OFA Regions VI and VIII Webinar Series: TANF Data Reporting and Analysis
Webinar #2: The Caseload Reduction Credit
Thursday, August 1, 2013

Speakers: Julie Siegel, Program Specialist; Peter Germanis, Senior Policy Advisor/National Expert
Content: Overview of the caseload reduction credit, how the credit is calculated, how eligibility changes affect the credit, and how the excess Maintenance of Effort spending affects the state's work participation rate.

WELCOME

James Butler: Hello everyone and welcome to our Webinar on TANF Data Reporting and Analysis. This is the second of a series of Webinars sponsored by Regions VI and VIII under the great leadership of Larry Brendel, who is the Regional TANF Program Manager. Our hope for today's Webinar is that we will provide you with a better understanding of Data Reporting and Analysis, focusing specifically on the caseload reduction credit under TANF.

James Butler: To support you and the work that you do, we have Julie Siegel, supported by Peter Germanis from the Office of Family Assistance (OFA) Central Office, who will walk you through the caseload reduction credit and some important items that you should be aware of with regard to the Credit.

James Butler: At the end of the presentation, you will have the opportunity to ask questions through the phone system directly. Throughout the presentation, you can also submit questions through the question pod located on the bottom right side of your presentation screen.

James Butler: Also, following the presentation, we will ask you to respond to a short evaluation. That evaluation will present automatically at the end of the Webinar, so if you could wait just a few seconds, you will be redirected to that particular website. All the materials from today's Webinar will be posted on the Welfare Peer TA Network website and will be sent directly to you within a few weeks.

James Butler: Julie Siegel is one of our Program Specialists here in the Office of Family Assistance. She works in the TANF State Policy Division, focusing primarily on policy relating to work activities, work participation rates (WPR), and the caseload reduction credit (CRC). Before the creation of TANF back in 1996 and the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), she worked for OFA on policy in the Job Opportunities and Basic Skills Training Program, better known as the JOBS program. Prior to joining the Department of Health and Human Services (HHS), she served as a legislative assistant to two members of the U.S. House of Representatives.

James Butler: Today Julie will be assisted by Peter Germanis, one of our national experts here, who will help her in answering any of the questions or concerns that you may have for today's Webinar.

James Butler: So without further ado, I would like to turn the floor over to Julie Siegel. Julie?

THE CASELOAD REDUCTION CREDIT

Julie Siegel: Thank you James. I want to say thank you to Larry Brendel and all the staff in Regions VI and VIII. And I want to acknowledge the talented and good looking Mr. Peter Germanis to my right. I can use all the national expertise that I can get. If I say anything that sounds like it is a mistake, you should understand that this is just a test for Peter to speak up – perhaps a series of tests. I know you are all laughing out there.

Julie Siegel: So I have been told by Larry there are many new staff in state offices, so I want to give a brief overview of the caseload reduction credit before we tackle the more difficult issues, which is why we have called this Unraveling the Mystery of the Caseload Reduction Credit.

UNRAVELING THE MYSTERY OF THE CASELOAD REDUCTION CREDIT

Julie Siegel: If there are a lot of newbies out there, you have probably gotten stuck doing the caseload reduction credit, which I just realized is exactly what happened to me back in 1997. This is actually a title slide that we used from one of our very earliest presentations on the caseload reduction credit, and after 15 years of doing the caseload reduction credit, the slide changed and you can see what it has done to me. But that is why we are going to unravel the mystery. This will not happen to you because we are here to explain it all.

ADJUSTED WPR TARGET

Julie Siegel: The reason that we are talking about the caseload reduction credit is that the work participation rate (WPR) is one of the main accountability mechanisms in TANF. We can debate how well that works, but it is the law that we have and it is probably an important part of your state's program design. Our colleagues in the Division of Data Collection and Analysis, who spoke on an earlier one of these webinars and I think will be involved in some later ones, are responsible for actually calculating the work participation rate. But what we are going to talk about is the other half of the equation, the targets that the states have to meet, and that's where the caseload reduction credit comes in.

Julie Siegel: As you can see on this slide, the target is just the statutory rate, 50 percent for the overall rate, or what some people like to call the all-families rate, or 90 percent for those states that still have 2-parent programs, minus the caseload reduction credit. So in this little example you can see 50 percent overall rate minus a credit of 27.3 percent means that the rate that this state really has to meet is 22.7.

WHAT IS THE CASELOAD REDUCATION CREDIT?

Julie Siegel: So that is why the caseload reduction credit (CRC) is important, but what is it? As you saw in the previous slide, it is just a credit toward a state's participation rate for reducing its Temporary Assistance for Needy Families (TANF) and Separate State Programs – Maintenance-of-Effort (SSP-MOE) caseload. I guess that is why they gave it that name.

Julie Siegel: It measures the decline in caseload between a base year, which is now fiscal year (FY) 2005, and the year prior to the work participation rate year, which we call that the comparison year. So that already sounds complicated, but really it is not. Here is an example: FY 2005 is always the base year, unless something changes in the law, and we would subtract the FY 2012 caseload to get the FY 2013 caseload reduction credit, and that will affect the rate the state has to meet in FY 2013. This looks at the prior year and compares it to the base year.

EFFECT OF ELIGIBILITY CHANGES

Julie Siegel: So that sounds simple enough, but – unfortunately there is a 'but' – we have to factor out the effects of eligibility changes. A state cannot get credit for any decline that comes from a change in eligibility. And, presumably, the idea was that Congress wanted to give states credit against rates that were challenging to meet, but did not just want to create an incentive to restrict the caseload. So this is one difficult part of the credit because we have to try to find a way to get the most accurate estimate of how large the comparison year's caseload would have been if the state had not made eligibility changes. In other words, in the absence of a change, what would the caseload have looked like?

Julie Siegel: When we do this, we try to look at the average monthly impact of eligibility changes on the comparison year caseload, and certain sorts of eligibility changes are going to be easy. For example, many states have created what we call solely state-funded (SSF) programs, programs that they fund with state dollars that are not part of MOE. And those ones are pretty easy for us to calculate because you will have data on those caseloads. If you send us your monthly data and we can see what the average monthly caseload is for your SSF programs, and that is one of the easiest things we can do. That average monthly caseload will be the impact because, if it were not for the fact that you shifted those families to a SSF program, those cases would be part of TANF for SSP-MOE and would be part of your caseload.

Julie Siegel: Other eligibility changes are not quite so easy, especially when they have ongoing effects. And by that I mean, for example, a case closed in November due to full family sanction that you just established. That case might also continue to be off in December for that reason, and January, and maybe for a long time. Thus that closure in November has an ongoing on the average monthly caseload. So the method that you use to figure out the effect of your eligibility change needs to take that into account to the best of your ability.

Julie Siegel: So this is complicated, but I do not want us to get too hung up on this and the details of this because the easiest – really the best thing to do is to talk with us on a case-by-case basis about the specific changes you have and what method you think will capture that best.

ACF-202

Julie Siegel: The ACF-202, which is the Caseload Reduction Report, has one possible way of calculating the ongoing effect; it has an impact sheet in it that you can use. It is not the only method. I know Peter is not really fond of the tables that we developed for that, but it is certainly not the only method. We are open to other approaches. The main thing is that whatever method you use needs to be rational and try to account as best as possible for the true impact of that eligibility change on the comparison-year caseload.

Julie Siegel: I want to just say a word or two about the form and instructions. I think we have provided those for you in the materials that mysteriously will appear for you somewhere. But you can also find this program instruction, TANF-ACF-PI-2011-09, on the Administration for Children and Families (ACF) website and it includes detailed instructions, I think in a PDF, and there is a Word portion to the form, and an Excel portion to the form. You can always get in touch with us and, if you cannot find copies of those, we can help with that. The instructions walk you through the form step-by-step. I would ask you to try to take care not to add lines to the Word file when you submit it. We did the best we could but things get a little funky when there are extra lines. And in the Excel workbook, which will relate to a lot of the stuff we are talking about today, all the worksheets are protected just to make sure that the data landed in the right place. But you can unprotect those and look at the formulas if you want to see what it is we did. As always, you can get in touch with us if you have questions about it, and we are happy to work with you on that.

EXCESS MOE

Julie Siegel: Now we come to the newest wrinkle in the caseload reduction credit, which is the Excess MOE calculation. On the screen you will see the regulatory provision, the language of the regulatory provision. This is just a way of determining what the state's comparison-year caseload is in light of the state spending more than it needed to under the law. MOE in excess of the basic 80 or 75 percent requirement. Here you can see it underlines the part that is relevant, "The state need only include the share of caseloads receiving assistance required to meet basic MOE." I did not write it.

EXCESS MOE METHOD

Julie Siegel: Okay, so what this means is that we have to translate dollars into cases. And the slide you see on the screen now is the method that we use to do that. It is in our regulation. Excess assistance MOE divided by the average assistance spending per case gets you the number of cases funded with excess assistance MOE. I know that sounds complicated, but you can also think of it, if you just block out the word "assistance" everywhere, think of it as excess MOE divided by average spending per case yields the number of cases funded with Excess MOE. It is mathematically the same. Some people find it easier to think about it that way. Whichever works.

Peter Germanis: The only thing I was going to add is that is average spending per case uses all of TANF MOE spending, not just assistance spending.

Julie Siegel: You passed your first test.

Peter Germanis: Thank you.

Julie Siegel: So it is the same thing, however you want to think about it.

ACF-202 – PART 2

Julie Siegel: All right, now we are going to walk through an example, and I am going to make this full screen for us here in this room, and you may want to do the same because, unfortunately, these are kind of small numbers. There is a button on your computer for full screen.

Julie Siegel: Okay, so this is a view of the Excess MOE worksheet that is in the form. As I said, we have handily done the math for you. All you need to do is fill in the cells, actually throughout the entire workbook only the cells that are green are places where you need to fill in. So on the right hand side, you can see what you have filled in: here is the total federal expenditures and total MOE expenditures, which gets us total spending. The same for assistance, so we get total assistance spending. This last cell is the amount of your required MOE level, which we start at 80 percent, if you meet the rate for that year it would go down to 75 percent. So the worksheet calculates the rest for you.

Julie Siegel: The first number I have circled here is excess MOE on assistance. This just figures out how much of your excess we are going to use in our calculation.

Julie Siegel: This is the average spending per case on assistance. In this instance, the state has an average of 28,697 cases and spent about $100 million on assistance, so that came out to an average assistance spending per case of about $3,500.

Julie Siegel: The important thing is that this amount in turn, yields just a little over 2,000 cases funded with excess MOE on assistance, and that is what is going to come out of your comparison-year caseload when we do the full calculation, which you are about to see. So you can mess around with this, you can try this using the form yourself, plug in different numbers and see what happens. I would not focus too much on exactly how the math works, unless you really want to. The main thing is the sheet is here for you, and really the main focus, I think, is that we are using average costs. Keep the big picture on the fact that we are using average costs to figure out the number of cases funded with excess MOE. Now we will go to the next slide.

Julie Siegel: Now this is the sheet where we actually calculate the credit. So you can see that here are the 2012 cases from the Commonwealth of Confusion that were funded with excess Maintenance-of-Effort spending. And in this case we are looking at a FY 2009 credit, so the caseload is from FY 2008 and the spending was for FY 2008. So what we are calling their adjusted caseload is 2,000 less than it would have been if there had not been excess MOE.

Julie Siegel: The rest of what is on here, for those of you who have not seen this before, you will have already filled in your state name, the year to which the credit applies, so that is the year whose rates you are trying to figure out, the rate you have to meet, and you will put in what your eligibility changes are and what the impacts of those changes are, which you will support with methods elsewhere in the report. So this gives us a net impact of eligibility changes, which we also factor out on this side. This is just a quick overview.

ACF-202 – PART 2 (2-PARENT)

Julie Siegel: We have a second example here with 2-parent cases. Really we do the same thing. In the previous example there were no 2-parent cases. In this example there were 84 2-parent cases funded with excess MOE, so those come out for an adjusted 2-parent caseload. In this example, the State of Shock actually had a net positive effect of its eligibility change, by which I mean that the net effect of eligibility changes was to cause the caseload to increase. A state cannot get more credit just because it expanded its caseload, but it can use an eligibility change that increased the caseload to offset something that causes the caseload to decline. In this case, the earnings disregard outweighs the effect of upfront job search, so eligibility changes would have no effect because there is a net positive effect of all eligibility changes. So the maximum credit that the state could have gotten was 24.7 percent, and that is what it got.

CRC TEAM

Julie Siegel: So those are all the slide examples that we have. Peter and I were not sure how well the web cam was going to work, so we wanted to put our pictures in here for you just in case. (laughter) So with that, I guess we are ready to take your nice, easy questions.

ANY QUESTIONS?

James Butler: Thank you, Julie. So as Julie said, at this time we invite you to submit questions for Julie or Peter through the Adobe Connect system's Q&A pod. And Alicia will explain to you how you submit questions over the phone. Alicia?

Alicia (Operator): Thank you. If you would like to ask a question, please signal the operator with *1 on your telephone keypad. If you are using a speakerphone, please make sure that your mute function is turned off to allow your signal to reach our equipment. Again, that is *1 to ask a question. We will pause for just a moment to assemble the queue.

Julie Siegel: In the meantime, Peter, I think you may be aware of a question or two. Do you want to share something with the assembled group?

Peter Germanis: Certainly. Thank you, Julie. We did get a few questions in advance. One question was: What is the best way to report eligibility policies that have changed more than once since 2005?

Julie Siegel: Well, I should have said in my presentation that really the best thing to do is just do not change your eligibility criteria. That would make submitting the form a lot easier. But if, in fact, your state does decide that there is something more important than completing the Caseload Reduction Report, the main thing is what I said before, we want to get the true impact of the change on the comparison-year caseload. So if you have something like a solely state-funded program that you implemented and then you decided to get rid of, for something like that there would be no impact because the policy no longer applies and there would be no ongoing effect from prior years, so there would be no need to have any sort of residual impact. But there may be something else, like maybe you had a sanctioned policy and the sanction requires people to stay off for a certain period of time, and then you get rid of that policy, but there are cases that are still remain off the caseload and are not back on assistance for that reason. In that case, it might have a residual impact. So it is really just going to depend on what the change is. But the bottom line is we want the best view of what your caseload would have been in the absence of the policy.

Peter Germanis: I thought you wanted me to ask the question and answer it.

Julie Siegel: Oh, please.

Peter Germanis: But since now you are answering them, I can go to the following questions. So this one is for you, Julie.

Julie Siegel: I can always defer to you.

Peter Germanis: Yes. What are some best practices for calculating eligibility changes? How do you ensure that the change is what caused the increase or decrease in caseload size?

Julie Siegel: In my case I would turn to the National Expert and ask him what he thought of this.

Peter Germanis: Well, I think you kind of covered it already. But, as Julie said, some of the changes are fairly easy. If it is a solely state-funded program, you just look at the size of the caseload. If it is something that affects earnings disregards, you might look at the percentage of the caseload with earnings and how that changed before and after the implementation of the new policy. Now some types of changes, like the full-family sanctions or time limits, are much more difficult. They may have behavioral effects. We do not know, in the case of a full-family sanction, how much longer a family would have stayed on the rolls. Maybe they would have left one month later. Maybe they would have stayed 12 months. And, ideally, we would want something like a random assignment experiment to figure out the size of the change. But being reasonable people, we did not require that. And instead, as Julie said, you have to make a number of assumptions and make a reasonable estimate of the impact. And, as she said, we would be happy to work with you on that.

Julie Siegel: And that is really the bottom line. We are open to what you think is the most reasonable approach. We just want to find a way that we do not have to go to the ends of the earth to do this calculation, but we get something that is reasonable.

Peter Germanis: Should I give Julie another one or do we have questions on the queue?

Stephanie Vester (ICF International): We received one question in the Q&A pod.

Peter Germanis: Oh, this is definitely for you, Julie. Would you please discuss the impact template? Please give a specific example of when to use it and how to determine the impact.

Julie Siegel: Okay. I will talk about it since Peter hates the impact template. The template, as I said, is only one approach. It is not something that you have to use, so there is no circumstance in which you must do that. The idea behind the template was that, for any given change, there may be closures. Let us say it is a full-family sanction and the full-family sanction caused 10 cases to go off in the first month. Let us say you start this in April of whatever year it is, and in April, 10 cases go off, and then in May, 15 more cases close due to your full-family sanction. But those 10 cases that closed in April, some or all of them may also be off in May. So the idea behind the template was that you would be able to show the closures in a month. And, I am sorry, I do not have this as a slide because I really was hoping we would not get too technical in all of this. But the 10 cases that closed in April, you would show in the April impact month, and then on that same row in May, if all 10 cases are still off, you would show 10 there. And then right below that in the May row, where the May impact is, you would show 15. And then in June you would have similarly 10 and 15, or something less. Now maybe not all of those cases that closed in April stayed off due to the full-family sanction in May and June. That is the part that makes it tricky. We want the best, most accurate estimate that we can get of the impact of this change. If your full-family sanction only says that people have to be off for at least a month, maybe most of them come back on, or would not have been off for that reason.

Julie Siegel: We are open to hearing you talk with us about what is the best way to convey the ongoing impact of the change. But that is what that table was supposed to capture, and then at the bottom it calculates the average monthly impact on the fiscal year. Not necessarily the average impact of the eligibility change, but the average impact on the fiscal year. So you may have only had a policy in place for 3 months, we do not need to divide by 3 to figure out what the monthly impact is, but we want the impact on the year. Now maybe you have had it in place for years. So that form was designed to add all that up and divide it by the number of months in the year (12) to get an average monthly impact for the year that you would then use in the calculation sheet that you saw on the slide. This may be a flawed approach and there may be better ways to look at impacts. As I said, that is why it is not the only one. There could be lots of other choices.

Stephanie Vester (ICF International): We do not have any questions at this time.

Peter Germanis: I have one or two more for Julie.

Julie Siegel: Does it have anything to do with the father of the Constitution?

Peter Germanis: No.

Julie Siegel: Because I am ready with that one.

Peter Germanis: What happens if a state realizes that the MOE it reported on the credit has changed? For example, if they found additional expenditures that they could claim as MOE after the cutoff date. Can a state get credit for that?

Julie Siegel: That is an excellent question because there is a cutoff date. I did not really talk about submitting the form. The Caseload Reduction Report is due every year on December 31, so that is the quarter after the end of the comparison year. And the excess MOE data needs to have been reported on your ACF-196 and submitted to us by that date, which means that the fourth quarter report of your 196, that is your financial reporting form, needs to reflect that MOE. That has been a firm deadline for us just to make things fair from state to state, and because financial reporting can be changed forever and ever and we need to be able to calculate the credit. So if you were to have found MOE well after that deadline, you can certainly report it on the 196, but we will not take it into account in terms of calculating the Excess MOE portion of the caseload reduction credit.

Julie Siegel: That also reminds me, Peter, that there are a lot of states that make many changes to fiscal reporting. If your state is going to use excess MOE, you probably need to work with your fiscal folks so that they know you have reported this and gotten work participation credit for this amount of MOE, so that they do not go moving it after the fact, maybe changing which funding stream got used for what. Because you cannot be in a situation where you get credit for spending, you get essentially work participation credit for spending that you then later un-spend. So you will see in the regulations, if you read that section, that they have pointed this out. You do not want to be in a situation where the caseload reduction credit is invalidated. I mean that is just not good for anybody.

Peter Germanis: Julie, thank you, that was very helpful. Let me follow-up on that. What about federal spending? Can we just use the ACF-196 for that? And does that enter into this excess MOE calculation somehow?

Julie Siegel: I am glad you asked me that, Peter, because it does enter into the calculation. As you saw on the excess MOE calculation sheet, we used total spending and total assistance spending, meaning both federal and state spending. The 196 captures MOE by year and what makes it FY 2008 MOE is that you spent it during the federal fiscal year of 2008. Federal spending is not presently captured that way on the 196. It is captured by the grant year from which you spent the money and the date that you report the spending, but the actual expenditure may have taken place at a different point in time. You may be making a correction or an adjustment. So what we try to capture in the excess MOE is the spending that happened during that fiscal year that is your comparison year. So, again, much like with the MOE, changing what you have reported for federal spending would cause problems in the excess MOE portion of your caseload reduction credit. Is there more to your question?

Peter Germanis: No, but I have a new question.

Julie Siegel: Oh my.

Peter Germanis: Julie, can you tell us a little bit – I understand there are some changes with the credit in FY 2012. How is it different from what was available in FY 2011 and earlier years?

Julie Siegel: Well, really I would say there were changes before. The Recovery Act put a temporary modification of the caseload reduction credit in place that really allowed states to use the credit that they received in FY 2008 or 2009. Is that right? I may have gotten the years mixed up because it talks about the comparison years.

Peter Germanis: Since this is part of my test, I think it was FY 2007 and FY 2008.

Julie Siegel: Excellent. Two for two. So that applied for fiscal years 2009, 2010, and 2011. And there were many advantages to that, including the fact that the method that we use for calculating excess MOE in the first of those years was different from the one that was in the slide presentation. That was before there was a regulation so we used a reasonable interpretation of the statute that yielded a more generous amount of excess MOE, or cases funded with excess MOE. So that and a couple of other factors related to the rules from the Deficit Reduction Act meant that the credit in that time period may actually be better for some states, and when we calculate the FY 2012 credits and that provision is no longer in effect, things sort of go back to normal, following the rules, and some states may see credits that are not as generous as they were before.

Peter Germanis: In fact, to give some perspective, in FY 2009, 2010, and probably 2011, about 22 states will have a credit large enough to make their targeted zero percent, and that is largely due to the more generous counting of excess MOE and also for some years a more generous interpretation of what counts as spending. So in FY 2012, it is not likely that many, if any, states will have a zero percent target.

Julie Siegel: Good point.

Peter Germanis: Thank you.

Alicia (Operator): We have a question over the phone lines. We will take that question now.

Jim Valnes: Hi, this is Jim Valnes from the state of South Dakota. Peter, I was just going to comment on the 22 states that have a 50-percent caseload reduction credit, meaning they basically do not have to do a thing to achieve their rate and avoid penalties. But now you just followed up with a comment that they are changing how generous you folks were with definitions of what counts as excess MOE. Is that proposed or is that already in legislation or policy someplace?

Peter Germanis: Well, in the Deficit Reduction Act (DRA) final rule, we defined the way that the excess MOE portion of the credit is calculated. It used to be that a state, using the method Julie described, would get credit for the entire amount of excess MOE. But in that rule we changed it so that a state would only get credit for the excess MOE portion associated with assistance. So if a state spent 30 percent of total TANF spending on assistance, it could only count 30 percent of excess MOE in this calculation. Now that policy was set to be implemented in FY 2009, but when the ARRA "hold harmless" provision was enacted, it said that a state could use the credit it had in FY 2007 or FY 2008. So most of the states, and probably all of them that have the zero percent target, and even other states that have just a lower target, take advantage and use either the FY 2007 or the FY 2008 credit. So now the ARRA "hold harmless" provision has expired, the last year you could use it was for the FY 2011 rates. The FY 2012 rates will go back to what would have been implemented in FY 2009.

Julie Siegel: So nothing changed now – something changed when the regulations took effect, the regulations implementing the DRA and, as Peter said, that was with the FY 2009 cycle. But because of the "hold harmless" provision, there were many states that did not have to use that method. They could use the FY 2007 method. As I said, we did not have any regulations so we made a reasonable interpretation of the statute, which yielded a more generous result. So this is the only – this method that I described is the only one that we have ever had in regulation, and barring another Recovery Act or some other such provision, it is the one we have to use to calculate the number of cases funded with excess MOE.

Peter Germanis: And one way to think about it is if you know what percentage of your total TANF spending is on assistance, and nationally it is about 30 percent, you can figure that the number of cases you can count toward the caseload reduction credit as a result of this is only 30 percent of what it used to be. And if you look on our website, we have the financial data for each state and you can see what percentage of your total spending is on assistance. In some states it is only 15 or 20 percent. In some it may be 40 or 50 percent. So the generosity of the excess MOE portion of the credit depends a lot on what percentage of your total spending is on assistance. The more you spend on assistance, the more you will be able to claim it as an excess MOE portion of the credit.

Julie Siegel: And you can play around with those numbers on the sheet and see how it changes, just as Peter described. That might be the easiest way. I do not envision it quite that way, but what you said is absolutely correct. I just need to plug numbers in and see how it works.

Jim Valnes: Just one follow-up question. The ACF-202 has been the standard format of how you put that together, but I thought I just heard you a few minutes ago say that that is just one approach to the caseload reduction credit. Are there other acceptable methods out there that we do not know about that maybe we should?

Julie Siegel: Well, the ACF-202 is the Caseload Reduction Report. If you want a caseload reduction credit, you have to submit that. The part that I said is one approach is the impact table for how you figure out the impact of eligibility changes. And if you go back and read the instructions, it says you do not have to use this impact table. It is here for your benefit if you choose to use that. In terms of other approaches…

Peter Germanis: Let me just say one thing. About that impact table, whether it is useful depends on the type of eligibility change. If you have a solely state-funded program and that is the eligibility change, you definitely do not need to use the impact table. The impact table is mainly for those types of changes where you are likely to have some continued effect, but it may not be the same. The effect may diminish over time and you have got to model it somehow. But if you have an easy way of looking at eligibility changes, and many are easy – the solely state-funded is one – if you change the earnings disregard and you just want to base your estimate on the percentage of the caseload with earnings before and after, you do not need to do that impact table. It is only for the types of things such as if a state adopts a full-family sanction and let us say it cuts 100 people off, you have to estimate how many of those people would have stayed on for the coming years. In some cases, many of them maybe would have gone off in the next month or two anyway. So you would not claim the 100 cases that went off permanently at the time of the sanction. You have to estimate what the future effect is on the caseload, and that is a lot trickier.

Julie Siegel: Does that help?

Stephanie Vester (ICF International): Alicia, do we have any further questions over the phone?

Alicia (Operator): We have no further questions.

Stephanie Vester (ICF International): And we do not have any other questions online via the Q&A pod at this time.

THANK YOU

James Butler: Okay, thank you so much, Peter and Julie. We hope today's Webinar has been helpful to you and hopefully it will help you better calculate the caseload reduction credit. If you have additional questions, please feel free to contact Larry Brendel. As a quick reminder, a transcript and audio recording of today's Webinar will be made available for everyone within the coming weeks. And as you close out, please be sure to fill out the evaluation survey that will pop up as you exit. What I would like to do now is turn the floor over to Larry Brendel for a final comment. Thank you all for joining us today. Larry?

Larry Brendel: Thank you, James. I appreciate that because when I get a question, I am going to get Brad back on the phone, I think, or somebody, or Julie. Good morning or good afternoon, depending on where you are at while participating in today's Webinar. Again, as James said, my name is Larry Brendel and I am the Regional TANF Program Manager in Region VI and Acting Manager in Region VIII. As James said, I hope that today's Webinar has been useful. I hope you now understand what the credit is, what it is all about, and how it is calculated. I hope you have a better understanding of how eligibility changes do affect the credit, and have a good idea of how the excess MOE spending affects the state's work participation rate. On behalf of Regions VI and VIII, I want to thank you for taking time to participate in today's Webinar. I certainly want to thank our presenters at OFA Headquarters, Julie Siegel and Peter Germanis, for the time that they spent preparing for and presenting the information. Thanks to James Butler, our Rapid Response Project Officer. And, finally, to our friends at ICF International for their assistance and support. Thanks to all of you. I, too, would encourage you to complete the online evaluation in a moment. And, finally, please be on the lookout for additional notices of future Webinars that Regions VI and VIII will be offering within the next few weeks in the Data Reporting and Analysis Webinar Series. Again, thank you all.

[End.]