

TANF Access to the NDNH: DC Pilot and 10-State Statistical Analysis

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Grant E. Collins II
Office of Family Assistance
Administration for Children and Families
U.S. Department of Health and Human Services

Why is NDNH Important?

- Welfare agencies historically have difficulty learning about employment
- Particularly challenging in urban and border areas
- Leaver study that used NDNH indicated higher rate of employment than known to agency
- TANF agencies rely on self-reports and other matching sources
- Issuing work supports may sustain jobs of new earners and more may be working than what is reported

Current Computer Match Options for TANF Agencies

	IEVS	PARIS	SDNH	NDNH
Accessed by All	✓			
Optional		✓	✓	✓
Quarterly Wage Records	✓		✓	✓
W-4 Records (New Hires)			✓	✓
Federal Employment Records		✓		✓
Cross-Border Employment (W-4)				✓
Multi-State Employers (W-4)				✓

National Directory of New Hires (NDNH)

- New Hires (W-4)
 - New hires data from all States and federal agencies (30 days later)

- Quarterly Wage (QW)
 - Wage information on employees from all States (4-6 months later) and federal agencies (1-3 months later)

- Unemployment Insurance (UI)
 - UI information on those who receive or apply for UI benefits from all States (1-3 months later)

The Four Matches

When Was the Match?

	June 03	July 03	Jan 04	Sept 04
Over What Period?	4/02-6/03	5/02-7/03	11/02-1/04	7/03-9/04

What NDNH Component?

New Hires (W-4)	✓	✓	✓	✓
Quarterly Wage (QW)			✓	✓

Matches as a Percent of SSNs

Unduplicated Cumulative SSNs Matched	20,096	
Unduplicated individuals with a match	6,681	33%

Employed as a Percent of Matches

Unduplicated Individuals With a Match	6,681	
Verified as employed	5,410	81%

Detail of Match Results

Unduplicated Individuals With a Match	6,681	
Known earnings (verified)	226	3%
Verified as employed	5,184	78%
Verification pending	578	9%
Verified not employed, never employed, or unverifiable	693	10%

Actions Taken as a Percent of Employed

Verified as Employed	5,184	
Closed for exceeding earnings threshold	2,436	47%
Incurred benefit reduction	2,748	53%

Actions Taken as a Percent of SSNs

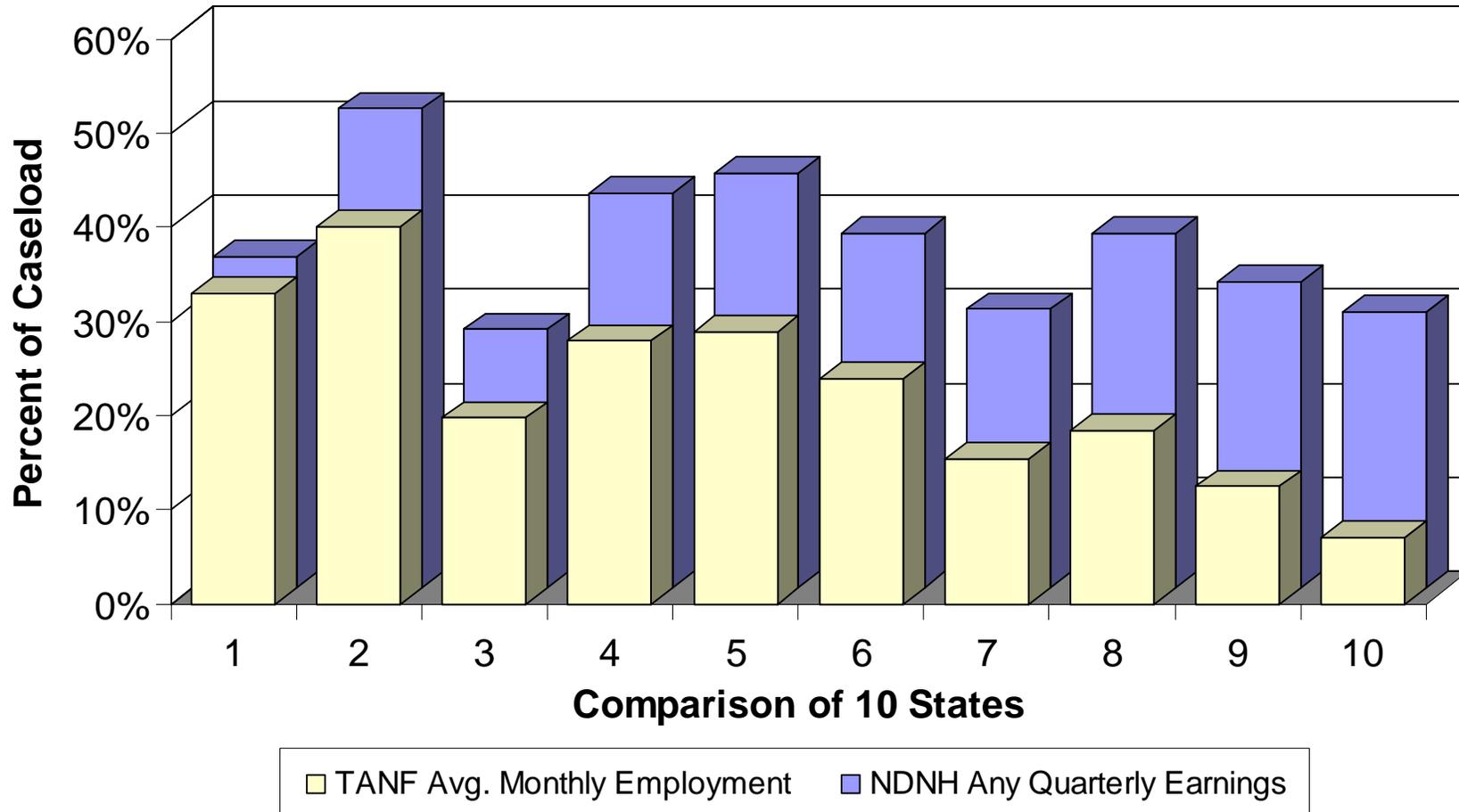
Social Security Numbers Matched	20,096	
Closed for exceeding earnings threshold	2,436	12%
Incurred benefit reduction	2,748	14%

TANF-Reported Employment v. NDNH Adults with Earnings

	TANF			NDNH
	Total Adults	Number Employed	Percent Employed	Percent with QW Earnings
10-State Total	547,093	137,171	25.1%	34.4%
1	210,621	69,470	33.0%	35.2%
2	8,110	3,252	40.1%	50.9%
3	98,553	19,494	19.8%	27.4%
4	45,087	12,585	27.9%	42.0%
5	21,196	6,118	28.9%	44.1%
6	46,230	11,076	24.0%	37.6%
7	29,084	4,480	15.4%	29.6%
8	4,098	754	18.4%	37.7%
9	73,563	9,200	12.5%	32.5%
10	10,551	742	7.0%	29.3%

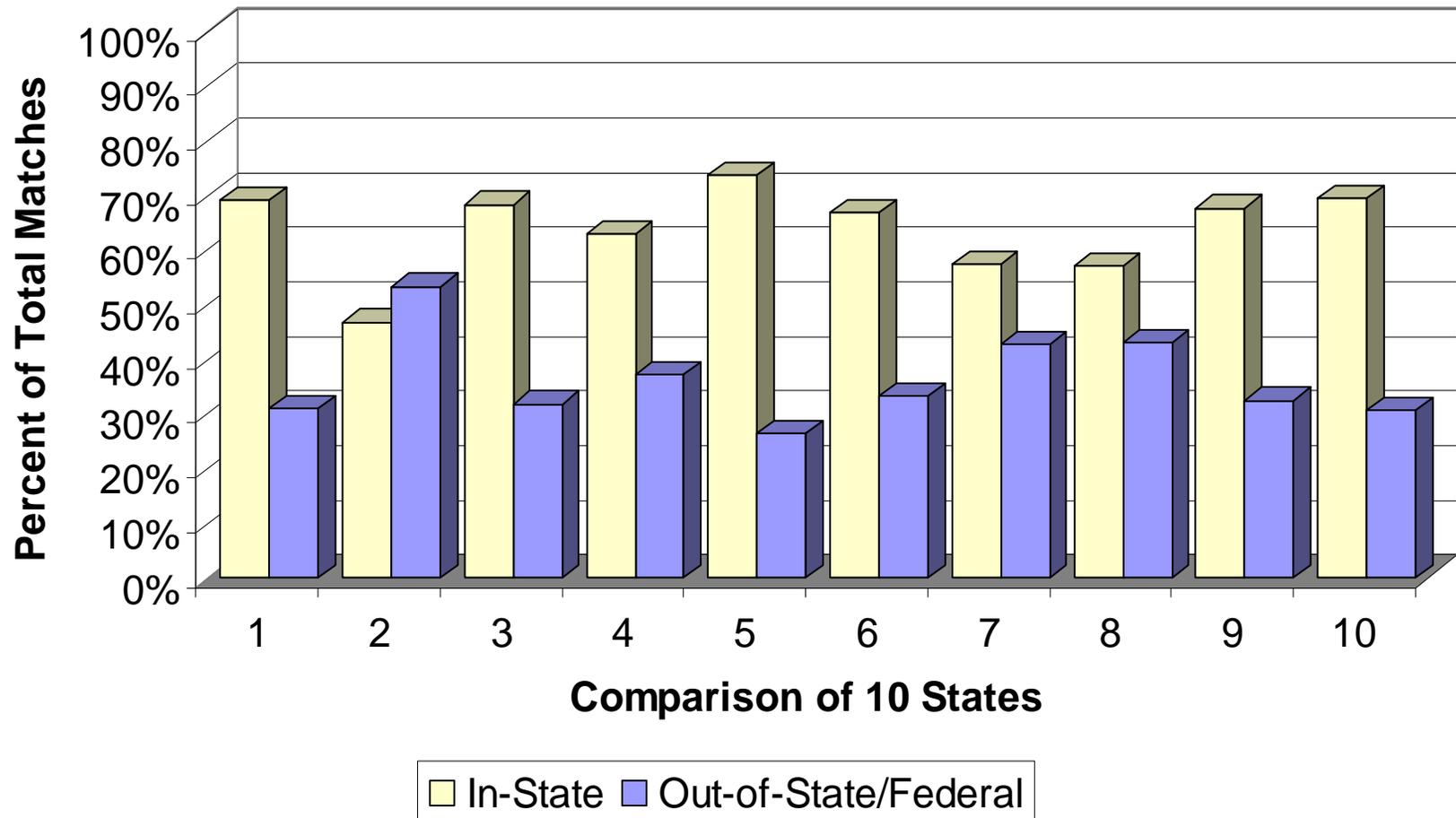
NDNH and TANF: 10-State Analysis

TANF-Reported Employment v. NDNH Adults with Earnings



NDNH and TANF: 10-State Analysis

New Hires (W-4) Matches Using NDNH October 2004



Implications of the NDNH for TANF

- Higher Work Participation
 - Often more TANF clients work than known to agency
- Greater Program Integrity
 - Agency can know of employment within days
- Increased Savings/Cost Avoidance
 - States keep block grant savings and may re-invest at state discretion
- Improved Worker Efficiency
 - Helps agencies sustain work and better serve employed clients

Benefits of Matching NDNH and TANF

- Best Source of Information on Possible Employment
 - 30 days (W-4) versus up to 9 months (QW)
 - May help preserve time limited assistance and reduce recidivism

- Identify Gaps in Operations
 - Find patterns-identify client status at “point of entry”
 - Target matches for exempted, sanctioned, disengaged, applicants and other TANF adults

- Use as Mechanism to Issue Work Supports
 - Use call-in process to deliver transitional benefits, undistributed child support, Earned Income Tax Credit (EITC)

“Access to the NDNH gives welfare agencies an unprecedented opportunity to learn promptly when TANF recipients go to work....The ability to know in a more timely way that a TANF recipient has gone to work, so that we can provide the appropriate services to help with this transition, makes the NDNH an essential tool in welfare administration.”

District of Columbia