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## SPECIAL REPORT

# WEST VIRGINIA WORKS

### AUDIT OVERVIEW

There Is a Positive Correlation Between Unemployment and Welfare Caseloads; However, the Rise in Unemployment Created by the Recent Recession Does Not Appear to Be Affecting Welfare Enrollment in West Virginia at This Time

DHHR Should Measure Job Entry, Job Retention, and the Completion of Educational Activities as Required by Law

Tax Income Data for Adult WV WORKS Case Closures Indicates a Lack of Job Retention and Self-Sufficiency



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WEST VIRGINIA LEGISLATIVE AUDITOR

## PERFORMANCE EVALUATION & RESEARCH DIVISION

Building 1, Room W-314  
State Capitol Complex  
Charleston, West Virginia 25305  
(304) 347-4890

Aaron Allred  
Legislative Auditor

John Sylvia  
Director

Brian Armentrout  
Research Manager

Tina L. C. Baker  
Research Analyst

Keith M. Brown  
Research Analyst

Christopher F. Carney  
Referencer

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## EXECUTIVE SUMMARY

### **Issue 1: There Is a Positive Correlation Between Unemployment and Welfare Caseloads; However, the Rise in Unemployment Created by the Recent Recession Does Not Appear to Be Affecting Welfare Enrollment in West Virginia at This Time.**

The Legislative Auditor looked at enrollment in the West Virginia WORKS program from January 2000 through September 2009 to determine if the current recession was impacting the size of the welfare rolls in West Virginia. The welfare rolls have increased since 2007; however, it is not clear if the recession has influenced enrollment in the WV WORKS program. In addition to the recession, the Legislative Auditor looked at the Deficit Reduction Act (DRA) of 2005 to determine if policy changes to federal law affected the welfare caseload in West Virginia prior to the recession. The Legislative Auditor found that the decrease of welfare cases in West Virginia began almost a year before the passage of DRA and therefore the changes in federal law do not appear to have affected the caseload size. The Legislative Auditor also compared the welfare and unemployment caseloads and found a strong positive correlation. Even with this positive correlation, the increase in welfare caseload is insignificant compared to the increase in the number of unemployment cases.

### **Issue 2: DHHR Should Measure Job Entry, Job Retention, and the Completion of Educational Activities as Required by Law.**

West Virginia Code states that the DHHR should measure the success of the WV WORKS program by measuring *job entry, job retention, federal work participation requirements and completion of educational activities*. In order to determine the extent to which DHHR is goal-oriented in administering the WV WORKS program, the Legislative Auditor looked at how DHHR measures job entry, job retention, federal work participation requirements, and the completion of educational activities and how this information is used to evaluate and improve the effectiveness of the WV WORKS program. In conducting this review, the Legislative Auditor found that DHHR adequately tracks and measures federal work participation requirements as required by state code. However, it was found that DHHR does not sufficiently monitor job entry, job retention, or the completion of educational activities by WV WORKS recipients.

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Although welfare caseloads and unemployment are normally correlated, welfare caseloads have not increased in West Virginia proportionately to unemployment during the recent recession.

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In conducting this review, the Legislative Auditor found that DHHR adequately tracks and measures federal work participation requirements as required by state code. However, it was found that DHHR does not sufficiently monitor job entry, job retention, or the completion of educational activities by WV WORKS recipients.

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### **Issue 3: Tax Income Data for Adult WV WORKS Case Closures Indicates a Lack of Job Retention and Self-Sufficiency.**

Upon determining that DHHR does not adequately measure job entry and job retention, the Legislative Auditor performed a job retention study to determine the level of job retention maintained by individuals who exited the WV WORKS program for employment. DHHR was asked to provide information for adult recipients leaving the program for employment from 2000-2008. The West Virginia Tax Department provided tax information for these individuals from 2002-2008 (data for 2000-2001 was unavailable). The Legislative Auditor analyzed a random sample of 450 of these cases for job retention and self-sufficiency as represented by reported Adjusted Gross Income. Although the representativeness of the findings is compromised by the inclusion of non-WORKS recipients in the data set provided by DHHR, the results of the study indicate both a lack of job retention and a lack of self-sufficiency. Therefore it is the opinion of the Legislative Auditor that there is room for improvement in the WV WORKS program in meeting the goals outlined in WVC §9-9-2(10)(b), which stipulates that the program should promote self-sufficiency and emphasize employment.

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The Legislative Auditor found that the WV WORKS program has room for improvement in the area of job retention and self-sufficiency.

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### **Recommendations**

- 1. The Legislative Auditor recommends that DHHR develop accurate measures for job entry and job retention in order to comply with West Virginia Code §9-9-2(10)(b).*
- 2. The Legislative Auditor recommends that DHHR consider using the percent of cases closed for employment and the employment status at case closing to measure job entry as required by state code.*
- 3. The Legislative Auditor recommends that DHHR begin actively monitoring the completion of educational activities as a performance measure of the WV WORKS program as mandated by WVC.*

## OBJECTIVE, SCOPE & METHODOLOGY

### **Objective**

In accordance with West Virginia Code §4-2-5, the Legislative Auditor conducted an agency review of the WV WORKS program. The objective of this review was to determine whether the current recession has had an impact on the number of WV WORKS recipients in West Virginia; whether DHHR measures the success of the WV WORKS program as required by West Virginia Code §9-9-2(10)(b); and whether the WV WORKS program is leading to job retention among those leaving the program.

### **Scope**

The scope of this report is January 2000 through September 2009.

### **Methodology**

The methodology of this review included analysis of the WV WORKS monthly caseload data and unemployment yearly caseload data; analysis of DHHR's methods of measuring job entry, job retention, federal work participation requirements, and the completion of educational activities by WV WORKS recipients in order to determine compliance with West Virginia Code; retrieval of WV WORKS case closure data from DHHR for individuals leaving the program for employment from 2000-2008; retrieval of income data for FY 2002-2008 from the West Virginia Tax Department for those individuals leaving the WV WORKS program for employment from 2000-2008; and analysis of a random sample of this income information in order to determine job retention. This review followed Generally Accepted Government Auditing Standards.





## ISSUE 1

### **There Is a Positive Correlation Between Unemployment and Welfare Caseloads; However, the Rise in Unemployment Created by the Recent Recession Does Not Appear to Be Affecting Welfare Enrollment in West Virginia at This Time.**

#### **Issue Summary**

The Legislative Auditor looked at enrollment in the West Virginia WORKS program from January 2000 through September 2009 to determine if the current recession was impacting the size of the welfare rolls in West Virginia. The data provided by the West Virginia Department of Health and Human Resources (DHHR) shows an increase in the welfare rolls since 2007; however, it is not clear if the recession has influenced enrollment in the WV WORKS program. In addition to the recession, the Legislative Auditor looked at the Deficit Reduction Act (DRA) of 2005 to determine if policy changes to federal law affected the welfare caseload in West Virginia prior to the recession. After the passage of the DRA, DHHR removed two-parent cases and college student cases from the Temporary Assistance for Needy Families (TANF) program and created separate state-funded programs for these two groups within WV WORKS. The Legislative Auditor found that the decrease of welfare cases in West Virginia began almost a year *before* the passage of DRA and therefore the changes in federal law do not appear to have affected the caseload size. The Legislative Auditor also compared the welfare and unemployment caseloads and found a strong positive correlation. Even with this positive correlation however, the increase in welfare caseload is insignificant compared to the increase in the number of unemployment cases.

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West Virginia DHHR has four categories of West Virginia WORKS recipients: two-parent, one-parent, college students, and child-only cases.

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#### **West Virginia WORKS Classifications**

West Virginia DHHR has four categories of West Virginia WORKS recipients: two-parent, one-parent, college students, and child-only cases.

- **Two-parent** cases include families where both parents are living in the home and the entire family receives cash assistance.
- **One-parent** cases include single parents who receive cash assistance for themselves and their children.

- **College student** cases are single parents who are receiving assistance for themselves and their children while attending either a two-year or four-year postsecondary institution.
- **Child-only** cases are where the biological parent is either ineligible for services or they live with a blood-relative or foster parent and cash assistance is only provided to the child(ren).

Under the Personal Responsibility and Work Opportunity Act of 1996, the first major change to welfare laws, the work participation rate for two-parent families who receive TANF increased from 50 to 90 percent in 2002. A percentage rate this high is difficult to achieve, especially in a state like West Virginia where jobs are historically scarce. The United States Congress also removed college attendance as an accepted work activity. In response to these changes, the governor and the West Virginia Legislature added separate state programs for these two groups to the West Virginia Works Act in October 2007. The college program became West Virginia Code §9-9-21, titled the “West Virginia Works Separate State College Program.” The two-parent program became WVC §9-9-22, titled the “West Virginia Works Separate State Two-Parent Families Program.”

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Even with the increase in the caseload from 2007, the caseload size is significantly less than the caseloads from 2000 through 2006. When the Legislative Auditor requested an explanation for the changes in the caseload size, DHHR responded that neither policy nor eligibility requirements have adversely affected the caseloads.

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## Changes to the Size of West Virginia WORKS Caseload

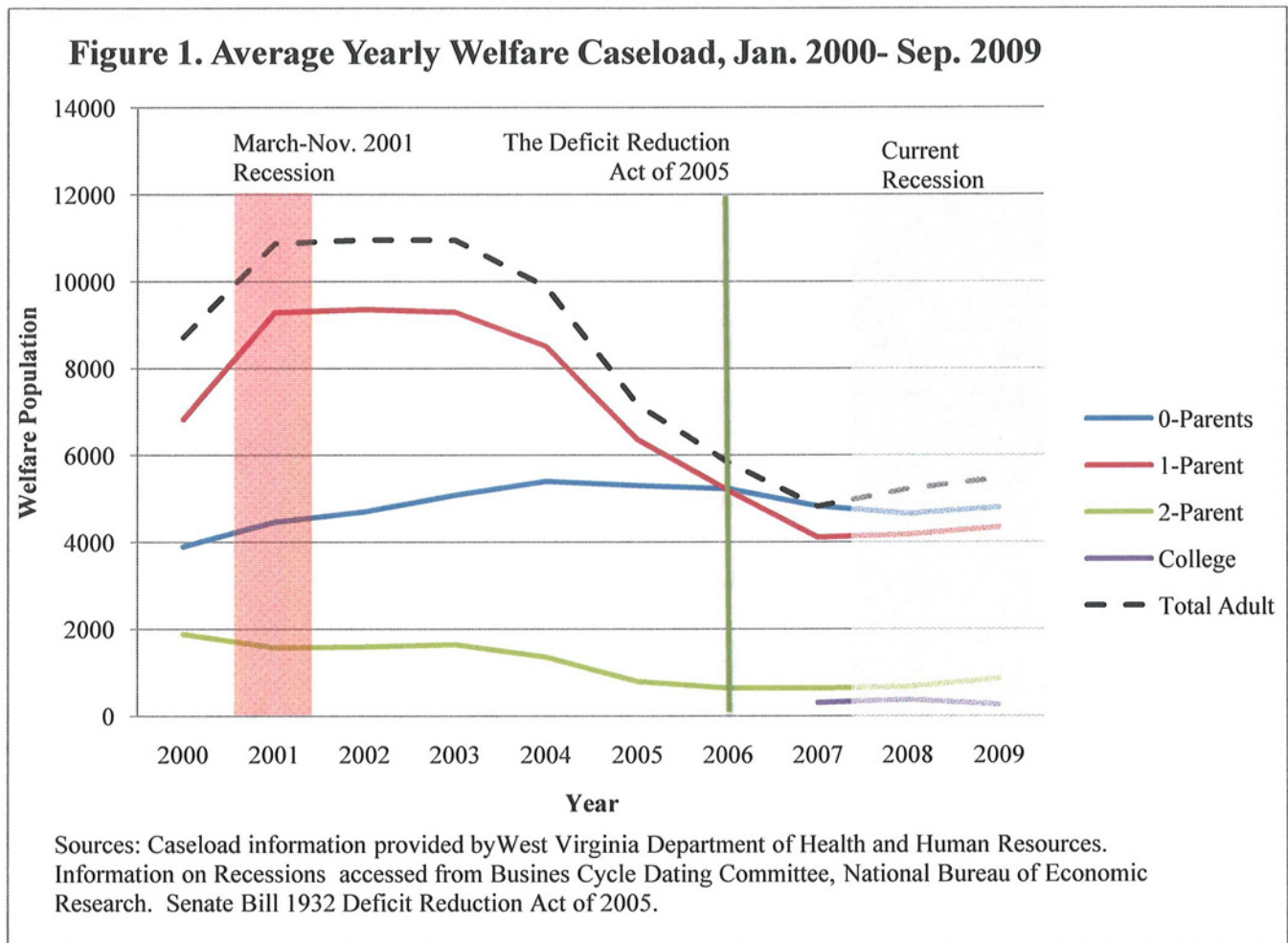
The Legislative Auditor included both families-cases and child-only cases where money is only provided for children in the first part of our study. Between 2000 and early 2004 the total welfare population increased and remained within the range of 12,000 and 16,333 cases. The overall caseload however began a four year decline starting in 2004. Figure 1 shows that the caseload has been slowly increasing since June 2007. There were 12,206 recipients enrolled in the WV WORKS program in January 2000. Between January and July the caseload declined to 11,735 cases. After July the welfare population in West Virginia increased significantly until March 2004. The caseload then took a dramatic thirty-seven month decline between March 2004 and June 2007 dropping from 16,613 cases to 9,335 cases, a decrease of 7,278 cases or -44 percent. The total number for September 2009 was 10,665 cases. Even with the increase in the caseload from 2007, the caseload size is significantly less than the caseloads from 2000 through 2006. When the Legislative Auditor requested an explanation for the changes in the caseload size, DHHR responded that neither policy nor eligibility requirements have adversely affected the caseloads.

By looking at the caseload history of the four categories, a somewhat different picture emerges. The one-parent cases were the largest group through the majority of this study and the changes in caseload size follow a similar pattern as the total caseload numbers. Like the total caseload, the one-parent caseload dropped significantly between March 2004 and June 2007. The child-only cases have remained relatively stable over the course of this study, between 4,000 and 5,500 cases, and look to remain so in the future. In 2006, child-only cases surpassed one-parent cases as the largest category of cases. The two-parent group has historically been significantly smaller than both one-parent and child-only cases. Overall, it has gradually declined, with some fluctuations from 2,437 cases in January 2000 to 952 in September 2009, a 61 percent decline. Before October 2007, college cases were counted as part of the one-parent caseload and remain a minority of the total caseload with fewer than a thousand cases.

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In 2006, child-only cases surpassed one-parent cases as the largest category of cases.

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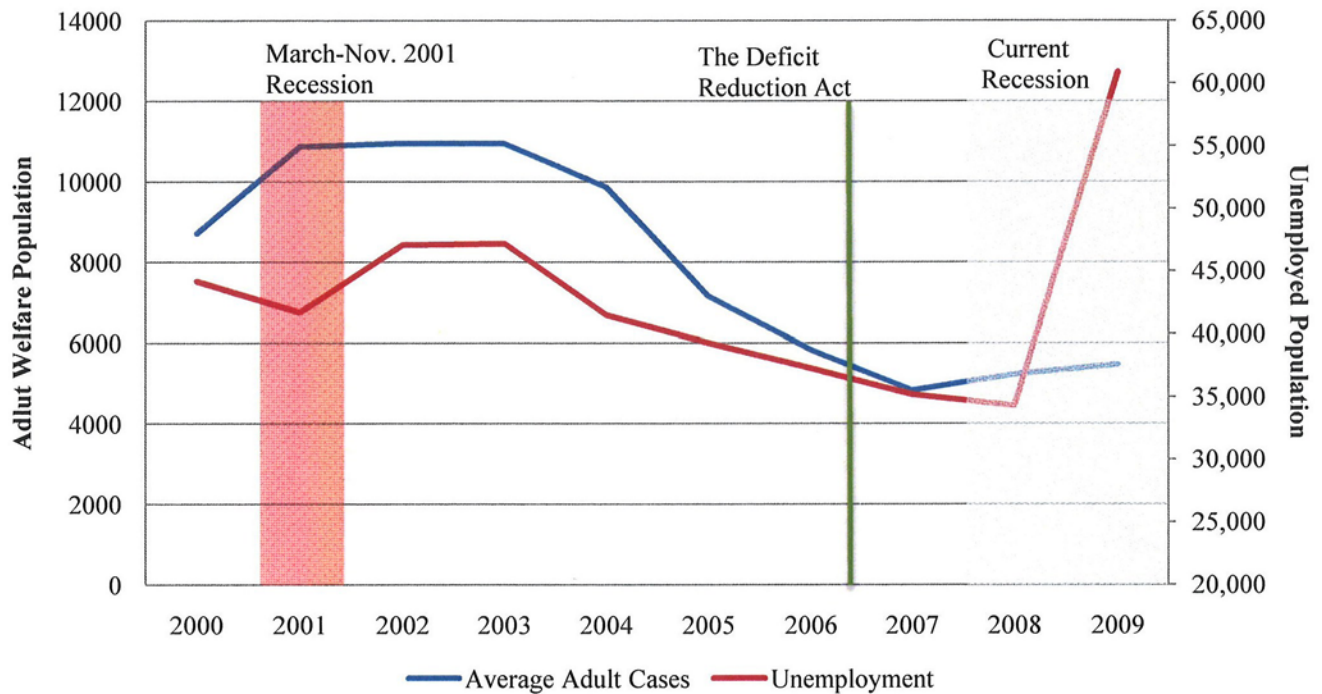


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As Figure 1 shows, there were no changes to welfare policy or eligibility requirements that caused any significant increases or decreases in the WV WORKS caseload. During the recession from March to November 2001, the caseload remained stable. The increase of the work participation rate requirement for all-families and two-parent families in 2002 did not have a significant effect on any of the caseloads.

The Deficit Reduction Act of 2005 did not adversely affect the welfare caseload in West Virginia. The work participation rates for all-families and two-parent families remained at 2002 levels of 50 percent and 90 percent respectively. The basis for the Caseload Reduction Credit however, was adjusted from the 1995 caseload rates to the 2005 caseload rates. It also required the states, as of October 1, 2006, to combine their TANF and Match of Effort (state sponsored) programs in their work participation rate calculations. The decline in the yearly-average caseload began in 2003, a year after the adjustments to the work requirements. After the DRA, the rate of decline was less drastic, but still continued until 2007. The DRA also removed attending college as an eligible work activity. The governor and legislature created a separate state program for college students within the WV WORKS program. This group has been counted as a unique group from the one-parent caseload since 2007.

**Figure 2. Average Adult Welfare and Unemployment Caseload Size, Jan. 2000- Sep. 2009**



Source: Caseload information provided by West Virginia Department of Health and Human Resources and Workforce West Virginia, Labor Market Information. Information on Recessions, Business Cycle Dating Committee, National Bureau of Economic Research. Senate Bill 1932 Deficit Reduction Act of 2005.

The current recession does not appear to be affecting the welfare caseload. The caseload increase began in June 2007, six months before the recession began. Since December 2007, the caseload has not increased significantly, however it continues to grow slowly compared to the caseload increase between 2000 and 2001 and the decline between 2003 and 2007. Also, the increase in the total caseload size remains significantly less than the caseload from 2000 through 2006. Even with this increase, it does not appear that the caseload will return to pre-2006 levels.

The current recession does not appear to be affecting the welfare caseload. The caseload increase began in June 2007, six months before the recession began.

## The Current State of the West Virginia Welfare Caseload

For our study of the affects of the recession on welfare enrollment, the Legislative Auditor focused on the adult caseload: a combination of single-parent, two-parent, and college student cases. Since the Legislative Auditor was asked to determine if there was a relationship between job loss and welfare enrollment, the child-only cases were not included. Although the recession did not begin until December 2008, the Legislative Auditor decided to look at data from January 2000 through September 2009. As previously mentioned, the total caseload is increasing; however, at this time, there is insufficient data to determine what, if any, effect the current recession is having on welfare enrollment.

The Legislative Auditor performed a statistical analysis comparing the adult welfare population with the unemployment data for the years 2000 through 2009 and found a positive correlation at the .5 level of significance between welfare enrollment and unemployment. This does *not* mean welfare enrollment is increasing due to the rise in unemployment; however it does *indicate* that the welfare caseload *may* continue to increase as long as the unemployment continues to rise.

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...the total caseload is increasing; however, at this time, there is insufficient data to determine what, if any, effect the current recession is having on welfare enrollment.

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## Conclusion

The Legislative Auditor studied the caseload of welfare recipients from January 2000 through September 2009 to determine if the recession was affecting welfare enrollment in West Virginia. The Legislative Auditor found that the WV WORKS rolls have been increasing since 2007 and additionally found a positive correlation between welfare and unemployment recipients. This indicates that the caseload *may* be increasing; however additional months of data will be needed to determine if the recession has caused that increase to accelerate.

## Issue 2

### **DHHR Should Measure Job Entry, Job Retention, and the Completion of Educational Activities as Required by Law.**

#### **Issue Summary**

West Virginia Code states that the success of the WV WORKS program is to be measured by *job entry, job retention, federal work participation requirements and completion of educational activities*. In order to determine the extent to which DHHR is goal-oriented in administering the WV WORKS program, the Legislative Auditor looked at how DHHR measures job entry, job retention, federal work participation requirements, and the completion of educational activities and how this information is used to evaluate and improve the effectiveness of the WV WORKS program. In conducting this review, the Legislative Auditor found that, by meeting federal reporting guidelines, DHHR adequately tracks and measures federal work participation requirements as required by State code and meets performance standards in this area. It was further found that DHHR does not sufficiently monitor job entry or job retention. DHHR currently uses the Caseload Reduction Credit as a measure of job entry and job retention. However, the Caseload Reduction Credit is not an accurate measure of job entry or job retention because it simply measures case closures without consideration for the reason for case closure or long-term outcomes of the case closure, such as continued employment. Finally, it was determined that DHHR does not sufficiently monitor the completion of educational activities by WV WORKS recipients.

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In order to determine the extent to which DHHR is goal-oriented in administering the WV WORKS program, the Legislative Auditor looked at how DHHR measures job entry, job retention, federal work participation requirements, and the completion of educational activities.

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#### **Although DHHR Does Adequately Monitor Federal Work Participation Requirements, Standards Need to Be Developed To Sufficiently Monitor Other Performance Measures as Mandated by West Virginia Code**

West Virginia Code §9-9-2(10)(b) states that the goals of the WV Works program

*are to achieve more efficient and effective use of public assistance funds; reduce dependency on public programs by promoting self-sufficiency; and structure the assistance programs to emphasize employment and personal responsibility.*

The success of the program is to be measured by *job entry, job retention, federal work participation requirements and completion of*

*educational activities.* In order to determine the extent to which DHHR is goal-oriented in administering the WV WORKS program, the Legislative Auditor looked at how DHHR measures job entry, job retention, federal work participation requirements, and the completion of educational activities and how this information is used to evaluate and improve the effectiveness of the WV WORKS program.

## **Federal Work Participation Requirements**

The Code of Federal Regulations Title 45 §265.3 and §265.9 require states to file quarterly and annual reports to the Administration for Children and Families (ACF). This data is used by ACF to measure each state's success in requiring work-eligible TANF recipients to participate in work activities. States which fail to meet these requirements are subject to financial penalty. According to CFR Title 45 §261.20(a)

*Each state must meet two separate work participation rates in FY 2006 and thereafter; one – the two-parent rate based on how well it succeeds in helping work-eligible individuals in two-parent families find work activities..., the other – the overall rate based on how well it succeeds in finding those activities for work-eligible individuals in all the families that it serves.*

The minimum participation rate for all families is 50 percent and the minimum participation rate for two-parent families is 90 percent. States are able to decrease their required work participation rate by using the Caseload Reduction Credit (CRC). According to CFR Title 45 §261.40(a)(1)

*If the average monthly number of cases receiving assistance, including assistance under a separate State program... in a State in the preceding fiscal year was lower than the average monthly number of cases that received assistance, including assistance under a separate State program in that State in FY 2005, the minimum overall participation rate the State must meet for the fiscal year...decreases by the number of percentage points the prior-year caseload fell in comparison to the FY 2005 caseload.*

Until changes to the program brought about by the Deficit Reduction Act



of 2005, the CRC was based on a state’s decrease in caseload after 1995 rather than 2005.

Table 1 provides West Virginia’s Work Participation Rates and Caseload Reduction Credits as reported by ACF for FY 2000-2006, the most recent year data was available. The national average work participation rate is provided as a basis for comparison. Work participation and caseload reduction data for all states can be found in Appendices B and C.

Fiscal Year	National Work Participation Rate		WV Work Participation Rate		WV Caseload Reduction Credit		
	All Families	Two-Parent Families	All Families	Two-Parent Families <sup>1</sup>	Percent Change All Families <sup>2</sup>	Adjusted Standard All Families	Adjusted Standard Two-Parent Families
2000	34.0	48.9	17.1	20.9	-70.2	0.00	19.8
2001	34.4	51.1	21.6	32.6	-68.4	0.00	21.6
2002	33.4	49.4	19.2	26.5	-61.6	0.00	28.4
2003	31.3	48.4	14.2	25.2	-58.7	0.00	31.3
2004	32.0	47.4	11.7		-58.8	0.00	
2005	33.0	42.6	16.3		-58.6	0.00	
2006	32.5	45.9	26.2		-66.5	0.00	
Average	32.9	47.7	18.0	26.3			

<sup>1</sup>Following a failure to achieve the FY 2003 work participation rate, West Virginia moved two-parent families into a Separate State Program (SSP) to avoid penalty, therefore no two-parent participation rates were reported for West Virginia in subsequent years.

<sup>2</sup>Caseload reduction information for two-parent families is not reported because West Virginia opted to use the overall caseload reduction credit for the two-parent rate in FY 2000-2003.

Source: *TANF Annual Reports to Congress, 2002-2008.*

As Table 1 illustrates, West Virginia’s work participation rates fall well below the national averages. The average national work participation rate for all years was 32.9 percent for all families and 47.7 percent for two-parent families compared to 18 percent and 26.3 percent in West Virginia, respectively. However, once the state’s CRC was applied, the 50 percent

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West Virginia’s work participation rates fall well below the national averages.

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work participation rate requirement for all families was reduced to zero in every year, meaning that West Virginia met the federal requirements for work participation for all families. Once caseload reduction was factored in, West Virginia met the two-parent family requirement in 2000, but failed to do so in subsequent years, leading to the threat of a financial penalty by the ACF. In response to this violation, West Virginia moved two-parent families to a Separate State Program (SSP) in order to avoid penalty. Although West Virginia participation rates have consistently been significantly lower than the national average, the reduction in all family work participation rate requirements resulting from the CRC and the movement of two-parent families to a SSP have led to West Virginia meeting federal work participation rates. Additionally, because DHHR must report information for the computation of work participation rates to ACF regularly, this performance measure is adequately monitored. **Therefore, it is the opinion of the Legislative Auditor that the WV WORKS program meets the requirement in West Virginia Code that federal work participation rates be tracked and used as a measure of the success of WV WORKS.**

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Although West Virginia participation rates have consistently been significantly lower than the national average, the reduction in all family work participation rate requirements resulting from the CRC and the movement of two-parent families to a SSP have led to West Virginia meeting federal work participation rates.

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## **Job Entry and Job Retention Are Not Being Measured As Required By Law**

When participants leave the program, RAPIDS, the computer system utilized by DHHR, maintains a record of whether the exit was the result of entering the workforce. DHHR indicated that WV WORKS recipients who leave the program for employment are tracked for a minimum of six months and in some cases up to one year after becoming employed, however, these individuals are not tracked for the purpose of monitoring job retention. Instead, they are tracked because they may continue receiving WV WORKS case management services, non-recurrent payments, and child care benefits following employment. The WV TANF state plan for FY 2009 states that:

- *Post employment non-cash assistance support services for former TANF families will also be provided up to six months each time an adult household member starts employment and the household's income stays below the eligibility limit of 150% of FPL [Federal Poverty Level].*
- *The household may opt to participate in the West Virginia*

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It is the opinion of the Legislative Auditor that the WV WORKS program meets the requirement in West Virginia Code that federal work participation rates be tracked and used as a measure of the success of WV WORKS.

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*Employment Assistance Program (EAP) anytime their WV WORKS case is closed or have requested their assistance to stop due to employment during the 60-month eligibility period. The household would continue to receive an EAP payment equivalent to the monthly cash assistance payment for a six-month period while remaining employed.*

DHHR indicated that the performance measure used to determine the number of recipients who become employed is the Caseload Reduction Credit. The CRC refers to the reduction in a State's *required work participation rate for a fiscal year (FY) by the number of percentage points its caseload declined between FY 2005 and the year prior to the current fiscal year*. It is the opinion of the Legislative Auditor that the CRC is not an accurate measure of job retention because it simply measures case closures, without consideration for the reason for case closure or long-term outcomes of the case closure (i.e., whether an individual who leaves the program for employment *remains* employed). Additionally, according to ACF's TANF Eighth Annual Report to Congress, caseload reduction figures can be misleading because they ignore assistance funded by Separate State Programs, such as the WV Works Separate State Two-Parent Families Program, and TANF assistance provided in the form of transportation or child care for employed families who are not reported in case counts. The Legislative Auditor concludes that, because the CRC is not a suitable measure of job retention, DHHR is not following the mandate of state code. **Therefore, the Legislative Auditor recommends that DHHR develop accurate measures for job entry and job retention in order to comply with West Virginia Code §9-9-2(10)(b).**

In its annual report to Congress, ACF provides figures for TANF closures, including the reason for case closure and the employment status of adult recipients whose cases have been closed. Table 2 provides the percent distribution of cases closed because the recipient became employed for the United States and West Virginia from FY 2001-2006.

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DHHR indicated that the performance measure used to determine the number of recipients who become employed is the Caseload Reduction Credit. It is the opinion of the Legislative Auditor that the CRC is not an accurate measure of job retention because it simply measures case closures, without consideration for the reason for case closure or long-term outcomes of the case closure (i.e., whether an individual who leaves the program for employment *remains* employed).

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	TANF Cases Closed for Employment	
	U.S	WV
<b>2001</b>	19.4	2.9
<b>2002</b>	17.2	2.2
<b>2003</b>	17.9	0.2
<b>2004</b>	18.7	0.4
<b>2005</b>	19.2	0.1
<b>2006</b>	20.9	0.8
<b>Average</b>	18.88	1.10

Source: *TANF Annual Reports to Congress, 2002-2008.*

Table 3 provides the employment status of TANF recipients at case closure for the United States and West Virginia from FY 2001-2006. These figures represent cases closed for all reasons, including employment, marriage, exceeding the federal time limit, work related sanction, other sanction (such as child support sanction or failure to meet an individual responsibility plan), state policy, failure to cooperate with eligibility requirements, service by a tribal program, voluntary closure, and closures listed as being due to “other” reasons.

	Employed		Unemployed <sup>1</sup>		Not in Labor Force <sup>2</sup>		Unknown	
	U.S	WV	U.S	WV	U.S	WV	U.S	WV
<b>2001</b>	35.8	30.8	39.7	10.4	23.3	58.9	1.2	0.0
<b>2002</b>	30.9	26.0	40.6	11.9	27.5	62.1	1.0	0.0
<b>2003</b>	30.0	7.8	40.1	11.3	29.1	80.8	0.8	0.0
<b>2004</b>	29.8	8.6	40.5	15.5	28.6	75.9	1.0	0.0
<b>2005</b>	30.3	6.1	40.9	20.1	27.6	73.9	1.1	0.0
<b>2006</b>	30.0	5.8	44.4	17.2	24.5	77.0	1.1	0.0
<b>Average</b>	31.13	14.18	41.03	14.40	26.77	71.43	1.03	0.0

<sup>1</sup>Unemployed, looking for work.  
<sup>2</sup>Unemployed, not looking for work. Includes discouraged workers.  
Source: *TANF Annual Reports to Congress, 2002-2008.*

As Table 2 illustrates, the percentage of WV cases closed for employment falls significantly lower than the national average – in the six fiscal years provided, the average percent of cases closed for employment in the nation was 18.88, versus only 1.10 percent in West Virginia. As shown in Table 3, while an average of 31.13 percent of adult TANF recipients nationally were employed at case closure, only 14.18 of those in West Virginia were. **By far the largest percentage of WV recipients - an average of 71.43 percent for all six fiscal years - was unemployed and not looking for work at case closure.** It is the opinion of the Legislative Auditor that these figures are more representative of job entry than CRC figures. **Therefore, the Legislative Auditor recommends that DHHR consider using the percent of cases closed for employment and the employment status at case closing to measure job entry as required by state code.**

According to the TANF 2008 Annual Report to Congress, the United States Department of Health and Human Services (HHS) is required under the Deficit Reduction Act to perform an annual evaluation of states’ performance in moving TANF recipients into private sector employment. Table 4 provides the work-related measures for the United States and West Virginia reported by ACF in FY 2001-2006.

By far the largest percentage of WV recipients - an average of 71.43 percent for all six fiscal years - was unemployed and not looking for work at case closure.

The Legislative Auditor recommends that DHHR consider using the percent of cases closed for employment and the employment status at case closing to measure job entry as required by state code.

**Table 4  
Work Performance Measures for Open TANF Cases, FY 2001-2006**

	TANF Recipients Who Entered Employment <sup>1</sup>		TANF Recipients Who Remained Employed <sup>2</sup>		Percent Increase in Earnings of TANF Recipients Who Remained Employed <sup>3</sup>	
	U.S	WV	U.S	WV	U.S	WV
<b>2001</b>	33.25	32.37	62.72	60.07	26.28	35.61
<b>2002</b>	35.88	32.46	58.59	59.99	33.28	31.55
<b>2003</b>	33.63	30.50	59.43	57.14	32.55	43.75
<b>2004</b>	34.86	30.78	58.97	58.10	36.87	49.07
<b>2005</b>	34.86	30.78	58.97	58.10	36.87	49.07
<b>2006</b>	33.88	31.56	64.84	58.16	33.00	52.77
<b>Average</b>	34.39	31.41	60.59	58.59	33.14	43.64

<sup>1</sup> Measured as the percent of unduplicated unemployed adult TANF recipients entering employment for the first time during the year.

<sup>2</sup> Measured as the percent of employed recipients in each quarter of the year who were also employed in the subsequent two quarters.

<sup>3</sup> Measured as the rate of change of earnings of employed recipients whose earnings increased in the second quarter over the previous quarter

As these figures show, West Virginia has performed comparably to the national average in terms of job entry and job retention among TANF recipients and has performed higher in terms of earnings gain. DHHR may wish to utilize figures compiled by HHS as a starting point for measuring job retention. Although these figures are reported for individuals receiving TANF who become employed (as opposed to individuals who leave the program for employment) DHHR could evaluate which employed individuals go on to leave the program as a result of retaining employment. DHHR could also consider incorporating job retention into the already established tracking system utilized when individuals exit the program; rather than only tracking disbursements of post-closure assistance, DHHR could actively track success in the workforce. DHHR could also consider contracting with a state university, such as West Virginia University or Marshall University, to conduct periodic studies of job entry and retention among WV WORKS program leavers. DHHR previously received grant funds to contract with West Virginia University to perform a study of the WV WORKS program, the results of which were published in a series of reports from 2000-2005.

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There is no evidence that DHHR monitors the completion of educational activities as a performance measure for the WV WORKS program, nor that efforts are made to improve overall figures for completion of educational activities.

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## Completion of Educational Activities

The RAPIDS system maintains records of whether WV WORKS recipients participate in educational activities; and education hours, which is a measure of how many hours recipients attend training each month, are included in the quarterly reports to ACF (see Appendix D). However, DHHR indicates that the actual completion of educational activities is monitored by case managers as part of the client's Personal Responsibility Contract (PRC), a plan developed by a work-eligible client in conjunction with his/her case manager. The PRC details activities the client must complete and barriers the program will aid them in overcoming in order to become self-sufficient. Aside from completion of educational activities by an individual as monitored by the individual's case manager, there is no evidence that DHHR monitors the completion of educational activities as a performance measure for the WV WORKS program, nor that efforts are made to improve overall figures for completion of educational activities. **Therefore, the Legislative Auditor recommends that DHHR begin actively monitoring the completion of educational activities as a performance measure of the WV WORKS program as mandated by West Virginia Code §9-9-2(10)(b).**

## Conclusion

PERD evaluated how DHHR measures federal work participation, job entry, job retention, and the completion of educational activities by WV WORKS recipients in order to determine compliance with stipulations in WVC §9-9-2(10)(b). It was found that, although DHHR does sufficiently monitor work participation requirements by meeting federal reporting guidelines, the other performance indicators are not being adequately measured. In order to ensure that DHHR meets the goals of the WV WORKS program as laid out in West Virginia Code, the Legislative Auditor recommends that DHHR establish means to measure job entry, job retention, and the completion of educational activities by WORKS recipients in order to measure the effectiveness of the WV WORKS program.

## Recommendations

1. *The Legislative Auditor recommends that DHHR develop accurate measures for job entry and job retention in order to comply with West Virginia Code §9-9-2(10)(b).*
2. *The Legislative Auditor recommends that DHHR consider using the percent of cases closed for employment and the employment status at case closing to measure job entry as required by state code.*
3. *The Legislative Auditor recommends that DHHR begin actively monitoring the completion of educational activities as a performance measure of the WV WORKS program as mandated by WVC.*

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In order to ensure that DHHR meets the goals of the WV WORKS program as laid out in West Virginia Code, the Legislative Auditor recommends that DHHR establish means to measure job entry, job retention, and the completion of educational activities by WV WORKS recipients in order to measure the effectiveness of the WV WORKS program.

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## Issue 3

### **Tax Income Data for Adult WV WORKS Case Closures Indicates a Lack of Job Retention and Self-Sufficiency.**

#### **Issue Summary**

Upon determining that DHHR does not adequately measure job entry and job retention, the Legislative Auditor performed a job retention study to determine the level of job retention maintained by individuals who exited the WV WORKS program for employment. DHHR was asked to provide information for adult recipients leaving the program for employment from 2000-2008. The West Virginia Tax Department provided tax information for these individuals from 2002-2008 (data for 2000-2001 was unavailable). The Legislative Auditor analyzed a random sample of 450 of these cases for job retention and self-sufficiency as represented by reported Adjusted Gross Income. Although the representativeness of the findings is compromised by the inclusion of non-WORKS recipients in the data set provided by DHHR, the results of the study indicate both a lack of job retention and a lack of self-sufficiency. **Therefore it is the opinion of the Legislative Auditor that the WV WORKS program can improve in meeting the goals outlined in WVC §9-9-2(10)(b), which stipulates that the program should promote self-sufficiency and emphasize employment.**

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The Legislative Auditor performed a job retention study to determine the level of job retention maintained by individuals who exited the WV WORKS program for employment.

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#### **The Data Provided by DHHR Inaccurately Contained Information for Individuals Who Had Never Been WORKS Recipients**

Upon determining that DHHR does not adequately measure job entry and job retention, the Legislative Auditor attempted to perform a study of job retention among individuals who leave the WV WORKS program for employment. In order to perform this study, the Legislative Auditor requested from DHHR social security numbers of adult recipients who had left the program for employment from 2000-2008. Social security numbers for individuals who did not subsequently return to the WV WORKS program were then sent to the West Virginia Tax Department in order to determine whether those individuals reported income in years following their exit from the program. A random sample of 450 cases was analyzed for income data in years 2002 through 2008

(data for 2000-2001 were unavailable from the Tax Department).

While analyzing the random sample, the Legislative Auditor encountered six instances where income reported seemed substantially higher than that reported by other former recipients. Upon inquiring about these cases to DHHR, it was discovered that two of the individuals had never received WV WORKS benefits, yet these social security numbers had been included in the information provided by DHHR. An additional 50 social security numbers were then sent to DHHR for verification of their status as WV WORKS recipients. Three of these individuals were indicated to have never been WORKS recipients. Upon inquiry, DHHR indicated that the original data provided had included Child Only cases and individuals who had not been in the WV WORKS assistance group. Therefore, the sample job retention information compiled by PERD cannot be used to make valid inferences about job retention among individuals who left the WV WORKS program for employment because the data provided included information for individuals who had never received WV WORKS funds. When asked for an explanation of why the inaccurate data had been included in the information, DHHR indicated that the data retrieved had consisted of all adult closed cases, including caretaker relatives in child-only cases; individuals who had applied for and been ineligible for WV WORKS funding; and individuals who had never received funds, but were listed in the system as living in a household with WV WORKS recipients.

Because 5 of 56 individuals verified on a case-by-case basis by DHHR were not WV WORKS recipients, it may be inferred that around nine percent of the sample were inaccurately provided, meaning that our sample is non-representative of the target population. Based on a reliable population of WV WORKS recipients, the 450 case sample would have provided results at over a 95% confidence interval with a 5% margin of error. Based on a population containing around nine percent of invalid data, however, this representativeness is not maintained. **Because several of the individuals with the highest reported incomes were never WV WORKS recipients, it may be inferred that actual income figures for former recipients are lower than those represented here.**

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DHHR incorrectly provided data for individuals who had never been WV WORKS participants.

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Because several of the individuals with the highest reported incomes were never WV WORKS recipients, it may be inferred that actual income figures for former recipients are lower than those represented here.

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## Approximately 44 Percent of Individuals in the 450 Case

## Sample Reported Earnings in Every Year Following Their Exit

In order to gauge the success of the WV WORKS program in helping recipients remain in the workforce, the Legislative Auditor obtained data from DHHR for cases closed for employment from 2000-2008. DHHR provided closure data for 35,609 cases, of which 24,287 did not have a later re-entry date, indicating that these individuals did not re-enter the WV WORKS program. This means that, of the cases which closed for employment from 2000-2008, 11,466, or about 32 percent, were later re-opened. Information for cases that were not re-opened was requested from the West Virginia Tax Department (the Tax Department) in order to determine whether program leavers who did not reenter the program maintained employment as represented by Adjusted Gross Income (AGI) reported in the fiscal years following their exit from the program. The Tax Department found tax information for 16,756, or about 69 percent, of these individuals for FY 2002-2008 (data from 2000-2001 were unavailable). Data was not reported for 7,537 cases, or about 31 percent. The Tax Department indicated that data for the 7,537 cases for which no tax information was returned would have been missing because there was no record of these accounts in the system, either because an individual did not work or because a working individual made less than the \$10,000 low-income exclusion and so was not required to file a return. Table 5 summarizes the figures provided by DHHR and the Tax Department.

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About 32 percent of WV WORKS cases closed from 2000 to 2008 were later reopened.

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	<b>Cases Closed for Employment</b>	<b>Cases that Later Re-Opened</b>	<b>Non-Reopened Cases (Requested from Tax)</b>	<b>Cases for Which Tax Data were Returned</b>	<b>Cases for Which no Tax Data were Reported</b>
<b>Number</b>	35,609	11,322	24,287	16,756	7,531
<b>Percent of Cases Closed</b>	100%	31.79%	68.20%	47.06%	21.15%
<b>Percent of Non-Reopened Cases</b>			100%	68.99%	31.01%

Source: PERD calculations based on information provided by DHHR and the WV Tax Department.

In order to evaluate the tax data as a measure for job retention

for the 16,756 cases for which data was returned, a random sample of 450 was taken. Closures in each fiscal year were assessed to determine how many individuals in the sample reported income in the closure year and each subsequent year. Tables 6 and 7 summarize this data for each closure year.

Closure Year	Number of Years Reported Income (Number)								Total
	7	6	5	4	3	2	1	0	
2000	11	3	1	3	0	3	5	0	26
2001	8	6	5	3	1	4	0	0	27
2002	11	6	8	1	5	4	4	0	39
2003		18	11	6	9	7	6	8	65
2004			19	8	10	6	11	8	62
2005				24	10	9	13	8	64
2006					19	12	17	12	60
2007						29	7	17	53
2008							38	16	54
Total	30	33	44	45	54	74	101	69	450

Source: PERD calculations based on information provided by DHHR and the West Virginia Tax Department.

Closure Year	Number of Years Reported Income (Percent)								Total
	7	6	5	4	3	2	1	0	
2000	42%	12%	4%	12%	0%	12%	19%	0%	100%
2001	30%	22%	19%	11%	4%	15%	0%	0%	100%
2002	28%	15%	21%	3%	13%	10%	10%	0%	100%
2003		28%	17%	9%	14%	11%	9%	12%	100%
2004			31%	13%	16%	10%	18%	13%	100%
2005				38%	16%	14%	20%	13%	100%
2006					32%	20%	28%	20%	100%
2007						55%	13%	32%	100%
2008							70%	30%	100%

Source: PERD calculations based on information provided by DHHR and the West Virginia Tax Department.

A total of 196, or 43.6 percent, of the 450 sample cases closed for

employment from 2000-2008 reported earnings for all years following case closure. This means that, using AGI as an indicator of job retention, about 44 percent of individuals whose cases closed for employment from 2000-2008 retained employment in the closure year and all subsequent years evaluated here. Some cases could have been closed too late in the year for an individual to make income sufficient to report on that year's income taxes. Table 8 shows the number of cases closed in each year for which tax data was not reported in the closure year, but was reported in every subsequent year, indicating job retention.

Using AGI as an indicator of job retention, about 44 percent of individuals whose cases closed for employment from 2000-2008 retained employment in the closure year and all subsequent years evaluated here.

Year in Which WV WORKS Case Closed	Number of Individuals Reporting AGI in All Subsequent Years <sup>1</sup>	Years in Which Income was Reported
2002	2	2003-2008
2003	1	2004-2008
2004	4	2005-2008
2005	2	2006-2008
2006	4	2007-2008
2007	2	2008
<b>Total</b>	<b>15</b>	

<sup>1</sup>Does not include the year the case closed  
Source: PERD calculations based on information provided by DHHR and the West Virginia Tax Department.

These fifteen cases make up an additional 3.3 percent of the total. The remaining 53.1 percent of cases had years in which no AGI was reported, indicating a lack of job retention.

Based on the data provided by DHHR and the Tax Department, the Legislative Auditor concludes the following:

- 32 percent of cases that were closed due to employment from 2000-2008 were later re-opened.
- 31 percent of the individuals whose cases were closed for employment and who did not return to the WV WORKS program had no reported income in any year following case closure, either because they did not work or because their income did not meet the \$10,000 low-income exclusion and so were not required to file a return.

53.1 percent of cases had years in which no AGI was reported, indicating a lack of job retention.

- 43.6 percent of individuals whose cases were closed for employment reported AGI in every year following case closure, including the closure year, and an additional 3.3 percent reported AGI in every year except the closure year. Using reported AGI as a representative of job retention, this means that 53.1 percent of individuals who left the WV WORKS program for employment and who reported income at some point after leaving the program did not retain employment.

**Therefore, it is the opinion of the Legislative Auditor that the WV WORKS program can improve in meeting the goals outlined in WVC §9-9-2(10)(b), which stipulates that the program should promote self-sufficiency and emphasize employment.**

### **Income Data Shows a Lack of Self-Sufficiency Among WV WORKS Leavers**

PERD analyzed the tax data provided by the Tax Department in order to determine income trends among WV WORKS recipients who left the program for employment from 2000-2008. Tables 9 and 10 provide summary data for the random sample. Table 9 shows the average, median, and maximum AGI reported in each year for cases closed through that year, including zeroes for years in which no AGI was reported for an individual. While household member numbers were not gathered, at the minimum, each individual must have at least a two-person household (in order to qualify for WV WORKS benefits, there must be a minor child in the house). As these figures illustrate, assuming even the minimum number of household members, both the median and mean income for WV WORKS leavers fall below the federal poverty guideline in every year.

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It is the opinion of the Legislative Auditor that the WV WORKS program can improve in meeting the goals outlined in WVC §9-9-2(10)(b), which stipulates that the program should promote self-sufficiency and emphasize employment.

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Assuming even the minimum number of household members, both the median and mean income for WV WORKS leavers fall below the federal poverty guideline in every year.

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**Table 9**  
**Income Summary Data for Sample Cases Closed Through Each Year<sup>1</sup>,  
Including Zero AGI<sup>2</sup>**

	2002	2003	2004	2005	2006	2007	2008
<b>Mean</b>	\$9,648	\$8,730	\$9,015	\$8,985	\$8,957	\$9,497	\$9,515
<b>Median</b>	\$8,395	\$8,173	\$7,439	\$6,821	\$6,365	\$5,829	\$3,868
<b>Maximum AGI</b>	\$51,235	\$43,715	\$53,604	\$52,583	\$57,390	\$74,794	\$85,209
<b>2-Person Poverty Guideline<sup>3</sup></b>	\$11,940	\$12,120	\$12,490	\$12,830	\$13,200	\$13,690	\$14,000

Source: Legislative Auditor calculations based on information provided by DHHR and the West Virginia Tax Department.  
<sup>1</sup>Data for each year includes amounts for cases closed from 2000 through that year.  
<sup>2</sup>Figures are rounded to the nearest dollar.  
<sup>3</sup>United States Department of Health and Human Services Poverty Guidelines, 2002-2008

Table 10 shows income figures for the same cases excluding zero figures for years in which no AGI was reported for an individual.

**Table 10**  
**Income Summary Data for Sample Cases Closed Through Each Year<sup>1</sup>,  
Excluding Zero AGI<sup>2</sup>**

	2002	2003	2004	2005	2006	2007	2008
<b>Mean</b>	\$12,680	\$11,616	\$13,523	\$13,549	\$14,492	\$15,868	\$16,991
<b>Median</b>	\$11,101	\$9,901	\$11,765	\$11,429	\$11,565	\$13,290	\$13,999
<b>Maximum AGI</b>	\$51,235	\$43,715	\$53,604	\$52,583	\$57,390	\$74,794	\$85,209
<b>Minimum AGI</b>	\$2,257	\$773	\$1,433	\$936	\$357	-\$5,093	-\$12,962
<b>2-Person Poverty Guideline<sup>3</sup></b>	\$11,940	\$12,120	\$12,490	\$12,830	\$13,200	\$13,690	\$14,000

Source: Legislative Auditor calculations based on information provided by DHHR and the West Virginia Tax Department.  
<sup>1</sup>Data for each year includes amounts for cases closed from 2000 through that year.  
<sup>2</sup>Figures are rounded to the nearest dollar.  
<sup>3</sup>United States Department of Health and Human Services Poverty Guidelines, 2002-2008

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With the zero figures excluded, the mean income in every year but 2003 is above the poverty guideline, but median incomes still fall below the poverty level. **Based on this information, the Legislative Auditor concludes that WV WORKS recipients who leave the program for employment are not maintaining self-sufficiency.**

## Conclusion

The Legislative Auditor attempted to perform a job retention study to determine the level of job retention maintained by individuals who exited the WV WORKS program for employment. Although the representativeness of the findings is compromised by the inclusion of non-WV WORKS recipients in the data set provided by DHHR, the results of the study indicate both a lack of job retention and a lack of self-sufficiency. The results showed that approximately 44 percent of individuals whose cases were closed for employment reported AGI in every year following case closure. It was also found that 32 percent of cases that were closed due to employment from 2000-2008 were later re-opened; 31 percent of the individuals whose cases were closed for employment and who did not return to the WV WORKS program had no reported AGI in any year following case closure; that approximately 53 percent of individuals who left the WV WORKS program for employment and who reported income at some point after leaving the program did not retain employment; and that median income levels for program leavers fall below the federal poverty level guidelines. **Therefore it is the opinion of the Legislative Auditor that the WV WORKS program can improve in meeting the goals outlined in West Virginia Code §9-9-2(10)(b), which stipulates that the program should promote self-sufficiency and emphasize employment.**

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The Legislative Auditor concludes that WV WORKS recipients who leave the program for employment are not maintaining self-sufficiency.

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## Appendix A: Transmittal Letter

### WEST VIRGINIA LEGISLATURE *Performance Evaluation and Research Division*

Building 1, Room W-314  
1900 Kanawha Boulevard, East  
Charleston, West Virginia 25305-0610  
(304) 347-4890  
(304) 347-4939 FAX



John Sylvia  
Director

December 28, 2009

Secretary Patsy A. Hardy  
West Virginia Department of Health & Human Resources  
State Capitol Complex, Building 3 Room 206  
Charleston, West Virginia 25305

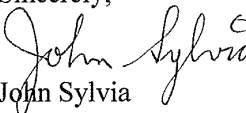
Dear Secretary Hardy:

This is to transmit a draft copy of the Performance Review of WV WORKS. This report is scheduled to be presented during the January 10-12, 2010 interim meetings of the Joint Committee on Government Operations and Joint Committee on Government Organizations. We will inform you of the exact time and location once the information becomes available. It is expected that a representative from your agency be present at the meeting to orally respond to the report and answer any questions the committees may have.

We need to schedule an exit conference to discuss any concerns you may have with the report. We would like to have the meeting on Monday, January 4, 2010. Please contact Tina Baker or Keith Brown, the research analysts assigned to this project to schedule an exact time. In addition, we need your written response by noon on Tuesday, January 5, 2010 in order for it to be included in the final report. If your agency intends to distribute additional material to committee members at the meeting, please contact the House Government Organization staff at 340-3192 by Thursday, January 7, 2010 to make arrangements.

We request that your personnel not disclose the report to anyone not affiliated with your agency. Thank you for your cooperation.

Sincerely,

  
John Sylvia

Enclosure

*Joint Committee on Government and Finance*

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c: John J. Najmulski, Commissioner, Bureau of Families and Children, Department of Health and Human Resources

Sue Ellen Buster, Director, Division of Family Assistance, Office of Child and Family Policy, Department of Health and Human Resources

Brenda McPhail, Assistant Commissioner, Department of Planning and Quality Improvement, Office of Child and Family Policy, Department of Health and Human Resources



Kentucky	25.6%	35.8%	34.0%	48.4%	32.4%	43.7%	32.8%	46.2%	38.1%	51.2%	39.7%	48.9%	44.6%	51.3%
Louisiana	33.5%	53.3%	37.4%	58.7%	38.7%	57.2%	34.6%	39.0%	35.4%	38.0%	34.6%	37.0%	38.4%	42.5%
Maine	40.0%	53.7%	45.9%	59.7%	44.5%	58.2%	27.7%	29.2%	32.1%	1/	28.3%	1/	26.6%	1/
Maryland	6.3%	1/	6.6%	1/	8.3%	1/	9.1%	1/	16.0%	1/	20.5%	1/	44.5%	1/
Massachusetts	69.2%	78.7%	76.5%	77.1%	60.9%	69.7%	61.0%	73.9%	60.0%	65.4%	59.9%	58.2%	13.6%	1/
Michigan	36.4%	61.7%	33.8%	53.5%	28.9%	46.5%	25.3%	36.2%	24.5%	35.7%	22.0%	30.4%	21.6%	26.2%
Minnesota	34.7%	43.4%	35.2%	43.3%	40.4%	1/	25.0%	1/	26.8%	1/	28.9%	1/	30.3%	1/
Mississippi	17.8%	12.5%	20.9%	13.6%	18.5%	1/	17.2%	1/	21.0%	1/	22.6%	1/	35.5%	1/
Missouri	34.0%	40.4%	33.1%	27.3%	25.4%	27.5%	28.0%	1/	19.5%	1/	20.0%	1/	18.7%	1/
Montana	68.2%	89.2%	44.4%	87.2%	84.2%	93.5%	85.9%	95.7%	92.7%	95.7%	83.1%	85.4%	79.2%	83.3%
Nebraska	22.6%	1/	18.1%	1/	28.1%	1/	33.4%	1/	34.5%	1/	31.8%	1/	32.0%	1/
Nevada	37.4%	60.5%	35.1%	69.3%	21.6%	1/	22.3%	1/	34.5%	1/	42.3%	1/	47.8%	1/
New Hampshire	53.1%	27.7%	50.2%	31.4%	41.8%	31.0%	28.2%	1/	30.2%	1/	24.6%	1/	24.1%	1/
New Jersey	37.8%	1/	39.0%	1/	36.4%	1/	35.0%	1/	34.6%	1/	29.0%	1/	29.2%	1/
New Mexico	36.9%	37.9%	46.4%	64.7%	42.7%	57.5%	42.0%	52.0%	46.2%	55.3%	41.6%	57.5%	42.3%	54.5%
New York	33.2%	53.0%	41.4%	53.8%	38.5%	56.3%	37.1%	52.2%	37.8%	48.3%	35.2%	43.4%	37.8%	48.9%
North Carolina	19.2%	34.7%	24.4%	47.6%	27.4%	46.7%	25.3%	49.2%	31.4%	47.2%	27.5%	44.7%	32.4%	54.0%
North Dakota	35.7%	1/	32.0%	1/	30.4%	1/	27.0%	1/	25.3%	1/	31.4%	1/	51.9%	1/
Ohio	52.9%	64.9%	53.2%	58.5%	56.3%	60.0%	62.3%	67.8%	65.2%	68.4%	58.3%	58.1%	54.9%	55.5%
Oklahoma	33.9%	1/	18.6%	1/	26.7%	1/	29.2%	50.5%	33.2%	1/	34.0%	1/	32.9%	1/
Oregon	64.0%	47.0%	72.0%	63.7%	61.1%	53.8%	60.0%	52.7%	32.1%	35.5%	14.9%	21.1%	15.2%	22.6%
Pennsylvania	11.2%	11.7%	10.8%	11.3%	10.4%	11.0%	9.9%	8.8%	7.1%	15.0%	15.2%	17.7%	26.1%	32.5%

Rhode Island	25.0%	95.8%	25.3%	94.8%	24.6%	93.8%	24.3%	94.9%	23.7%	94.9%	24.2%	95.1%	24.9%	94.3%
South Carolina	54.0%	78.4%	58.7%	76.5%	52.4%	54.7%	54.3%	50.6%	53.7%	55.9%	54.3%	63.7%	49.5%	64.7%
South Dakota	46.5%	<u>1/</u>	43.0%	<u>1/</u>	42.5%	<u>1/</u>	46.1%	<u>1/</u>	54.8%	<u>1/</u>	57.5%	<u>1/</u>	57.9%	<u>1/</u>
Tennessee	35.4%	<u>1/</u>	32.3%	<u>1/</u>	41.2%	<u>1/</u>	42.7%	<u>1/</u>	50.6%	<u>1/</u>	52.1%	<u>1/</u>	57.2%	<u>1/</u>
Texas	25.6%	49.0%	41.5%	61.9%	30.8%	<u>1/</u>	28.1%	<u>1/</u>	34.2%	<u>1/</u>	38.9%	<u>1/</u>	42.0%	<u>1/</u>
Utah	31.1%	<u>1/</u>	25.9%	<u>1/</u>	27.9%	<u>1/</u>	28.1%	<u>1/</u>	26.2%	<u>1/</u>	30.3%	<u>1/</u>	42.5%	<u>1/</u>
Vermont	<u>2/</u>	<u>2/</u>	12.9%	27.9%	21.4%	32.7%	24.3%	37.5%	24.9%	38.2%	22.4%	35.8%	22.2%	33.9%
Virginia	44.9%	<u>1/</u>	44.3%	<u>1/</u>	42.9%	<u>1/</u>	44.6%	<u>1/</u>	50.1%	<u>1/</u>	46.3%	<u>1/</u>	53.9%	<u>1/</u>
Washington	52.8%	57.8%	50.4%	52.7%	49.8%	50.7%	46.2%	44.3%	35.4%	31.1%	38.6%	37.7%	36.1%	43.1%
West Virginia	17.1%	20.9%	21.6%	32.6%	19.2%	26.5%	14.2%	25.2%	11.7%	<u>1/</u>	16.3%	<u>1/</u>	26.2%	<u>1/</u>
Wisconsin	73.4%	35.0%	75.0%	39.3%	69.4%	39.3%	67.2%	40.3%	61.3%	33.1%	44.3%	25.5%	36.2%	17.10%
Wyoming	59.0%	56.7%	71.8%	91.6%	82.9%	93.8%	83.0%	91.5%	77.8%	87.5%	82.1%	65.2%	77.2%	75.90%
<p><u>1/</u> State has no two-parent families in its TANF program.</p> <p><u>2/</u> Vermont claims waiver inconsistencies exempt all cases from participation rates through June 30, 2001</p> <p>Source: : TANF Annual Reports to Congress, 2002-2008.</p>														



# Appendix C: Caseload Reduction Credits in All States, 2000-2006

State	2000				2001				2002				2003			
	Percent Change All Families	Adjusted Standard All Families	Percent Change Two-Parent Families	Adjusted Standard Two-Parent Families	Percent Change All Families	Adjusted Standard All Families	Percent Change Two-Parent Families	Adjusted Standard Two-Parent Families	Percent Change All Families	Adjusted Standard All Families	Percent Change Two-Parent Families	Adjusted Standard Two-Parent Families	Percent Change All Families	Adjusted Standard All Families	Percent Change Two-Parent Families	Adjusted Standard Two-Parent Families
United States <sup>1</sup>	-42.5%	0.0%	-91.0%	2	-48.9%	0.0%	-85.1%	2	-52.0%	0.0%	-89.2%	2	-51.6%	0.0%	-88.7%	2
Alabama	-55.9%	0.0%	-100.0%	2	-58.2%	0.0%	-75.9%	2	-59.7%	0.0%	-100.0%	2	-60.4%	0.0%	-100.0%	2
Alaska	-20.0%	11.2%	-34.5%	55.5%	-34.3%	10.7%	-39.2%	50.8%	-41.3%	8.7%	-54.0%	36.0%	-38.9%	11.1%	-48.8%	41.2%
Arizona	-48.5%	0.0%	-48.5%	41.5%	-48.8%	0.0%	48.8%	41.2%	-45.2%	4.8%	-45.2%	44.8%	-36.9%	13.1%	-36.9%	53.1%
Arkansas	-34.4%	5.6%	34.4%	55.6%	-48.4%	0.0%	34.4%	41.6%	-50.1%	0.0%	-50.1%	39.9%	-46.7%	3.3%	-46.7%	43.3%
California	-32.1%	7.9%	-100.0%	2	-39.0%	6.0%	100.0%	2	-43.3%	6.7%	-100.0%	2	-44.2%	5.8%	-100.0%	2
Colorado	-61.1%	0.0%	61.1%	28.9%	-65.9%	0.0%	65.9%	24.1%	-66.5%	0.0%	-66.5%	23.5%	-67.3%	0.0%	-67.3%	22.7%
Connecticut	-12.5%	27.5%	-100.0%	2	-28.5%	16.5%	100.0%	2	-29.0%	21.0%	-100.0%	2	-29.7%	20.3%		2
Delaware	-44.2%	0.0%	-100.0%	2	-40.2%	4.8%	100.0%	2	-43.3%	6.7%	-100.0%	2	-39.8%	10.2%	-100.0%	2
D.C.	-28.8%	11.2%	-68.7%	21.3%	-34.4%	10.6%	-60.1%	29.9%	-38.8%	11.2%	-64.6%	25.4%	-38.5%	11.5%	-49.0%	41.0%
Florida	-60.9%	0.0%	-100.0%	2	-67.2%	0.0%	100.0%	2	-70.6%	0.0%	-100.0%	2	-70.6%	0.0%	-100.0%	2
Georgia	-51.4%	0.0%	-100.0%	2	-58.0%	0.0%	100.0%	2	-58.0%	0.0%	-100.0%	2	-51.9%	0.0%	-100.0%	2
Hawaii	-15.1%	24.9%	-100.0%	2	-12.3%	32.7%	100.0%	2	-23.4%	26.6%	-100.0%	2	-30.0%	20.0%	-100.0%	2
Idaho	-46.3%	0.0%	-72.6%	17.4%	-52.1%	0.0%	-80.7%	9.3%	-34.1%	15.9%	-81.4%	8.6%	-30.0%	20.0%	-80.4%	9.6%
Illinois	-47.4%	0.0%	-84.2%	5.8%	-64.0%	0.0%	-96.4%	0.0%	-73.2%	0.0%	-100.0%	2	-79.1%	0.0%	-100.0%	2
Indiana	-44.0%	0.0%	-60.0%	30.0%	-43.9%	1.1%	100.0%	2	-34.6%	15.4%	-100.0%	2	-21.1%	28.9%	-100.0%	2
Iowa	-39.2%	0.8%	-55.6%	34.4%	-44.0%	1.0%	-59.8%	30.2%	-43.6%	6.4%	-55.4%	34.6%	-42.7%	7.3%	-61.1%	28.9%
Kansas	-22.7%	17.3%	22.7%	67.3%	-20.1%	24.9%	20.1%	69.9%	-11.6%	38.4%	-11.6%	78.4%	-8.3%	41.7%	-8.3%	81.7%
Kentucky	-41.0%	0.0%	-79.9%	10.1%	-45.3%	0.0%	-80.6%	9.4%	-47.1%	2.9%	-82.0%	8.0%	-45.5%	4.5%	-81.0%	9.0%

Louisiana	-44.6%	0.0%	44.6%	45.4%	-56.7%	0.0%	56.7%	33.3%	-60.8%	0.0%	-60.8%	29.2%	-59.0%	0.0%	-59.0%	31.0%
Maine	-30.7%	9.3%	-69.1%	20.9%	-42.5%	2.5%	-75.9%	14.1%	-48.1%	1.9%	-84.1%	5.9%	-47.5%	2.5%	-79.9%	10.1%
Maryland	-38.8%	1.2%	-100.0%	2	-43.4%	1.6%	100.0%	-	-43.8%	6.2%	-100.0%	2	-43.5%	6.5%	-100.0%	2
Massachusetts	-42.4%	0.0%	42.4%	47.6%	-48.2%	0.0%	48.2%	41.8%	-49.2%	0.8%	-49.2%	40.8%	-45.1%	4.9%	-45.1%	44.9%
Michigan	-52.6%	0.0%	-85.9%	4.1%	-62.7%	0.0%	-85.0%	5.0%	-64.1%	0.0%	-85.4%	4.6%	-62.0%	0.0%	-83.6%	6.4%
Minnesota	-30.8%	9.2%	30.8%	59.2%	-36.4%	8.6%	36.4%	53.6%	-37.1%	12.9%	-100.0%	2	-35.2%	14.8%	-100.0%	2
Mississippi	-53.9%	0.0%	53.9%	36.1%	-48.5%	0.0%	48.5%	41.5%	-37.5%	12.5%	-100.0%	2	-37.4%	12.6%	-100.0%	2
Missouri	-43.0%	0.0%	-92.9%	0.0%	-44.9%	0.1%	-69.0%	21.0%	-44.3%	5.7%	-48.3%	41.7%	-45.0%	5.0%	-33.6%	45.0%
Montana	-56.2%	0.0%	56.2%	33.8%	-59.4%	0.0%	59.4%	30.6%	-56.0%	0.0%	-56.0%	34.0%	-48.0%	2.0%	-48.0%	42.0%
Nebraska	-25.9%	14.1%	25.9%	64.1%	-32.2%	12.8%	100.0%	-	-32.4%	17.6%	-100.0%	2	-25.8%	24.2%	-100.0%	2
Nevada	-48.9%	0.0%	48.9%	41.1%	-51.2%	0.0%	51.2%	38.8%	-45.9%	4.1%	-100.0%	2	-23.8%	26.2%	-100.0%	2
New Hampshire	-41.4%	0.0%	-75.5%	14.5%	-45.9%	0.0%	-79.1%	10.9%	-47.6%	2.4%	-71.9%	18.1%	-43.9%	6.1%	-54.0%	36.0%
New Jersey	-39.0%	1.0%	-100.0%	2	-46.0%	0.0%	100.0%	-	-57.0%	0.0%	-100.0%	2	-58.2%	0.0%	-100.0%	2
New Mexico	-23.2%	16.8%	23.2%	66.8%	-30.3%	14.7%	30.3%	59.7%	-41.7%	8.3%	-41.7%	48.3%	-41.6%	8.4%	-41.6%	48.4%
New York	-34.8%	5.2%	-71.2%	18.8%	-48.2%	0.0%	-74.9%	15.1%	-54.6%	0.0%	-78.2%	11.8%	-60.1%	0.0%	-79.3%	10.7%
North Carolina	-48.3%	0.0%	48.3%	41.7%	-55.9%	0.0%	55.9%	34.1%	-55.4%	0.0%	-55.4%	34.6%	-52.6%	0.0%	-52.6%	37.4%
North Dakota	-40.6%	0.0%	-100.0%	2	-44.2%	0.8%	100.0%	-	-42.5%	7.5%	-100.0%	2	-38.0%	12.0%	-100.0%	2
Ohio	-52.1%	0.0%	-77.5%	12.5%	-56.5%	0.0%	-81.1%	8.9%	-60.8%	0.0%	-82.4%	7.6%	-57.2%	0.0%	-80.3%	9.7%
Oklahoma	-55.2%	0.0%	-100.0%	2	-32.9%	12.1%	100.0%	-	-47.1%	2.9%	-100.0%	2	-53.2%	0.0%	-53.2%	36.8%
Oregon	-56.7%	0.0%	56.7%	33.3%	-56.2%	0.0%	56.2%	33.8%	-58.3%	0.0%	-58.3%	31.7%	-54.0%	0.0%	-54.0%	36.0%
Pennsylvania	-48.4%	0.0%	-83.9%	6.1%	-56.1%	0.0%	-84.5%	5.5%	-59.6%	0.0%	-86.1%	3.9%	-60.6%	0.0%	-83.5%	6.5%
Rhode Island	-15.7%	24.3%	15.7%	74.3%	-21.8%	23.2%	21.8%	68.2%	-27.1%	22.9%	-27.1%	62.9%	-30.8%	19.2%	-30.8%	59.2%
South Carolina	-40.0%	0.0%	40.0%	50.0%	-27.1%	17.9%	27.1%	62.9%	-49.3%	0.7%	-49.3%	40.7%	-47.6%	2.4%	-47.6%	42.4%
South Dakota	-36.9%	3.1%	-	2	-43.8%	1.2%	-	2	-40.7%	9.3%	-	2	-37.6%	12.4%	-	2
Tennessee	-44.6%	0.0%	-85.1%	4.9%	-45.5%	0.0%	100.0%	-	-42.2%	7.8%	-100.0%	2	-38.4%	11.6%	-	2
Texas	-51.7%	0.0%	51.7%	38.3%	-53.4%	0.0%	53.4%	36.6%	-52.3%	0.0%	-100.0%	2	-50.3%	0.0%	-100.0%	2
Utah	-34.2%	5.8%	-100.0%	2	-38.2%	6.8%	100.0%	-	-38.3%	11.7%	-100.0%	2	-33.0%	17.0%	-100.0%	2
Vermont	0.0%	40.0%	0.0%	90.0%	-36.1%	8.9%	-64.1%	25.9%	-41.2%	8.8%	-65.7%	24.3%	-42.9%	7.1%	-54.3%	35.7%
Virginia	-47.4%	0.0%	-	2	-54.6%	0.0%	-	2	-58.2%	0.0%	-	2	-56.8%	0.0%	-	2
Washington	-38.4%	1.6%	-55.0%	35.0%	-40.5%	4.5%	-47.3%	42.7%	-43.0%	7.0%	-49.9%	40.1%	-41.8%	8.2%	-48.4%	41.6%



State	2004				2005				2006							
	Percent Change All Families	Adjusted Standard All Families	Percent Change Two-Parent Families	Adjusted Standard Two-Parent Families	Percent Change All Families	Adjusted Standard All Families	Percent Change Two-Parent Families	Adjusted Standard Two-Parent Families	Percent Change All Families	Adjusted Standard All Families	Percent Change Two-Parent Families	Adjusted Standard Two-Parent Families				
West Virginia	-70.2%	0.0%	70.2%	19.8%	-68.4%	0.0%	68.4%	21.6%	-61.6%	0.0%	-61.6%	28.4%	-58.7%	0.0%	-58.7%	31.3%
Wisconsin	-50.4%	0.0%	50.4%	39.6%	-56.1%	0.0%	56.1%	33.9%	-53.7%	0.0%	-53.7%	36.3%	-51.9%	0.0%	-51.9%	21.3%
Wyoming	-82.8%	0.0%	-94.5%		-85.4%	0.0%	-97.0%	0.0%	-86.6%	0.0%	-86.6%	0.0%	-87.0%	0.0%	-87.0%	3.0%
<b>State</b>																
United States	-51.1%			-87.5%		2	-51.3%		-89.1%		2	-49.9%		-86.9%		2
Alabama	-58.5%	0.0%	0.0%	-70.3%			-57.9%	0.0%	-100.0%			-55.9%	0.0%	-100.0%		
Alaska	-43.1%	6.9%	6.9%	-55.8%	34.2%		-45.2%	4.8%	-58.9%	31.1%		-43.2%	6.8%	-46.7%	43.3%	
Arizona	-30.4%	19.6%	19.6%	-30.4%	59.6%		-26.0%	24.0%	-26.0%	64.0%		-38.4%	11.6%	-38.4%	51.6%	
Arkansas	-45.7%	4.3%	4.3%	-45.7%	44.3%	2	-46.1%	3.9%	-46.1%	43.9%	2	-47.3%	2.7%	-47.3%	42.7%	2
California	-46.1%	3.9%	3.9%	-100.0%			-45.5%	4.5%	-100.0%			-44.9%	5.1%	-100.0%		
Colorado	-63.8%	0.0%	0.0%	-63.8%	26.2%		-59.2%	0.0%	-59.2%	30.8%		-56.2%	0.0%	-56.2%	33.8%	
Connecticut	-29.8%	20.2%	20.2%	-29.8%	100.0%	2	-26.6%	23.4%	-26.6%	100.0%	2	-26.6%	23.4%	-100.0%		2
Delaware	-37.5%	12.5%	12.5%	-100.0%			-32.4%	17.6%	-100.0%			-31.8%	18.2%	-100.0%		2
D.C.	-36.7%	13.3%	13.3%	-36.7%	53.3%	2	-34.7%	15.3%	-34.7%	55.3%	2	-35.6%	14.4%	-35.6%	54.4%	2
Florida	-70.9%	0.0%	0.0%	-100.0%			-71.2%	0.0%	-100.0%			-70.0%	0.0%	-100.0%		2
Georgia	-45.7%	4.3%	4.3%	-100.0%			-44.1%	5.9%	-100.0%			-51.2%	0.0%	-100.0%		2
Hawaii	-33.6%	16.4%	16.4%	-100.0%			-37.9%	12.1%	-100.0%			-50.4%	0.0%	-100.0%		2
Idaho	-15.5%	34.5%	34.5%	-69.0%	21.0%	2	-22.1%	27.9%	-67.3%	22.7%	2	-21.5%	28.5%	-70.8%	19.2%	2
Illinois	-83.4%	0.0%	0.0%	-100.0%			-84.2%	0.0%	-100.0%			-82.9%	0.0%	-100.0%		2
Indiana	-14.6%	35.4%	35.4%	-100.0%			-16.6%	33.4%	-100.0%			-22.9%	27.1%	-100.0%		2
Iowa	-41.2%	8.8%	8.8%	-100.0%			-39.0%	11.0%	-100.0%			-32.7%	17.3%	-100.0%		2
Kansas	-12.4%	37.6%	37.6%	-12.4%	77.6%		-11.2%	38.8%	-11.2%	78.8%		-11.2%	38.8%	-11.2%	78.8%	
Kentucky	-43.8%	6.2%	6.2%	-79.0%	11.0%		-39.9%	10.1%	-77.0%	13.0%		-38.1%	11.9%	-74.4%	15.6%	
Louisiana	-59.2%	0.0%	0.0%	-59.2%	30.8%	2	-63.2%	0.0%	-63.2%	26.8%	2	-65.3%	0.0%	-65.3%	24.7%	2
Maine	-50.8%	0.0%	0.0%	-100.0%			-48.9%	1.1%	-100.0%			-47.1%	2.9%	-100.0%		2
Maryland	-43.4%	6.6%	6.6%	-100.0%			-43.5%	6.5%	-100.0%			-44.8%	5.2%	-100.0%		2
Massachusetts	-43.7%	6.3%	6.3%	-43.7%	46.3%	2	-41.6%	8.4%	-41.6%	48.4%	2	-41.5%	8.5%	-100.0%		2

Michigan	-61.2%	0.0%	-84.0%	6.0%	-58.0%	0.0%	-82.4%	7.6%	-56.4%	0.0%	-81.8%	8.2%
Minnesota	-31.4%	18.6%	-100.0%	2	-31.2%	18.8%	-100.0%	2	-35.1%	14.9%	-100.0%	2
Mississippi	-27.1%	22.9%	-100.0%	2	-44.6%	5.4%	-100.0%	2	-45.9%	4.1%	-100.0%	2
Missouri	-46.3%	3.7%	-100.0%	2	-45.5%	4.5%	-100.0%	2	-47.2%	2.8%	-100.0%	-10.0%
Montana	-39.2%	10.8%	-39.2%	50.8%	-36.8%	13.2%	-36.8%	53.2%	-33.7%	16.3%	-33.7%	56.3%
Nebraska	-21.3%	28.7%	-100.0%	2	-21.4%	28.6%	-100.0%	2	-18.9%	31.1%	-100.0%	2
Nevada	-18.2%	31.8%	-100.0%	2	-39.7%	10.3%	-100.0%	2	-39.3%	10.7%	-100.0%	2
New Hampshire	-42.2%	7.8%	-100.0%	-10.0%	-42.6%	7.4%	-100.0%	-10.0%	-41.6%	8.4%	-100.0%	-10.0%
New Jersey	-58.0%	0.0%	-100.0%	2	-56.0%	0.0%	-100.0%	2	-57.6%	0.0%	-100.0%	2
New Mexico	-41.8%	8.2%	-41.8%	48.2%	-38.0%	12.0%	-38.0%	52.0%	-36.8%	13.2%	-36.8%	53.2%
New York	-60.5%	0.0%	-75.8%	14.2%	-70.2%	0.0%	-83.3%	6.7%	-51.8%	0.0%	-61.8%	28.2%
North Carolina	-63.2%	0.0%	-63.2%	26.8%	-58.6%	0.0%	-58.6%	31.4%	-62.7%	0.0%	-62.7%	27.3%
North Dakota	-35.3%	14.7%	-100.0%	2	-41.2%	8.8%	-100.0%	2	-45.2%	4.8%	-100.0%	2
Ohio	-40.3%	9.7%	-43.2%	46.8%	-34.3%	15.7%	-46.7%	43.3%	-30.9%	19.1%	-41.5%	48.5%
Oklahoma	-57.1%	0.0%	-100.0%	2	-59.3%	0.0%	-100.0%	2	-65.9%	0.0%	-100.0%	2
Oregon	-52.0%	0.0%	-77.0%	13.0%	-52.1%	0.0%	-86.4%	3.6%	-49.7%	0.3%	-76.1%	13.9%
Pennsylvania	-60.5%	0.0%	-81.8%	8.2%	-57.0%	0.0%	-74.4%	15.6%	-52.8%	0.0%	-61.2%	28.8%
Rhode Island	-34.6%	15.4%	-34.6%	55.4%	-36.9%	13.1%	-36.9%	53.1%	-39.3%	10.7%	-39.3%	50.7%
South Carolina	-47.0%	3.0%	-47.0%	43.0%	-47.0%	3.0%	-47.0%	43.0%	-46.7%	3.3%	-46.7%	43.3%
South Dakota	-38.3%	11.7%		2	-39.1%	10.9%		2	-36.3%	13.7%		2
Tennessee	-38.4%	11.6%	-100.0%	2	-30.4%	19.6%	-100.0%	2	-30.9%	19.1%	-100.0%	2
Texas	-49.1%	0.9%	-100.0%	2	-51.5%	0.0%	-100.0%	2	-56.1%	0.0%	-100.0%	2
Utah	-25.4%	24.6%	-100.0%	2	-32.2%	17.8%	-100.0%	2	-22.7%	27.3%	-100.0%	2
Vermont	-44.3%	5.7%	-52.9%	37.1%	-44.5%	5.5%	-55.1%	34.9%	-47.6%	2.4%	-59.2%	30.8%
Virginia	-55.0%	0.0%		2	-49.9%	0.1%		2	-49.2%	0.8%		2
Washington	-41.2%	8.8%	-50.7%	39.3%	-43.1%	6.9%	-63.2%	26.8%	-39.3%	10.7%	-57.5%	32.5%
West Virginia	-58.8%	0.0%	-58.8%	31.2%	-58.6%	0.0%	-100.0%	2	-66.5%	0.0%	-100.0%	2
Wisconsin	-49.6%	0.4%	-69.4%	20.6%	-48.7%	1.3%	-68.9%	21.1%	-52.8%	0.0%	-78.4%	11.6%
Wyoming	-86.9%	0.0%	-86.9%	310.0%	-88.8%	0.0%	-88.8%	1.2%	-90.8%	0.0%	-90.8%	0.0%

<sup>1</sup>United States figures include the United States territories Guam, Puerto Rico, and the Virgin Islands.

<sup>2</sup>State does not have a two-parent program

Source: TANF Annual Reports to Congress, 2002-2008.

## Appendix D: WV WORKS Data Reported to ACF Each Quarter

### **WV WORKS Data Reported To ACF Each Quarter**

The following data is reported quarterly to ACF by West Virginia:

#### General Data Questions

1. First reporting month for applicants paid back to date of application
2. Cases erroneously paid assistance

#### TANF Data Report (TDR) -- Section One

1. Coding of new applicants
2. Number of family members
3. Family types for work participation
4. Subsidized housing definitions
5. Amount of food stamp assistance
6. Amount of child care assistance
7. Definition of cash resources
8. Amount of cash and cash equivalents
9. Tracking of employed and non-employed families
10. Relationship between data elements 17 and 22
11. Receipt of child care under TANF and a separate State program
12. Family-paid child care
13. Reporting of transportation assistance
14. Estimates of the amount of transportation assistance
15. Reductions in assistance due to sanctions
16. Definition of a reduction in assistance
17. Treatment of reductions in transportation allowances under element 26.c.i
18. Treatment of reductions in transportation allowances under element 26.c.v
19. Coding of waiver status in non-waiver States
20. New child-only cases
21. Coding of family affiliation for noncustodial parents
22. Coding of affiliation for alien sponsors
23. Unknown SSN's
24. Race/Ethnicity Codes for Hispanics and Latinos
25. Reporting of disability benefits
26. BENDEX cases
27. Dependents of disabled wage-earners
28. Disabled adult children
29. SSI supplements
30. Definition of family for element #39
31. Codes for aliens
32. Cases with expired time limits, but receiving extensions
33. Months remaining in States with no time limits
34. Remaining months for exempt individuals
35. Status in current month where State has no time limits

36. Work participation status--exemption for child under 12 months
37. Treatment of sanction cases
38. Exempt participants
39. Participating mandatory participants
40. Assessing adequacy of hours for two-parent cases under element 48
41. Coding of waiver cases
42. Determining hours of participation
43. Education hours
44. Waiver hours in a non-waiver State
45. Public assistance as unearned income
46. EITC reporting
47. Rental assistance as unearned income
48. Reporting of Social Security and RSDI benefits
49. SSN's for unborn and newly-born children
50. Minor parents
51. Disregarded child care
52. Payments that combine assistance and non-assistance
53. Recoupments
54. Income disregards
55. Non-custodial parents not receiving assistance
56. Families with infants included in the work participation rate
57. Supplemental State payments
58. IDA contributions
59. SSA income received by children of deceased parent

#### TANF Data Report (TDR) -- Section Two

1. Closed cases
2. Closures due to earnings and employment
3. Closures related to moves to Tribal programs

#### TANF Data Report (TDR) -- Section Three

1. Month for reporting births
2. Estimates based on prior month
3. Definitions of out-of-wedlock and marital status

# Appendix E: Agency Response



**STATE OF WEST VIRGINIA  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES**

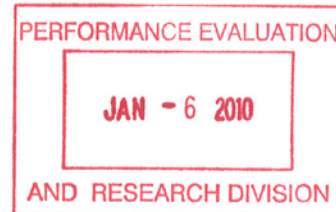
**Joe Manchin III**  
Governor

**Bureau for Children and Families  
Commissioner's Office  
350 Capitol Street, Room 730  
Charleston, West Virginia 25301-3711  
Telephone: (304) 558-0628 Fax: (304) 558-4194**

**Patsy A. Hardy, FACHE, MSN, MBA**  
Cabinet Secretary

January 6, 2010

Mr. John Sylvia, Director  
Performance Evaluation and Research Division  
1900 Kanawha Boulevard, East  
State Capitol Complex, Building 1, Room 314W  
Charleston, West Virginia 25305-0610



Dear Mr. Sylvia:

This is in response to the Performance Review of WV WORKS conducted by the West Virginia Legislature's Performance Evaluation and Research Division (PERD). On behalf of the WVDHHR, I want to express our appreciation for your attention to this important program which provides valuable assistance to a number of needy West Virginia families.

In regard to issue # 1, concerning the lack of a direct "cause and effect" between WV's unemployment rate and TANF caseloads, we agree that there are a numbers of factors that play into this situation. Not the least of which is the fact that a number of recently unemployed individuals are receiving Unemployment Compensation, and Federal Stimulus moneys have recently allowed for the lengthening of the "unemployment benefit period." It should also be noted that individuals with 401k plans, savings, etc., may still be receiving a benefit that makes them ineligible for TANF. Additionally, as has often been noted, it seems that WV does not benefit and suffer from national economic trends at the same pace as much of the rest of the nation. Although there has been a modest increase in the TANF caseload, which is correlated to the economic situation, it is entirely possible that more dramatic changes may be observed in the future.

In regard to issue # 2, it should be noted that a number of the factors mentioned as important, are factors that are currently tracked on a manual basis by our workers. It is important to acknowledge that our computer system was originally financed by Federal funds and is designed to meet Federal reporting requirements. Our system has proven adequate to meet the Federal requirements and undoubtedly could be "enhanced" to do more tracking of reporting items that are not required by the Federal government; however, it must be recognized that tracking of these items would be an enhancement and would necessarily be required to be paid for with state funds.

The factor of retention is currently tracked within the system, as well as manually to the extent possible. Tracking of an individual after they no longer receive assistance becomes very

Mr. John Sylvia  
January 6, 2010  
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difficult and labor intensive because the individual no longer has any obligation to report their circumstances to DHHR. The use of tax filings is not a current option, as DHHR has no access to an individual's personal information after they cease to receive benefits from us. Additionally, it should be noted that some individuals leave the state, qualify for SSI benefits, or marry and never file an additional tax return in their name.

The agency has recently implemented a management tracking process, the Reporting Analysis Formatting Tool (RAFT), which is RAPIDS' Data Warehouse, designed to maintain an ever-growing repository of RAPIDS data that affords project staff the ability to quickly design, produce, and distribute reports to satisfy inquiries and support initiatives within the various Bureaus of the WV DHHR.

DHHR has previously contracted with WVU to conduct studies of individuals and their circumstances after leaving TANF and would not be opposed to contracting for another more current "leaver study" if it is deemed beneficial.

Issue # 3 may be seen as a matter of interpretation of the term "self-sufficiency." One narrow interpretation may be that acquiring a job is the only way a person becomes self sufficient. DHHR asserts, however, that our individuals become self sufficient in a number of ways. For some, self sufficiency is achieved through qualifying for an SSI payment. For others, the reunification of a family, the receipt of Child Support payments, or the pursuit of increased skills or education may lead to self sufficiency. In our experience, the achievement of self sufficiency must be judged on a case by case basis.

It should be noted also that DHHR is attempting to address the situation of a large number of recipients who report suffering from a number of undetermined disabilities across the state. In October 2009, a grant was given to WVU's Center for Excellence in Disabilities to assess this population and assist the DHHR case managers in planning for this population. With this assistance, case managers will develop individualized plans to assist these individuals in moving toward self sufficiency.

Thank you for the opportunity to respond to your draft report.

Sincerely,



John J. Najmulski  
Commissioner

JJN:dm

cc: Patsy A. Hardy  
Warren Keefer  
Susan Perry  
Charles R. Young  
Douglas M. Robinson  
Sue Ellen Buster  
Dan Hartwell



WEST VIRGINIA LEGISLATIVE AUDITOR

**PERFORMANCE EVALUATION & RESEARCH DIVISION**

Building 1, Room W-314, State Capitol Complex, Charleston, West Virginia 25305

telephone: 1-304-347-4890 | [www.legis.state.wv.us/Joint/PERD/perd.cfm](http://www.legis.state.wv.us/Joint/PERD/perd.cfm) | fax: 1-304-347-4939