

# DEPARTMENT OF HEALTH AND SOCIAL SERVICES

## DIVISION OF SOCIAL SERVICES

Statutory Authority: 31 Delaware Code, Section 107 (31 Del.C. §107)

### PUBLIC NOTICE

#### Delaware Temporary Assistance for Needy Families (TANF) Caseload Reduction Credit Report for Fiscal Year 2007

In compliance with the State's Administrative Procedures Act (APA - Title 29, Chapter 101 of the **Delaware Code**) and under the authority of Title 31 of the **Delaware Code**, Chapter 5, Section 107, Delaware Health and Social Services/Division of Social Services (DHSS/DSS) initiated proceedings to provide information of public interest with respect to the Delaware TANF Caseload Reduction Credit Report for fiscal year 2007.

Any person who wishes to make written suggestions, compilations of data, testimony, briefs or other written materials concerning this notice must submit same to Sharon L. Summers, Policy and Program Implementation Unit, Division of Social Services, P.O. Box 906, New Castle, Delaware 19720-0906 or by fax to 302-255-4425 (new fax number) by June 30, 2007.

The action concerning the determination of whether to adopt the proposed regulation will be based upon the results of Department and Division staff analysis and the consideration of the comments and written materials filed by other interested persons.

### SUMMARY OF PROPOSAL

#### Title of Notice

Delaware TANF Caseload Reduction Credit Report - Fiscal Year 2007

#### Statutory Basis

- Section 407(b)(3) of the Social Security Act, *Pro Rata Reduction of Participation Rate Due to Caseload Reductions Not Required by Federal Law and Not Resulting from Changes in State Eligibility Criteria; and,*
- 45 CFR 261.40 et seq., *How Will We Determine the Caseload Reduction Credit?*

#### Background

Section 407(b)(3) of the Social Security Act, as amended by the Deficit Reduction Act of 2005 (DRA) requires a reduction of the State's required participation rate for a fiscal year by the number of percentage points that the average monthly number of families receiving assistance in the State in the immediately preceding fiscal year is less than the average monthly number of families that received assistance in the State in fiscal year (FY) 2005.

The statute prohibits this reduction from including any caseload declines due to requirements of Federal law or due to differences in State eligibility criteria. This reduction in the participation rate is termed the *TANF Caseload Reduction Credit*.

To receive a caseload reduction credit, a State must complete Form ACF-202, the Caseload Reduction Report, in accordance with the regulations at 45 CFR 261.40 et seq., Section 407(b)(3) of the Social Security Act and the DRA. The FY 2007 report provides the information needed to calculate a caseload reduction credit (FY 2006 versus FY 2005), and thus determine the participation standard the State must meet for the fiscal year.

For this report to be complete, an opportunity for the public to comment and assurances that DSS considered those comments is required by the Administration for Children and Families (ACF) as part of our Caseload Reduction Report.

### FORM ACF-202 - TANF CASELOAD REDUCTION REPORT

State: <u>Delaware</u>		Fiscal Year to which credit applies: <u>FY 2007</u>	
Overall Report <u>xxx</u>	(check one)	Apply the overall credit to the two-parent participation rate?	<u>xxx</u> yes <u>no</u>
<p align="center"><b>PART 1 –Eligibility Changes Made Since FY 2005</b> (Complete this section for EACH change)</p>			
1. Name of eligibility change: No changes in eligibility have been made in FY 2006.			
2. Implementation date of eligibility change: N/A			
3. Description of policy, including the change from prior policy: N/A			
4. Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form): N/A			
5. Estimated average monthly impact of this eligibility change on caseload in comparison year: <u>N/A</u>			

State: Delaware

Fiscal Year to which credit applies: FY 2007

## PART 2 – Estimate of Caseload Reduction Credit

Impact of All Changes: None

### Caseload Reduction Calculation

#### Actual Caseload Decline

FY 2005 Average TANF Caseload	5,606
FY 2005 Average SSP Caseload	128
FY 2005 Average Total caseload	<b>5,734</b>
FY 2006 Average TANF Caseload	5,504
FY 2006 Average SSP Caseload	<u>105</u>
FY 2006 Average Total Caseload	<b>5,609</b>
Actual Decline	125 cases = 2.18%
Actual Decline – Net Impact	125 cases = 2.18%

#### Cases Funded With Excess MOE

Total FY 2006 MOE Expenditures	\$37,374,628
75% MOE Requirement	<u>\$21,771,069</u>
Excess MOE Spending	\$15,603,559 divided by
Average “assistance” spending per case	\$ 3,926 equals
Cases Funded by Excess MOE	3,974 cases
Actual Caseload Decline	<u>125 cases</u>
Adjusted Caseload Reduction	<b>4,099</b> cases = 71.49%

**Caseload Reduction Credit = 50%**