

August 23, 2024

Ann Flagg  
Director, Office of Family Assistance  
U.S. Department of Health & Human Services  
330 C Street, SW Washington, DC 20201

Re: Interim Final Rule: Temporary Assistance for Needy Families Work Outcomes Measures (*RIN: 0970-AD04; Document Number: 2024-13865; Document Citation: 89 FR 53870*)

Dear Director Flagg,

The American Public Human Services Association (APHSA), as the bipartisan membership association for state, county, and city human services agencies, including those that administer Temporary Assistance for Needy Families (TANF) funds, is writing in response to OFA's request for feedback regarding the three new information collections OFA has designed to implement the statutory changes enacted by section 304 of the Fiscal Responsibility Act of 2024 (FRA). We applaud OFA's intentions to align the TANF work outcomes measures as closely as possible with the Workforce Innovation and Opportunity Act's (WIOA). We are grateful that OFA has prioritized the simplicity of these reports in their design, especially for those states that do not have the infrastructure in place to analyze these measures using state wage data at this time. Below we offer our support of the State-Level Matching for Supplemental Work Outcomes Report and OFA's general direction to ensure states comply with section 304 of FRA; we also provide our considerations and recommendations regarding the three reports and reporting instructions, specifically related to the definition of an "exit" from the TANF program and OFA's reporting deadlines for each report. Later this year, we will comment about the other provisions of the interim final rule more generally.

### **State-Level Matching for the Supplemental Work Outcomes Report**

APHSA appreciates OFA's thorough consultation and research ahead of releasing this interim final rule and responsiveness to states' requests for the option to provide additional data that would enrich the outcomes generated from a centralized data match using the National Directory of New Hires (NDNH). We applaud OFA for seeking to empower states to analyze their own data for program improvement and policy decision-making and to thereby provide information about the degree of difference between the analyses

using NDNH data versus those using state wage data. Many states who already collect and analyze data about the outcomes of customers who have exited their programs have comprehensive metric analyses that provide them with timely feedback data, allowing them to advance evidence-based solutions to their state's TANF programs responsively. We are pleased that ACF values states' ability to measure their programs' effectiveness, and we are grateful for ACF's commitment to providing technical assistance and support to those interested in developing in-state infrastructure to calculate work outcomes.

State-level infrastructure to further disaggregate data collected around these four measures will become increasingly important in the coming years as we begin seeking to make sense of these indicators' results; many states wish to measure the success of TANF programs by their ability to achieve employment and economic well-being outcomes as captured through progress towards and attainment of family-sustaining wages. While this shift in TANF toward measuring work outcomes indicates a strong step forward for the program, we must be vigilant in how we interpret the resulting data. In our conversations with states, several scenarios have surfaced wherein the outcomes data might not accurately represent a family's actual circumstances. Below we list just a few examples, and we look forward to continuing to work with OFA to ensure we are communicating effectively about areas where further analysis is needed to accurately convey what these measures are – or are not – illustrating.

*As is the case in WIOA programs, for families that receive assistance in October, meet the exit definition in March, reapply for assistance in April, and meet the exit definition again in September, within one fiscal year this family will be counted twice as having exited the program.*

*An employed TANF recipient may be sanctioned in FY25 Q1 for administrative reasons and cease to receive TANF assistance for 90 days. The individual may then reapply for TANF in FY25 Q3 and begin receiving assistance again. Even though the story we might assume from the Work Outcomes of TANF Exiters Report of Q1 is that this TANF leaver has not returned to TANF and has retained employment in the 2nd and 4th quarter after exit, in actuality the individual later returned to the program, began receiving benefits again, and was already employed before the first exit.*

*If OFA does not plan to filter out "returners" such as those in the example above, nor request states to report how many "leavers" each quarter have since returned to the program, OFA should acknowledge individuals may likely be counted multiple times within one fiscal year.*

## Definition of “Exit”

APHSA supports OFA’s intention to align the WIOA and TANF programs wherever possible (e.g., definitions, data sources, reporting timeframes). Increasing alignment between TANF and WIOA will strengthen collaboration between TANF and the broader workforce system, allowing workforce programs to work in concert with one another and contributing to a coordinated continuum of workforce development and supportive services that advance family stability and economic mobility. However, for many state TANF programs, receipt of assistance isn’t tracked daily but rather is tracked monthly. In addition, using an exit definition framed around a family unit yet measures defined around an individual add complexity that needs further clarification from OFA.

**Recommendation: OFA should offer states the flexibility to count 90 days OR three months since a family’s last day of assistance have elapsed, depending on which is more feasible for states’ data systems.** For example, imagine that on the first day of every month a state releases cash benefits to all eligible cases. Imagine a current work-eligible TANF recipient begins a new job on June 24<sup>th</sup>, and the wages of this job exceed their state’s income eligibility limit. The individual then receives their first paycheck on July 8<sup>th</sup>, two weeks after their start-date; however, because they had not yet received this income on July 1<sup>st</sup>, they received their cash assistance benefit for the month of July. Once they receive their first and second paychecks, they have exceeded the state’s income eligibility threshold and so on August 1<sup>st</sup>, they do not receive benefits as they usually would. This continues through the end of October. By November 1<sup>st</sup>, the state would now list this individual’s social security number on their Work Outcome of TANF Exitters Report with Q4 data. Some states’ data systems count families’ assistance receipt in months rather than in days. Thus, we recommend OFA clarify that it is acceptable for states to think about the definition of exit as “three months without assistance” or “90 days without assistance,” depending on what makes most sense for their TANF agency’s operations.

**Recommendation: OFA should consider revising its [Work Outcomes of TANF Exitters Report Instructions](#) to clarify its choice of the word “family” in the definition of “exit.”** OFA should provide example scenarios of how this definition could impact their Work Outcomes of TANF Exitters Report based on various scenarios (e.g., when the adult of a family is sanctioned but the children in the family continue to receive benefits; in cases of a family transitioning to a child-only case).

### Three New Reporting Deadlines

As stated previously, APHSA is grateful for OFA's thorough consultation and research ahead of releasing this interim final rule. In speaking to representatives from a state with advanced data capabilities, APHSA has become aware that the 45-day period after a quarter's end may still feel rushed, as the data they will include in these reports will be considered immature.

**Recommendation: We recommend OFA change all three new reporting requirement deadlines FROM each state needing to file each report within 45 days following the end of the quarter (QE) or the fiscal year's end TO within 75 days following the end of the quarter (QE) or the fiscal year's end.** For example, as it relates to the Work Outcomes of TANF Exiters Report, in order for a state to confirm that a client's last month of receipt was in December in a state that releases assistance payments on the 1<sup>st</sup> of the month (thus implying a January 1<sup>st</sup> exit for the client), states would need to have their March data available in order to confirm 90 days have elapsed since the client last received benefits. For some states, March data would not become available until mid-April; while these data sets are considered largely accurate, states can see some movement when the next month's data (the April data in this case) becomes available. Because the data takes about a week to load into the system, states would not have time to adjust their report to the April data before submitting by the May 15<sup>th</sup> deadline. States would prefer to use data that has had an additional month to mature for federal reporting purposes. Given the other possibilities for error within states reported data sets as well as within the National Directory of New Hires, we recommend OFA extend this 45-day reporting deadline by an additional 30 days so that states data will have time to mature before being submitted. Although this example pertains to the Work Outcomes of TANF Exiters Report, states will face similar challenges as it relates to the Secondary School Attainment Measure and the Supplemental Work Outcomes Report, and we suggest the deadline for all three reports be extended to 75 days after the quarter's/fiscal year's end.

Thank you for your continued efforts to collaborate with TANF agencies as you work to implement these changes. For further questions or discussions, please feel free to reach out to Rebekah Sides, Policy Associate for Social and Economic Mobility at [rsides@aphsa.org](mailto:rsides@aphsa.org).

Sincerely,



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**Patara Horn**

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