

**FORM ACF-202 – CASELOAD REDUCTION REPORT  
FOR TEXAS, FISCAL YEAR 2017**

**ATTACHMENT A:  
METHODOLOGY FOR DETERMINING TEXAS' TANF  
CASELOAD REDUCTION CREDIT (CRC)  
FFY 2005 Versus FFY 2016 for FFY 2017**

This document outlines Texas' methodology for determining the reduction in the TANF caseload from FFY 2005 to FFY 2016. First, the number of cases in the base caseload for FFY 2005 and 2016 are determined. Then the base caseload reduction is calculated. Next, the impact of state and federal legislation and policies implemented after FFY 2005 on the TANF caseload are examined. Finally, the resultant caseload reduction credit is determined.

Public comment is being requested as described in the posted notice in the December 2, 2016, edition of the Texas Register. A two-week period will be allowed for comment.

Texas is submitting a caseload reduction report for the Overall participation rate.

## **METHODOLOGY**

### **Overview**

1. Base caseloads for FFY 2005 and FFY 2016 were determined.
2. The FFY 2005 caseload was subtracted from the FFY 2016 caseload to get the base caseload reduction.
3. The caseload impact of state and federal legislation and policy changes after FFY 2005 was determined.
4. Legislation and policy changes that increased the caseload were used to offset legislation and policy changes that reduced the caseload.
5. The result of number 4 above was subtracted from the result in number 2 above. This gives the revised caseload reduction.
6. The caseload reduction from number 5 above was divided by the base caseload for FFY 2005 to determine the caseload reduction credit.

**ATTACHMENT A,  
TEXAS' CASELOAD REDUCTION METHODOLOGY  
FOR FFY 2017continued**

**TANF OVERALL CASELOAD:**

**1. Base Caseloads**

The number of overall TANF cases that received cash assistance is made up of cases from the Texas Health and Human Services Commission (HHSC) and from the Texas Department of Family and Protective Services (TDFPS). For HHSC, this was determined from ad hoc computer runs against a warrant history file kept by HHSC. The number of cases each month was determined based on the unique case number assigned to each TANF family. A family was counted only once in a given month. Families were included only if they received a benefit for a given month in that month. For example, families which received cash assistance in November for the month of October (i.e. their benefits were not available to them until after the benefit month in question) were not included in the count of families for October.

**FFY 2005**

For FFY 2005, the average of October 2004 through September 2005 was 83,006 families per month served through HHSC. The average case count of children receiving TDFPS TANF/EA "assistance" in FFY 2005 was 3,733 cases per month. Together, these sum to 86,739 TANF assistance cases per month in Texas. In addition, HHSC served another 2,892 two-parent families with TANF Maintenance of Effort funds in the TANF SSP program. All totaled the average monthly caseload for FFY 2005 was 89,631.

**FFY 2016**

For FFY 2016, the average of October 2015 through September 2016 was 24,681 families per month served through HHSC. The average case count of children receiving TDFPS TANF/EA "assistance" in FFY 2016 was 4,886 cases per month. Together, these sum to 29,567 TANF assistance cases per month in Texas.

**2. Base caseload reduction = FFY 2016 cases - FFY 2005 cases**

$$29,567 - 89,631 = -60,064$$

**3. The caseload impact of state and federal legislation and policy changes after FFY 2005**

The following state and federal legislation and policy changes were made between October 1995 and September 2016:

1. Refinance TANF Two-Parent program to State GR dollars

The methodology to estimate the caseload impact of each of these is provided below.

1. The TANF SSP program for two-parent families was refinanced from TANF Maintenance of Effort funding to solely state funds (general revenue) in October 2007. The only change was the funding source. No changes were made to TANF eligibility determination policies for two-parent families. Since the change only impacted the funding source and the state continues to issue benefits, Texas is able to identify and track the actual two-parent caseload monthly.

**ATTACHMENT A,  
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FOR FFY 2017continued**

**Results**

**4. The following table summarizes all of the impacts described above:**

Policy Change	Impact
1. Refinance TANF Two-Parent program to State GR dollars	-674

**5. Revised caseload reduction:** The net reduction from step 4 above is subtracted from the base caseload reduction from step 2 above.

$$-60,064 - (-674) = -59,390$$

**6. CALCULATION OF CASELOAD REDUCTION CREDIT**

Based on the above, we calculate the caseload reduction credit to be:

$$-59,390 / 89,631 = \mathbf{-66.3\%}$$