one of the four Divisions included in the array of human services and behavioral health programs at DHHS.

DEHS was created in June 2018 to promote a more holistic, multi-generational and integrated approach for individuals, children, and families that may be in need of an array of supports and services, such as child care, housing, nutrition, economic and employment assistance. DEHS was purposely designed to provide supports and services to assist individuals and parents to engage successfully in employment by providing economic stability and work supports, and preventing the need for more intensive and costly interventions further downstream. Our vision for linking, aligning and elevating these program areas is to better target supports and services and promote whole family approaches, ensuring every door is the right door and laying a clearer pathway towards family self-sufficiency and well-being.



A way to look across the array of DEHS programs is through the lens of the Social Determinants of Health (SDOH). The SDOH are economic, cultural, and social conditions that can affect a person's overall health. Determinants include where people are born, grow, live, work, learn, and age. Of these, social gradient, where individuals are on the social ladder of society including economically, impacts their well-being and success most. To improve opportunities for individuals' and families' health and self-sufficiency, programs and services should holistically address needs across the SDOH while strengthening protective factors and reducing risks.

Essential to addressing the determinants of health is a cross-systems and integrated approach. Over the last year, a major effort of the DHHS, led by DEHS has been to establish a statewide *Whole Family Approach to Jobs: Parents Working, Children Thriving* team in New Hampshire that includes government, community, businesses, and philanthropic organizations, as well as parents to help statewide leaders develop program, policy and system solutions that support parents in achieving greater employment gains and economic stability, while promoting safe, stable and nurturing environments for children to grow and learn in. The NH Team is examining the 'cliff effect' which is a situation experienced by individuals or families who are low-income, when new or increased wages result in a reduction or loss of public benefits, such as healthcare, childcare, cash, food or housing assistance, and the income does not fully compensate or exceed the loss of public benefits. The effect can leave individuals or families with less income and/or supports for the household. It is not uncommon for a worker to decline a desired job or advancement in order to assure the safety net remains. Ignoring the impact of the cliff effect negatively impacts the state's workforce shortage, hurting both the state's future economic growth and the hopes, independence and health of working families.

It is the intent of DEHS to provide services aimed at eliminating or reducing the harmful effects of poverty on families and children by provide cash assistance and program supports that foster employment opportunities as a means to economic independence. The Bureau of Family Assistance within DEHS manages the Temporary Assistance for Needy Families (TANF) program which provides financial assistance to families who are low-income. The New Hampshire Employment Program (NHEP) is the work component of the TANF program. NHEP helps maintain and strengthen family life by enabling able-bodied adults with dependent children to assume responsibility for their families through work. NHEP provides a comprehensive support service package to promote economic independence. Partnerships with employers are developed to create job opportunities and meet the needs of both employers and participants.

There are a number of TANF categories, depending on the family's situation. The following caseload numbers in each category are for the month of December 2018 from the TANF/Family Snapshot Report which reports caseload numbers experienced in the month:

- **Total Temporary Assistance for Needy Families (TANF)** – 3,760 cases – which can be thought of as traditional assistance for all categories that fall under TANF (except the Nutritional Supplement for Working Families program which is reported separately);
- **New Hampshire Employment Program (NHEP)** – 1,606 cases – the category for TANF cases where there is an able-bodied adult participating, or soon to be participating, in the mandatory work program;
- **Family Assistance Program (FAP)** – 1,937 cases – this TANF category is for child-only cases where the parent or caretaker relative is not receiving financial assistance or the parent in the family has a permanent disability. In December 2018, only 81 are adults are in this category, the rest are children;
- **Interim Disabled Parent** (IDP) – 248 cases – the category of TANF for those cases that include an adult who has a documented disability which is considered temporary and is unable to work or participate in work programs at this time;
- **Families With Older Children (FWOC)** – 22 cases – the category of TANF for those cases that includes an older child still attending a secondary education program.
- **Nutritional Supplement for Working Families (NSWF)** – 1,517 cases – this a separate TANF category is a nutrition program for families who are receiving Supplement Nutrition Assistance Program (SNAP) benefits, are employed 35+ hours a week and are a single parent with dependent child(ren) in the household. These families receive a small supplemental food stipend due to full time employment.

In July of 2017, as part of the State budget, the TANF cash assistance payment calculation was shifted to align with the Federal Poverty Guidelines (FPG). Under the previous calculation, the TANF cash assistance amount was approximately 39% of the FPG, resulting in families living in what is referred to as 'deep poverty' which is under 50% of the FPG. The new alignment is set at 60% of the FPG, moving families out of deep poverty albeit still living well below 100% of the poverty line.

Between, July 2017 and January 2019, the overall TANF caseload increased from 2,703 to 3,922. Illustrated below, the caseload counts for the NHEP category of TANF saw the most significant increase of 72% (700 cases). It is important to note that in December 2018, 44% (511 parents in NHEP) had some employment hours within the month. Overall, there has been an increase in the percentage of families working.

Category	Jul-17	Jan-19	% Change
TANF	2,703	3,922	45%
NHEP	968	1,668	72%
FAP	1,531	1,965	28%
IDP	195	268	37%

Data Source: TANF Family Statistics Report, AT numbers for July 2017 and January 2019

Annually, in accordance with RSA 167:77 V DHHS shall provide a report on the following areas of the TANF program:

A. The number and percent of cash assistance recipients who close each month due to employment, the average hourly, weekly, and monthly wages, the average total weekly and monthly total income, the number and percent who return to cash assistance after 3, 6, and 12 months.

B. Numbers and percentages of TANF families that leave TANF and ranking of their income compared to the federal poverty level and the New Hampshire living wage.

C. Poverty and child poverty rates and out of wedlock births and the national ranking of New Hampshire.

D. The reasons for caseload increases and decreases with analysis of numbers and reasons for openings, denials, and closings and the numbers and reasons for sanctions and denials due to noncompliance with program requirements.

A. The number and percent of cash assistance recipients who close each month due to employment, the average hourly, weekly, and monthly wages, the average total weekly and monthly total income, the number and percent who return to cash assistance after 3, 6, and 12 months.

For calendar year 2018, the average number and percent of recipients who closed TANF each month due to increased/new wages and/or being over-income was 34 clients, which is 7% of the monthly average number of employed clients. This number and percentage is lower than previous reports which may be due to the 2018 TANF grant calculation policy change as it takes higher wages to close a TANF case due to being over income than prior to the policy change.

NH's definition of recidivism is TANF recipients who closed their cash assistance due to increased wages and returned to the program within 12-months. There were 2,263 TANF cases that closed TANF due to a wide variety of reasons. 407 cases closed due to being over income during calendar year 2017. Of the 407 cases, there were 208 clients (or 51%) who returned to TANF cash assistance within 12 months.

The specified timeframes of the 208 clients who returned to TANF in the year are as follows:

- 82 or 20% within 0-2 months of closing due to being over income
- 64 or 16% within 3-5 months of closing due to being over income
- 62 or 15% within 6-12 months of closing due to being over income

B. Numbers and percentages of TANF families that leave TANF and ranking of their income compared to the federal poverty level and the New Hampshire living wage.

At the time a TANF case closes due to being over-income, the average number of hours worked each week was 31 and the average wage was $13.26 an hour, which equals gross wages of $411.06 a week. Using 4.33 weeks in a month, the average monthly wage is $1,779.88 or $21,358 annually at the time of leaving the TANF program due to income. Comparing those wages to 100% of the FPG for a household size of two, which is $16,460, families are leaving TANF with wages just above 100% of the federal poverty guideline for this household size. For a household size of three, this family would be below 100% the FPL which is $20,780. When wages and any other income such as SSI or child support, exceed the TANF grant, the family is no longer eligible.

To compare the wages TANF clients are making to a living wage, DEHS used the Living Wage Calculation created by Dr. Amy K. Glasmeier of the Massachusetts Institute of Technology. For one working parent and one child, household size of two, this calculation indicates the parent's hourly wage needs to be $25.71, or $53,477 annually to be considered a living wage in New Hampshire http://livingwage.mit.edu/states/33.

C. Poverty and child poverty rates and out of wedlock births and the national ranking of New Hampshire.

Poverty Rates- Adults and Children

United States	2017
Population	325,719,178
Overall poverty rate	12.3%
Child poverty rate	12.8%

New Hampshire	2017
Population	1,342,795
Overall poverty rate	8%
Child poverty rate	7.3%
National Ranking	1st

Source https://talkpoverty.org/state-year-report/new-hampshire and US Census Bureau

Out of Wedlock Births

In 2017 the out of wedlock birth rate was 39.8%. New Hampshire's out of wedlock birthrate was 32.6%. This is well below the 2017 national average of 39.8%, and the seventh lowest in the United States. https://www.cdc.gov/nchs/pressroom/sosmap/unmarried/unmarried.htm

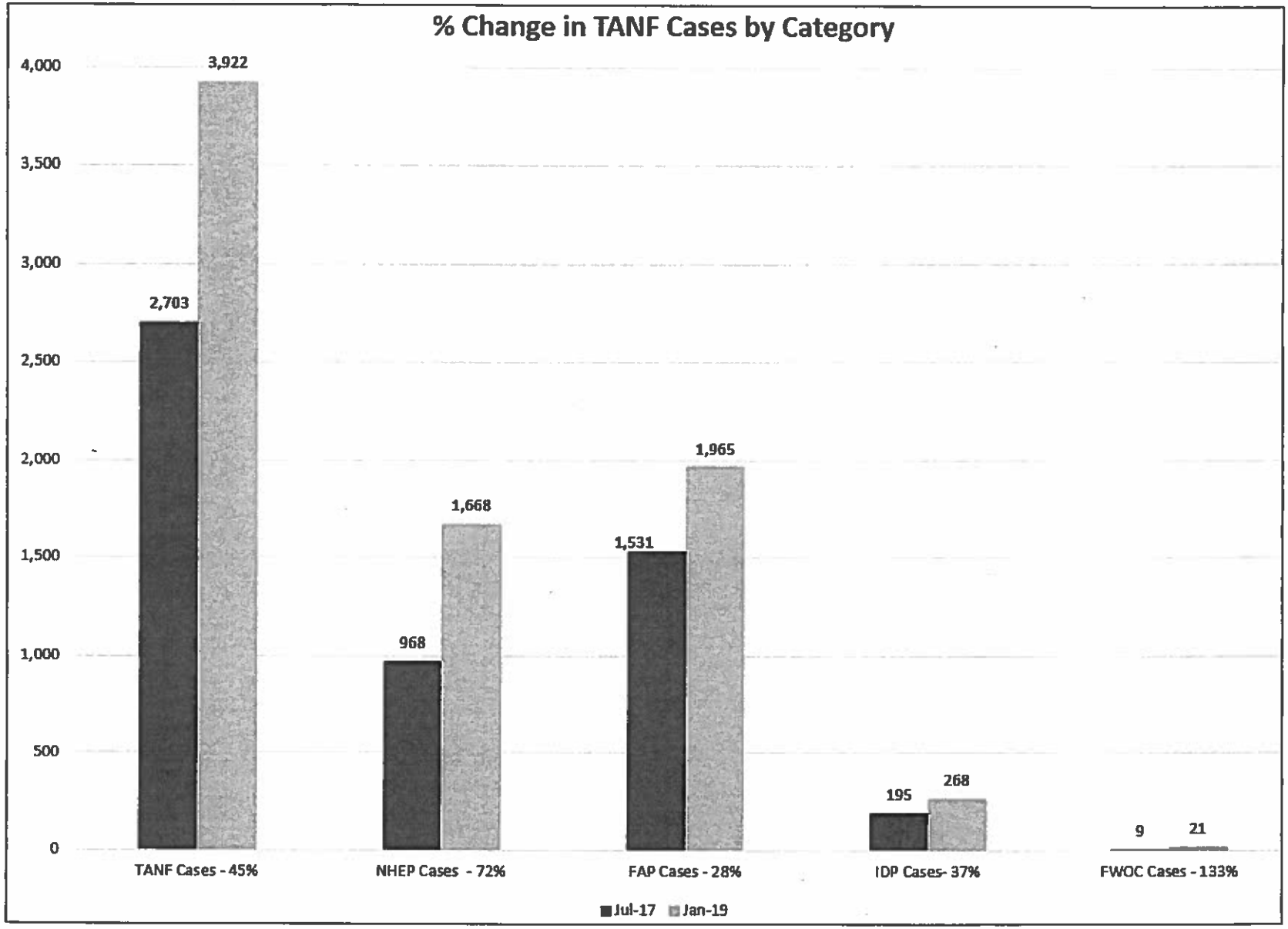
D. The reasons for caseload increases and decreases with analysis of numbers and reasons for openings, denials, and closings and the numbers and reasons for sanctions and denials due to noncompliance with program requirements.

Below are the monthly numbers for openings, denials, and closings of TANF cases for calendar year 2018:

TANF Cases	Open	Closed	Denied
Jan-18	267	162	342
Feb-18	248	206	344
Mar-18	212	226	192
Apr-18	272	235	252
May-18	290	200	262
Jun-18	260	247	266
Jul-18	230	223	258
Aug-18	272	203	299
Sep-18	274	265	292
Oct-18	270	283	319
Nov-18	289	240	272
Dec-18	**257**	**222**	**222**

The reasons indicated for open, closed and denied cases are as follows for the month of December 2018:

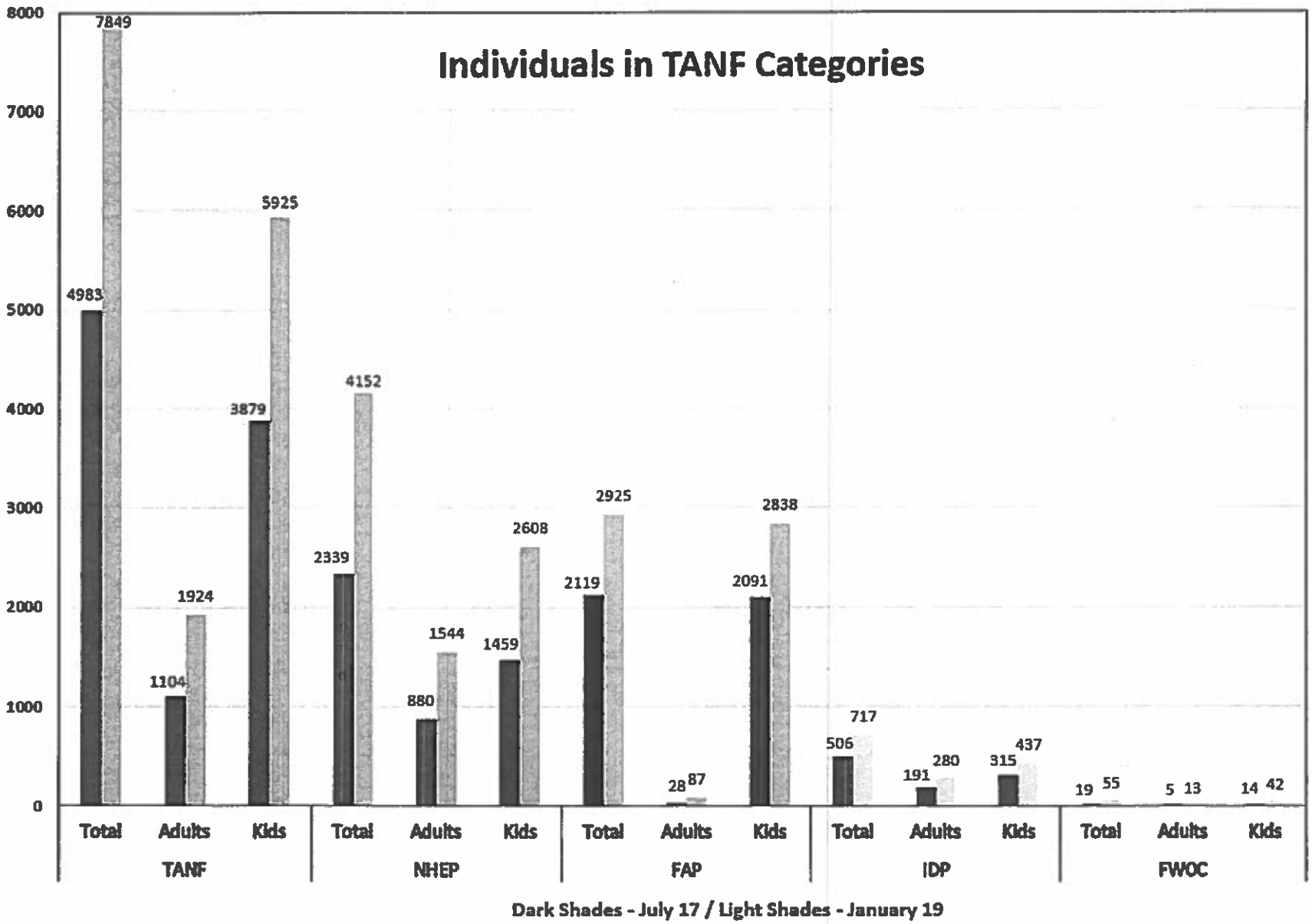
Open Reasons	Total	Closed Reasons	Total	Denied Reasons	Total
Disaster	0	Employment/earnings	42	Employment/earnings	2
Family Reasons	31	Marriage	0	Marriage	0
Illness/Incap	13	Federal Five-year Time Limit	3	Federal Five-year Time Limit	3
Job – Fired	6	Work Related Sanction	35	Work Related Sanction	4
Job – Laid Off/ Hours Reduced	5	Child Support Sanction	0	Child Support Sanction	38
Job – Quit	3	Failure to meet individual responsibility plan	4	Failure to meet individual responsibility plan	0
Lost Other Income	8	Child Support Collected	2	Child Support Collected	0
Moved to NH	3	Unearned Income- exclusive of CS Collected	7	Unearned Income- exclusive of CS Collected	113
Need Childcare for Work/School	0	Resources	0	Resources	7
No Health Coverage	1	Youngest Child too old to qualify for assistance	1	Youngest Child too old to qualify for assistance	3
Other	16	Failure to appear, cooperate or provide information	51	Failure to appear, cooperate or provide information	48
Other Financial Changes	161	Client Request (withdrawn/close)	21	Client Request (withdrawn/close)	0
Pregnant/New Baby	7	Other	56	Other	4



Data Source: TANF Family Statistics Report, AT numbers for July 2017 and January 2019

As the NHEP category has seen the most significant increase, it is important to note that in December 2018, 44% or 511 parents in the NHEP caseload had some employment hours in the month. When we look at that same number before the change in December 2016, 33% or 237 parents had some employment hours. We are seeing an increase in the percentage of families working, which is expected.

Below indicates the increase in individuals, adults vs. children, in the TANF cases by category.



Data Source: TANF Snapshot Report, July 2017 and January 2019