

State of Alaska FY2006 Governor's Operating Budget

Department of Health and Social Services Public Assistance Results Delivery Unit Budget Summary

Public Assistance Results Delivery Unit

Contribution to Department's Mission

The mission of the Division of Public Assistance is to promote self-sufficiency and provide basic living expenses to Alaskans in need.

To meet this mission, the Division administers programs that provide temporary economic support to needy families and individuals, financial assistance to the elderly, blind and disabled, benefits to supplement nutrition, medical benefits, and supportive services that enable and encourage welfare recipients to pursue economic independence and self-sufficiency.

Core Services

- Provide temporary financial assistance to low-income Alaskan families with children who are capable of self-sufficiency to help them meet their basic needs.
- Provide employment assistance to low-income Alaskan families with children to help them become more self-sufficient.
- Provide financial assistance to low-income elderly, blind, or disabled Alaskans incapable of self-sufficiency to help them meet their basic needs.
- Provide food assistance to low-income Alaskans to decrease their incidence of food insecurity.
- Provide home heating assistance to low-income Alaskans to reduce their disproportionate burden of home heating costs.
- Provide child care subsidies to families who need child care to work or participate in approved work or training activities.
- License child care providers to increase the safety and quality of child care in Alaska.

The Public Assistance RDU determines applicant eligibility and provides cash, food and heating assistance to needy Alaskans. The major programs are Alaska Temporary Assistance (ATAP), Food Stamps, Adult Public Assistance (APA), General Relief Assistance, Heating Assistance, and Native Family Assistance. These programs provide an economic safety net for individuals and families that need help to support themselves and their children. Preventing dependency, promoting self-sufficiency and supporting clients toward obtaining employment and jobs capable of supporting a family are major responsibilities of the Division. The RDU also determines eligibility for CAMA, Medicaid, and Denali KidCare. To qualify for public assistance, individuals must have income near or below poverty level and also meet a number of specific eligibility requirements which vary by program. The Division must meet payment accuracy requirements, work participation standards and timeliness guidelines or be subject to federal sanction or penalty.

End Results	Strategies to Achieve Results
<p>A: Low income families and individuals become economically self-sufficient.</p> <p><u>Target #1:</u> Increase self-sufficient individuals and families by 10%.</p> <p><u>Measure #1:</u> Rate of change in self-sufficient families.</p>	<p>A1: Increase the percentage of temporary assistance families who leave the program with earnings and do not return for 6 months.</p> <p><u>Target #1:</u> 90% temporary assistance families leave with earnings and do not return for 6 months.</p> <p><u>Measure #1:</u> Percentage of families that leave temporary assistance with earned income and do not return for 6 months.</p>

A2: Increase the percentage of temporary assistance families with earnings.

Target #1: 40% of temporary assistance families with earnings.

Measure #1: Percentage of temporary assistance families with earnings.

A3: Increase the percentage of temporary assistance families meeting federal work participation rates.

Target #1: 50% of temporary assistance families meet federal work participation rates.

Measure #1: Percentage of temporary assistance families meeting federal work participation rates.

A4: Improve timeliness of benefit delivery.

Target #1: 95% of food stamps expedited service applications meets federal time requirements.

Measure #1: Percentage of food stamps expedited service households that meet federal time requirements.

Target #2: 96% of new food stamps applications meet federal time requirements.

Measure #2: Percentage of new food stamps applications that meet federal time requirements.

Target #3: 99.5% of food stamps recertification applications meet federal time requirements.

Measure #3: Percentage of food stamps recertification applications that meet federal time requirements.

Target #4: 90% of temporary assistance applications meet time requirements.

Measure #4: Percentage of temporary assistance applications that meet time requirements.

Target #5: 90% of Medicaid applications meet federal time requirements.

Measure #5: Percentage of Medicaid applications that meet federal time requirements.

A5: Improve accuracy of benefit delivery.

Target #1: 93% of food stamp benefits are accurate.

Measure #1: Percentage of accurate food stamp benefits.

Target #2: 95% of temporary assistance benefits are accurate.

Measure #2: Percentage of accurate temporary assistance benefits.

Target #3: 93% of Medicaid eligibility determinations are accurate.

Measure #3: Percentage of accurate Medicaid eligibility determinations.

A6: Increase the percentage of subsidy children in

	licensed care. <u>Target #1:</u> 76% of subsidy children are in licensed care. <u>Measure #1:</u> Percentage of subsidy children in licensed care.
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FY2006 Resources Allocated to Achieve Results

FY2006 Results Delivery Unit Budget: \$241,435,200	Personnel:	
	Full time	489
	Part time	11
	Total	500

Performance Measure Detail

A: Result - Low income families and individuals become economically self-sufficient.

Target #1: Increase self-sufficient individuals and families by 10%.

Measure #1: Rate of change in self-sufficient families.

Year	September	December	March	June	YTD
2002	-16%	6%	4%	3%	-2%
2003	-1%	-11%	-14%	-13%	-9%
2004	-12%	-7%	-6%	-9	-9%
2005	-6.1%	0	0	0	-7.2%

Analysis of results and challenges: The goal is for clients to move off of Temporary Assistance with more income than they received while on the program, and for those clients to stay employed with sufficient earnings to stay off the program.

As the caseload declines, those adults with more significant barriers to employment make up a higher percentage of the caseload. Therefore, with a declining caseload, it becomes more difficult to achieve higher percentages of families becoming self-sufficient.

The rate of change is calculated for the number of families receiving Alaska Temporary Assistance Program benefits compared to the same time period in the previous state fiscal year. Thus September of SFY2003 had a 1% decline in the Alaska Temporary Assistance Program caseload compared to September of SFY2002. The YTD column compares the average annual caseload to the prior year average annual caseload.

A1: Strategy - Increase the percentage of temporary assistance families who leave the program with earnings and do not return for 6 months.

Target #1: 90% temporary assistance families leave with earnings and do not return for 6 months.

Measure #1: Percentage of families that leave temporary assistance with earned income and do not return for 6 months.

Percent of Temporary Assistance Families Who Leave the Program With Earnings and Do Not Return for 6 Months

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	83%	83%	76%	81%	81%
2003	85%	87%	82%	82%	84%
2004	90%	85%	79%	80%	84%
2005	89%	0	0	0	89%

Analysis of results and challenges: The goal is for clients to move off of Temporary Assistance with more income than they received while on the program, and for those clients to stay employed with sufficient earnings to stay off the program. The measurement ties in job retention, since retaining employment is directly related to remaining off Temporary Assistance.

The Division provides childcare and supportive services to support employed families during the transition to self-sufficiency. Supportive services include case management support to continue coaching the employed client during this vulnerable period.

To calculate this measure, we divide the number of cases that closed with earnings 6 months ago by the number of cases that closed with earnings 6 months ago who are not in the current caseload. The calculation for the quarterly figures is a weighted average of the 3 months in the quarter. The YTD total is a weighted average of all the months so far in the year.

A2: Strategy - Increase the percentage of temporary assistance families with earnings.

Target #1: 40% of temporary assistance families with earnings.

Measure #1: Percentage of temporary assistance families with earnings.

Percent of Temporary Assistance Adults With Earnings

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	31%	28%	27%	31%	29%
2003	30%	28%	27%	32%	29%
2004	31%	29%	29%	35%	31%
2005	34%	0	0	0	34%

Analysis of results and challenges: This is a measure of current Temporary Assistance recipients who have earned income. As the caseload declines, those adults with more significant barriers to employment make up a higher percentage of the caseload. Therefore, with a declining caseload, it becomes more difficult to achieve higher percentages of recipients with earned income. The goal of the division's welfare-to-work effort is to move families off assistance and into a job that pays well enough for the family to be self-sufficient.

The calculation for the quarterly figures is a weighted average of the 3 months in the quarter. The YTD total is a weighted average of all the months so far in the year.

A3: Strategy - Increase the percentage of temporary assistance families meeting federal work participation rates.

Target #1: 50% of temporary assistance families meet federal work participation rates.

Measure #1: Percentage of temporary assistance families meeting federal work participation rates.

Percentage of temporary assistance families meeting federal work participation rates.

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	38%	37%	36%	36%	36%
2003	32%	33%	33%	34%	34%
2004	36%	36%	36%	37%	37%
2005	39%	0	0	0	39%

Analysis of results and challenges: Temporary Assistance (TA) is a work-focused program designed to help Alaskans plan for self-sufficiency and to make a successful transition from welfare to work. Federal law requires the state to meet work participation requirements. Failure to meet federal participation rates results in fiscal penalties.

As Alaska's TA caseload declines, a growing portion of the families requires more intensive services just to meet minimal participation requirements. Enhancement of TA Work Services will serve to identify and address client challenges to participation.

The quarterly figures are YTD figures. The federal participation rate calculation is a running YTD figure.

A4: Strategy - Improve timeliness of benefit delivery.

Target #1: 95% of food stamps expedited service applications meets federal time requirements.

Measure #1: Percentage of food stamps expedited service households that meet federal time requirements.

Percentage of food stamps expedited service households that meet federal time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	95.38%	94.49%	93.36%	93.40%	93.40%
2003	93.97%	90.45%	90.77%	92.05%	92.05%
2004	93.22%	93.75%	94.45%	94.71%	94.71
2005	90.9%	0	0	0	90.9%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

The quarterly data are YTD figures.

Target #2: 96% of new food stamps applications meet federal time requirements.

Measure #2: Percentage of new food stamps applications that meet federal time requirements.

Percentage of new food stamps applications that meet federal time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	92.98%	94.18%	94.28%	94.70%	94.70%
2003	95.90%	95.12%	95.07%	95.49%	95.49%
2004	96.24%	96.09%	96.28%	96.50	96.50
2005	95.16%	0	0	0	95.16%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

Target #3: 99.5% of food stamps recertification applications meet federal time requirements.

Measure #3: Percentage of food stamps recertification applications that meet federal time requirements.

Percentage of food stamps recertification applications that meet federal time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	99.82%	99.75%	99.65%	99.58%	99.58%
2003	99.47%	99.52%	99.40%	99.41%	99.41%
2004	99.64%	99.59%	99.58%	99.62%	99.62%
2005	99.53%	0	0	0	99.53%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue

affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

Target #4: 90% of temporary assistance applications meet time requirements.

Measure #4: Percentage of temporary assistance applications that meet time requirements.

Percentage of Temporary Assistance applications that meet time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	83%	86%	85%	86%	86%
2003	90%	88%	89%	90%	90%
2004	88%	88%	88%	88%	88%
2005	85%	0	0	0	85%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

Target #5: 90% of Medicaid applications meet federal time requirements.

Measure #5: Percentage of Medicaid applications that meet federal time requirements.

Percentage of Medicaid applications that meet federal time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	89%	90%	89%	89%	89%
2003	91%	90%	90%	90%	90%
2004	88%	91%	91%	91%	91%
2005	92%	0	0	0	92%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

A5: Strategy - Improve accuracy of benefit delivery.

Target #1: 93% of food stamp benefits are accurate.

Measure #1: Percentage of accurate food stamp benefits.

Percentage of accurate food stamp benefits

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	90.4%	92.4%	90.5%	89.2%	89.2%
2003	86.2%	84.7%	85.6%	86.4%	86.4%
2004	90.8%	94.2%	93.5%	0	93.5%

Analysis of results and challenges: Accurate benefits ensure clients have the amount of benefits to which they are entitled. Fluctuating benefits cause budget issues for clients and impact their ability to gain self-sufficiency. The Quality Assessment Reviews evaluate payment accuracy using statistically valid sampling, case reviews, and home visits.

This is a cumulative measure based on the federal fiscal year (Oct-Sep) and it has about a two-month lag.

Target #2: 95% of temporary assistance benefits are accurate.

Measure #2: Percentage of accurate temporary assistance benefits.

Percentage of accurate temporary assistance benefits.

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	88.2	93.7	93.6	92.0	92.0
2003	94.4	93.6	94.5	93.6	93.6
2004	96.7	97.5	98.2	0	98.2

Analysis of results and challenges: Accurate benefits ensure clients have the amount of benefits to which they are entitled. Fluctuating benefits cause budget issues for clients and impact their ability to gain self-sufficiency. The Quality Assessment Reviews evaluate payment accuracy using statistically valid sampling, case reviews, and home visits.

This is a cumulative measure based on the federal fiscal year (Oct-Sep) and it has about a two-month lag.

Target #3: 93% of Medicaid eligibility determinations are accurate.

Measure #3: Percentage of accurate Medicaid eligibility determinations.

Percentage of accurate Medicaid eligibility determinations

Year	YTD
2002	96%
2003	99%

Analysis of results and challenges: Accurate benefits ensure clients have the amount of benefits to which they are entitled. Fluctuating benefits cause budget issues for clients and impact their ability to gain self-sufficiency. Medicaid eligibility accuracy is compiled at the end of projects designed by the state and accepted by federal authorities.

A6: Strategy - Increase the percentage of subsidy children in licensed care.

Target #1: 76% of subsidy children are in licensed care.

Measure #1: Percentage of subsidy children in licensed care.

Percentage of subsidy children in licensed care

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	0	60%	58%	64%	64%
2003	65%	66%	68%	75%	75%
2004	75%	76%	76%	76%	76%

Analysis of results and challenges: The first available data regarding this measure is the second quarter in 2002.

Key RDU Challenges

- Sustaining and building on the successes of Alaska's welfare reform efforts is a pivotal issue. Meeting the demands of federal and state welfare reform mandates and providing opportunities for families to achieve lasting self-sufficiency while maintaining basic safety net services will remain a challenge in FY2005-2006. The Temporary Assistance caseload has decreased by 50% compared to FY1997. As the caseload has become smaller, the proportion of families without parents in the home, or with parents who face serious challenges to employment, has grown.
- The APA population is expected to follow the national trend and continue to grow. Continued APA funding will provide critical financial assistance and enable needy elderly, blind and disabled individuals to live with dignity within the community.
- Continue to provide child care assistance to allow parents to enter and stay in the workforce.
- Continue to improve Food Stamp Program quality control payment error rate.

Significant Changes in Results to be Delivered in FY2006

- A computerized information management system will consolidate the child care subsidy, resource and referral, and licensing functions into one system. At the present time, this system only provides Parents Achieving Self-Sufficiency (PASS II and III) management. In FY2005 we anticipate including PASS I functions in the system and will consolidate PASS I functions fully into the Child Care Program Office. This move will improve data management and customer service for child care providers as well as families participating in the PASS programs.
- The division has continued to streamline processes and implement strategic plans to increase efficiency. Focusing on achievement of the division's performance measures, striving to assure greater benefit payment accuracy, and evaluating and monitoring division operations should increase efficiency and fiscal accountability.

Major RDU Accomplishments in 2004

- In September 2004, the division was awarded \$3.18 million in Federal TANF High Performance Bonuses for federal fiscal year 2003. The 2003 award acknowledges the state's success in helping adults in Temporary Assistance families to enter the job market and the efforts of the Child Care Program Office, Resource and Referral Agencies, and Local Child Care Administrators to deliver quality child care to Alaskan families.
- Expenditures for Temporary Assistance payments declined to \$49.1 million in FY2004. The additional savings contributes to a 58% savings over the past seven years. These savings are from reduced payments due to earnings and from case closures.
- 67% of adult Temporary Assistance recipients were engaged in self-sufficiency activities and 31% were employed.
- The division met and exceeded federal mandated work participation rates.
- The division enhanced the policies of Job Start, a wage subsidy program for businesses that hire welfare recipients, to expand employer access to the program. In 2004 82% (42 out of 51) of Job Start participants successfully completed their Job Start contracts.
- Continued outcome-based grants and contracts and tracked with online performance reporting system used to monitor service providers.
- A vigorous "Better than Average" food stamp accuracy campaign resulted in significantly improved food stamp quality control payment accuracy in FY04. Alaska had been penalized for making too many mistakes when figuring food stamp client benefits. Financial penalties were assessed in FY1997, FY1998, FY1999, FY2001 and FY2002. In FY2003, Alaska had the highest food stamp error rate in the nation. We are now on track as a state with one of the most improved accuracy rates.
- In FY2004 the unit's fraud investigative efforts resulted in cost-avoidance, direct savings, and administratively and criminally established overpayments totaling over \$2.4 million. The deterrent value of an active fraud control effort cannot be quantified yet significantly adds to this value.

Contact Information

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**Public Assistance
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2004 Actuals				FY2005 Management Plan				FY2006 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
ATAP	27,000.9	11,515.7	2,438.5	40,955.1	24,341.2	17,494.7	2,935.9	44,771.8	23,611.2	14,712.6	2,748.0	41,071.8
Adult Public Assistance	52,748.4	1,076.2	3,702.3	57,526.9	52,635.1	734.0	3,792.3	57,161.4	53,194.0	1,030.0	3,863.0	58,087.0
Child Care Benefits	6,896.2	34,506.5	89.5	41,492.2	6,931.3	38,961.0	110.8	46,003.1	6,943.1	40,234.2	110.8	47,288.1
General Relief Assistance	1,239.1	6,666.0	0.0	7,905.1	1,499.0	0.0	0.0	1,499.0	1,355.4	0.0	0.0	1,355.4
Tribal Assistance	7,738.4	0.0	656.4	8,394.8	7,704.7	0.0	676.7	8,381.4	7,704.7	0.0	676.7	8,381.4
Senior Care	0.0	0.0	2,833.9	2,833.9	0.0	0.0	14,711.1	14,711.1	0.0	0.0	7,719.4	7,719.4
PFD Hold Harmless	0.0	0.0	15,400.6	15,400.6	0.0	0.0	15,949.9	15,949.9	0.0	0.0	12,884.7	12,884.7
OAA-ALB Hold Harmless	519.5	0.0	0.0	519.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-Formula Expenditures												
Energy Assistance Program	0.0	8,258.2	0.0	8,258.2	0.0	9,640.9	0.0	9,640.9	0.0	9,661.5	0.0	9,661.5
Public Assistance Admin	735.6	1,286.4	32.2	2,054.2	691.9	2,024.7	48.2	2,764.8	711.9	5,229.3	48.2	5,989.4
Public Assistance Field Svcs	11,446.3	10,837.9	2,287.9	24,572.1	12,403.6	13,895.1	715.9	27,014.6	14,522.5	14,390.4	722.9	29,635.8
Fraud Investigation	610.4	683.6	0.3	1,294.3	674.3	774.8	0.0	1,449.1	693.3	797.1	0.0	1,490.4
Quality Control	572.0	424.4	0.0	996.4	570.1	530.4	0.0	1,100.5	868.4	829.4	0.0	1,697.8
Work Services	2,866.0	9,490.0	0.0	12,356.0	2,847.1	13,304.2	0.0	16,151.3	2,857.0	13,315.5	0.0	16,172.5
Public Assist Data Processing	2,197.3	2,251.5	0.0	4,448.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	114,570.1	86,996.4	27,441.6	229,008.1	110,298.3	97,359.8	38,940.8	246,598.9	112,461.5	100,200.0	28,773.7	241,435.2

Public Assistance
Summary of RDU Budget Changes by Component
From FY2005 Management Plan to FY2006 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	110,298.3	97,359.8	38,940.8	246,598.9
Adjustments which will continue current level of service:				
-ATAP	-730.0	-470.0	0.0	-1,200.0
-Child Care Benefits	11.8	1,273.2	0.0	1,285.0
-General Relief Assistance	-143.6	0.0	0.0	-143.6
-Senior Care	0.0	0.0	-6,991.7	-6,991.7
-Energy Assistance Program	0.0	20.6	0.0	20.6
-Public Assistance Admin	20.0	24.6	0.0	44.6
-Public Assistance Field Svcs	1,995.9	495.3	7.0	2,498.2
-Fraud Investigation	19.0	22.3	0.0	41.3
-Quality Control	16.4	17.1	0.0	33.5
-Work Services	9.9	11.3	0.0	21.2
Proposed budget decreases:				
-ATAP	0.0	-2,312.1	-187.9	-2,500.0
-PFD Hold Harmless	0.0	0.0	-3,065.2	-3,065.2
Proposed budget increases:				
-Adult Public Assistance	558.9	296.0	70.7	925.6
-Public Assistance Admin	0.0	3,180.0	0.0	3,180.0
-Public Assistance Field Svcs	123.0	0.0	0.0	123.0
-Quality Control	281.9	281.9	0.0	563.8
FY2006 Governor	112,461.5	100,200.0	28,773.7	241,435.2