



Evaluation of the Colorado Works Program

Fourth Annual Report

Part 1: TANF and Colorado Works Expenditures, Caseload Trends, and TANF-Funded Child Welfare Activities

November 2002

Submitted to:

Office of the Colorado State Auditor

Submitted by:

Berkeley Policy Associates

440 Grand Avenue, Suite 500

Oakland, California 94610



Berkeley Policy Associates

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This year Berkeley Policy Associates prepared two reports documenting our findings during the fourth year of the evaluation of the Colorado Works program. This first report examines the relationship between the Colorado Works Program and the Child Welfare Program, including overlap in the caseload of the two programs and collaboration in the delivery of services to families involved in both programs. The report also provides basic information regarding the Colorado Works program, including expenditures, caseload trends, and the employment and earnings characteristics of recipients. The report presents our findings, recommendations and the responses of the Department of Human Services.

Johannes M. Bos
President and CEO

Authors of this report:

Vincent M. Valvano, Project Director
Deana Goldsmith

Sarah Cowan, Laura French, Maria Muniz, Stacy Robinson

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Executive Summary

The statutes requiring an evaluation of the Colorado Works program direct the evaluators to consider the impact of Colorado Works on the Child Welfare program. This report responds to that mandate and examines the relationship between these two programs and the families they jointly serve. Since the onset of TANF, the funding streams for the Colorado Works and Child Welfare programs have become more closely interlinked. Consequently, the fiscal circumstances and needs of the two programs now directly impact each other. Among the significant findings resulting from our analyses of Colorado Works expenditures, caseload trends, and the relationship between the Colorado Works and Child Welfare programs are:

- **In SFY 2002, TANF-countable expenditures for Child Welfare program services remained stable at \$52.1 million, or 23 percent, of total TANF expenditures.** Over 90 percent of Child Welfare expenditures are state and county funds that count toward the TANF Maintenance of Effort (MOE) spending requirement.
- **The Colorado Works program experienced a 12 percent increase in its caseload in SFY 2002.** In July 2001, 11,676 families received Basic Cash Assistance; by June 2002, the caseload had grown to 13,083.
- **About one in five recipients exiting Colorado Works returns within a year.**
- **After three years of employment, the median earnings of former Colorado Works recipients remain low.** Median annual earnings are \$16,360. Most former recipients remain eligible for food stamps, child care assistance, and federal and state earned income tax credits that significantly increase their effective household income.
- **There has not been a pronounced increase in the entry rates into the Child Welfare program by children in families that have exited Colorado Works cash assistance.**
- **The size of the dual-system caseload in Colorado, defined as the proportion of children receiving cash assistance who also have an open Child Welfare case, is significant.** In December 2000, 10 percent of children receiving cash assistance had a concurrent Child Welfare case. About one in four children on Colorado Works had some involvement with the Child Welfare program within the prior 24 months.
- **Most counties we visited rely on clients to self-report their involvement in both the Child Welfare and Colorado Works systems.** Database limitations are a primary reason counties do not take a more systematic approach to identifying dual-system cases.
- **Confidentiality issues were often cited by program staff as a barrier to collaboration between the Colorado Works and Child Welfare programs.** Some county staff appear to be unaware that the Department of Human Services has developed a confidentiality policy and release form to allow information sharing between Department of Human Services programs without legal liability.

Chapter 1 of the report provides an overview of TANF expenditures in Colorado. Colorado Works caseload trends and recipient employment outcomes are discussed in Chapter 2. Chapter 3 presents findings on the overlap in the Colorado Works and Child Welfare caseloads. Collaboration between the Colorado Works and Child Welfare programs is discussed in Chapter 4. A summary of our recommendations related to report findings is included in the Recommendation Locator on the following page.

Recommendation Locator

Agency Addressed: Department of Human Services

Rec. No.	Page No.	Recommendation	Agency Response	Implementation Date
1	47	<p>Ensure procedures are in place to allow county program staff to readily identify dual-system cases. In particular, the Department should:</p> <ul style="list-style-type: none"> a. generate monthly status reports identifying children with open Child Welfare and Colorado Works cases (including new and ongoing cases); and b. distribute status reports on a monthly basis to county program managers in both the Child Welfare and Colorado Works programs. 	Agree	October 2003
2	56	<p>Ensure that the Child Welfare and Colorado Works programs share client information appropriately for the purposes of identifying client needs, developing coordinated service plans, coordinating case management activities, and facilitating joint services discharge or transfer processes. To eliminate confidentiality obstacles, the Department should issue rules that mandate the use of its confidentiality policy and forms as outlined in the CDHS reference manual entitled: <u>Sharing Customer Information Through a Common Consent Procedure</u>.</p>	Agree	December 2003
3	57	<p>Improve coordination between the Child Welfare and Colorado Works programs and eliminate conflicting client requirements by:</p> <ul style="list-style-type: none"> a. Requiring counties to specify in their County Plans formal procedures to ensure that Colorado Works case managers and Child Welfare case workers effectively collaborate in case management and service planning for dual-system clients, including development and modification of Colorado Works Individual Responsibility Contracts for dual-system clients; b. Requiring counties to specify in their County Plans how they will train new and existing Child Welfare and Colorado Works staff regarding the basic eligibility criteria, services available, and referral procedures for both programs; and c. Disseminating to County program managers in both written form and in staff trainings current best practices for Child Welfare and Colorado Works program collaboration, including those identified in this report. 	Agree	December 2003

Chapter 1: TANF and Colorado Works Expenditures

Introduction

In August 1996, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) was signed into law, replacing Aid to Families with Dependent Children (AFDC) with the Temporary Assistance for Needy Families (TANF) program. Unlike AFDC, which entitled families to cash assistance as long as they met eligibility criteria, TANF imposes time limits on benefits and requires parents to either work or participate in work-related activities. TANF also has widened the scope of assistance beyond traditional cash benefits and given states greater discretion in designing program rules, requirements, and support services. In Colorado, the State's TANF program is Colorado Works.

This chapter provides an overview of TANF expenditures in Colorado during State Fiscal Year (SFY) 2002. A key feature of the federal TANF block grant is the flexibility granted to states to use these funds to support a wide range of programs that meet any of the four purposes of TANF:

- To provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives
- To end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage
- To prevent and reduce the incidence of out-of-wedlock pregnancies
- To encourage the formation and maintenance of two-parent families

In Colorado, in addition to providing cash assistance and supportive services to families in Colorado Works, TANF funds are used to provide low-income families with child care assistance and emergency assistance for utilities, as well as to provide services through the State's Child Welfare program. In this chapter we review the level of TANF expenditures in each of these program areas, along with changes in Colorado Works expenditures between SFY 2001 and SFY 2002. The final section of this chapter presents data on direct payments to Colorado Works recipients in SFY 2002.

Key Findings

- During SFY 2002, total federal, state, and county TANF expenditures increased by 14 percent to \$226.2 million. The growth in expenditures is largely attributable to an expansion in direct assistance payments, including a one-time transfer of \$10 million from other sources to the Low-Income Energy Assistance Program (LEAP).
- TANF expenditures for Child Welfare services remained stable at \$51.5 million, or 23 percent of total TANF expenditures in SFY 2002. About 90 percent of Child Welfare expenditures are state and county funds that count toward the TANF Maintenance of Effort (MOE) spending requirement.
- Expenditures for assistance payments made directly to Colorado Works recipients—including Basic Cash Assistance, “other assistance” payments, and State and County Diversion—totaled \$64.2 million in SFY 2002.
- “Other assistance” payments to recipients of Colorado Works Basic Cash Assistance increased by 11 percent, to \$15.7 million, in SFY 2002, equaling 24 percent of total assistance payments. Other assistance payments fund a variety of supportive services, including transportation and work-related expenses. One type of payment, Individual Responsibility Contract bonuses paid by counties to Colorado Works recipients, totaled \$2.4 million in SFY 2002, a 175 percent increase over the previous year.

TANF Expenditures in Colorado Totaled \$226.2 Million during SFY 2002

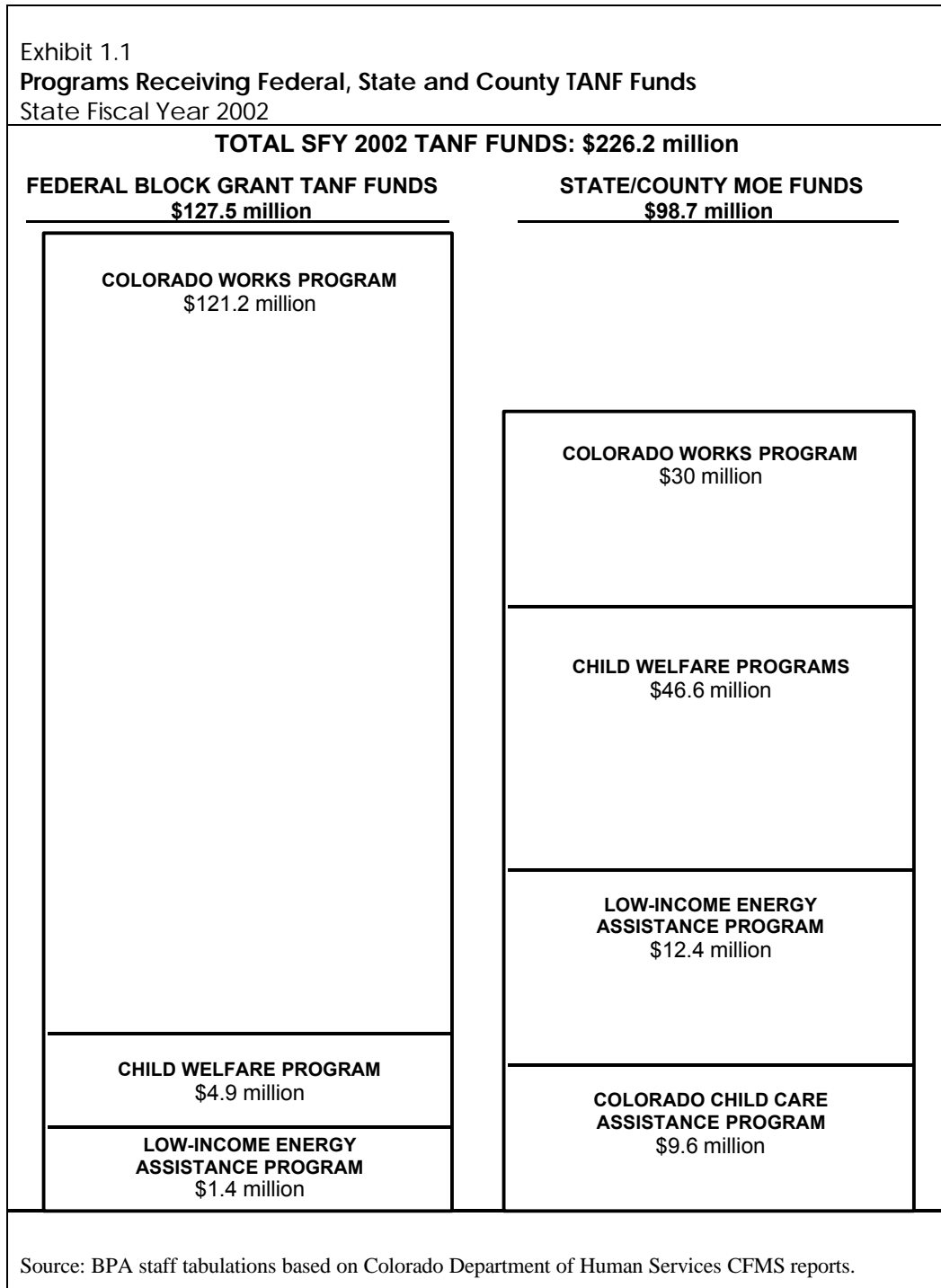
During SFY 2002, TANF-related expenditures, including state and county expenditures in programs other than Colorado Works, totaled \$226.2 million. This level of spending represents an increase of 14 percent from total expenditures of \$197.7 million in SFY 2001. Federal TANF block grant funds accounted for \$127.5 million, or 56 percent of total expenditures; state and county expenditures represented \$98.7 million, or 44 percent of total expenditures.

In order to continue receiving full federal TANF funding, states are required to contribute spending equal to 80 percent of what they spent on Title IV-A and Title IV-F programs in Federal Fiscal Year (FFY) 1994. If states meet their work participation rate requirements for the fiscal year, their required contribution decreases to 75 percent. The required contribution by states to TANF financing is known as the Maintenance of Effort (MOE) requirement. In Colorado, which has consistently met its work participation requirement, this required MOE contribution is \$88.4 million annually (on a federal fiscal year basis).

A portion of TANF funds may be spent on child welfare services and on child care services for low-income families. Prior to spending their federal TANF block grant each year, states are allowed to transfer up to 10 percent of TANF block grant funds into the Social Services Block Grant (SSBG) for child welfare services. In addition, a maximum of 30 percent of TANF block grant funds may be transferred into either the Child Care and Development Fund (CCDF) or the SSBG and CCDF funds combined. CCDF finances child care for low-income families through the Colorado Child Care Assistance Program (CCCAP). Use of these transferred funds is then governed by the rules of the destination programs. During FFY 2002, Colorado transferred 20 percent of its federal TANF block grant to CCDF and almost 10 percent to SSBG. The Low-Income Energy Assistance Program (LEAP) also receives TANF funds. Exhibit 1.1 shows the amounts of federal TANF block grant funds and state/county TANF MOE funds each of these programs received during SFY 2002.

In SFY 2002, Colorado spent a total of \$127.5 million of federal TANF funds on Colorado Works, Child Welfare, and LEAP. Of this \$127.5 million, \$121.2 million (95 percent) was spent on Colorado Works, \$4.9 million (4 percent) on the Child Welfare Program (to cover expenditures authorized under prior law), and \$1.4 million (1 percent) on LEAP.

State and county expenditures for four programs contributed to Colorado's TANF MOE requirement in SFY 2002. TANF MOE spending totaled \$98.7 million, of which \$46.6 million (47 percent) was spent on Child Welfare, \$12.4 million (13 percent) on LEAP, and \$9.6 million (10 percent) on CCCAP. The remaining \$30 million (30 percent) was spent directly on Colorado Works at the state and county levels. These costs included direct client benefits and supportive services, state and county program administration costs, and other systems and administration costs.



Colorado Works Accounted for Two-Thirds of TANF Expenditures in SFY 2002

A detailed breakdown of federal and state/county TANF expenditures in Colorado for SFY 2002 is reported in Exhibit 1.2. (These expenditures exclude amounts transferred from the federal TANF block grant to CCDF and SSBG.) The expenditure categories reflect the distinction between “assistance” and “non-assistance” outlined in the federal TANF regulations. Recipients of TANF “assistance” benefits are subject to time limits, work participation requirements, and child support assignment. Assistance benefits are generally for ongoing basic needs, including cash assistance, housing, and food. Federal TANF block grant funds that remain unspent and are carried over into a subsequent year may be spent only on assistance benefits. In contrast, non-assistance benefits are a more flexible category of expenditures and may include any program that both meets one of the purposes of TANF and is not for ongoing basic needs. Recipients of non-assistance benefits are not subject to time limits, work participation requirements, or child support assignment. A summary of federal TANF and Colorado Works definitions of assistance is presented in Appendix D.

The remainder of this section briefly defines the purposes of each of the TANF expenditure categories in Exhibit 1.2 and then provides a detailed breakdown of the expenditure amounts involved.

Assistance expenditures are categorized as follows:

- **Basic Cash Assistance and Supplemental Cash Assistance** includes monthly cash assistance benefits (excluding diversion payments) and supplemental cash assistance payments. In SFY 2002, these expenditures amounted to \$46.8 million.
- **Low-Income Energy Assistance Program (LEAP) Benefits** includes LEAP payments. Total expenditures for LEAP assistance amounted to \$13.8 million in SFY 2002, during which the governor initiated a one-time transfer of \$10 million of the State’s severance tax funds to LEAP.
- **Supportive Services for Nonemployed Families** includes transportation assistance and services necessary to help people participate in work activities. Total expenditures in this category were \$2.7 million.

Expenditures shown in Exhibit 1.2 for non-assistance are categorized as follows:

- **Education and Training** includes expenditures for education- and training-related work activities or as a supplement to other work activities. Expenditures amounted to \$796,709 in SFY 2002.
- **Other Work Activities, Work-Related Expenses, and Work Subsidies** includes expenditures for job preparation activities, other payments for work expenses, and work subsidies. Work subsidies are payments to employers made on behalf of a recipient to help cover the costs of wages, benefits, or training. Expenditures in this category totaled \$205,393 in SFY 2002.
- **Child Care for Employed Families** includes expenditures on direct provision of child care services using TANF funds, but excludes subsidies to Colorado Works recipients provided through CCCAP. Approximately \$7.2 million was spent on direct child care services in SFY 2002.
- **Transportation for Employed Families** includes expenditures for bus tokens, car repairs and payments, auto insurance reimbursement, and van services for employed Colorado Works recipients. Expenditures for transportation services amounted to \$3.1 million.
- **Diversion Payments** includes expenditures on limited cash grants and in-kind services that provide immediate short-term assistance to families. Expenditures in SFY 2002 totaled about \$5.2 million.
- **Work Clothes, Other Expenses, and Miscellaneous** includes one-time payments for job attainment and retention, such as payments for work clothes and equipment, rent, and utilities. Benefits in this area totaled \$6 million in SFY 2002.
- **Nonmonetary Services** includes expenditures on domestic violence counseling, life skills counseling, nonmedical substance abuse treatment, and other types of counseling and therapy services for Colorado Works recipients. Expenditures in SFY 2002 totaled \$1 million.

Administration expenditures shown in Exhibit 1.2 are categorized as follows:

- **Administration** includes administrative expenses that are not directly related to the provision of program services; these are subject to a federally imposed cap of 15 percent of total expenditures. County administration expenditures that meet this definition totaled \$6.3 million in SFY 2002. State administration expenditures that meet this definition totaled \$2.5 million in SFY 2002.
- **Systems** expenditures are for costs related to Colorado Works program monitoring and tracking. Included are expenditures for the Electronic Benefits Management System and for the CFMS, COIN, CACTIS, and CBMS administrative data systems. Expenditures for systems totaled \$11.4 million in SFY 2002.
- **Colorado Works State Program-Related Costs** includes expenditures for the Colorado Works Program Evaluation. The total amount expended in SFY 2002 was \$512,581.
- **Colorado Works County Program-Related Costs** includes the costs associated with case management, such as program staff salaries and benefits (\$22.8 million), county office overhead costs (\$5.9 million), and contracts with outside service providers (\$28.8 million). Total expenditures in this category during SFY 2002 were \$57.5 million.

In addition, expenditures for two other programs are counted as part of the State's TANF MOE:

- **CCCAP Child Care Subsidies and Administration** includes direct subsidies paid to CCCAP families as well as administrative costs for the program. In SFY 2002, this amounted to approximately \$9.6 million.
- **Child Welfare Program Activities** includes state and county MOE funds used for child welfare and family preservation activities, which totaled \$46.6 million in SFY 2002. This category also includes \$4.9 million of federal funds expended on family preservation activities authorized under prior law. Total SFY 2002 expenditures for family preservation and child welfare activities were \$51.5 million.

Exhibit 1.2

TANF Expenditures in Colorado: Federal and State/County Funds

State Fiscal Year 2002

	Federal Funds	State/County MOE Funds	Total Expenditures	Percent of Total
<u>Expenditures on Assistance:</u>				
Basic Cash Assistance and Supplemental Cash Assistance	\$37,368,562	\$9,433,942	\$46,802,504	20.7%
Low-Income Energy Assistance Program (LEAP) Benefits	1,415,625	12,390,822	13,806,447	6.1
Supportive Services for Nonemployed Families	1,671,096	1,038,520	2,709,616	1.2
<u>Expenditures on Non-Assistance:</u>				
Education and Training	669,301	127,408	796,709	0.4
Other Work Activities, Work-Related Expenses, and Work Subsidies	168,098	37,296	205,393	0.1
Child Care for Employed Families	5,779,760	1,381,379	7,161,139	3.2
Transportation for Employed Families	2,552,036	561,893	3,113,928	1.4
State and County Diversion Payments	4,225,374	967,926	5,193,299	2.3
Work Clothes, Other Work Expenses, and Miscellaneous	4,948,474	1,097,412	6,045,886	2.7
Nonmonetary Services ^a	777,847	224,421	1,002,268	0.4
Subtotal:	\$59,576,172	\$27,261,018	\$86,837,190	38.4%
<u>Expenditures on Administration:</u>				
County Administration Expenses ^b	5,018,715	1,263,430	6,282,145	2.8
State Administration Expenses ^b	1,456,539	1,067,957	2,524,497	1.1
Information Systems	9,728,071	1,663,605	11,391,676	5.0
Colorado Works State Program-Related Costs	512,581	0	512,581	0.2
<u>Colorado Works County Program-Related Costs:</u>				
Contract Program Services	n.a.	n.a.	28,786,607	12.7
Combined Program Staff Salaries and Benefits	n.a.	n.a.	22,808,101	10.1
Program Overhead	n.a.	n.a.	5,926,085	2.6
Subtotal:	n.a.	n.a.	\$78,231,692	34.6%
CCCAP Child Care Subsidies and Administration	0	9,626,373	9,626,373	4.3
Child Welfare Program Activities	4,856,959	46,638,700	51,495,659	22.8
Total TANF Expenditures	\$127,490,507	\$98,700,406	\$226,190,913	100.0%

Source: Colorado Department of Human Services CFMS reports.

Note: Because of rounding, some rows do not sum exactly to total. n.a. is not available.

^a Includes expenditures for prevention of out-of-wedlock pregnancies.^b Administrative expenditures subject to TANF 15 percent spending cap.

During SFY 2002, approximately \$151.3 million—or 67 percent of the \$226.2 million federal, state, and county TANF funds—was spent on Colorado Works. Of the approximately \$151.3 million expended on Colorado Works, \$101.8 million (67 percent) was spent on various types of assistance and non-assistance benefits and services. Expenditures on general administration, systems, and county office overhead totaled \$26.6 million, or 18 percent of all Colorado Works-related expenditures. Salaries for county program staff totaled \$22.8 million, or 15 percent of expenditures.

As noted earlier, total federal, state, and county TANF expenditures increased by \$28.5 million, or 14 percent, during SFY 2002. Exhibit 1.3 compares expenditures in SFY 2001 and SFY 2002 and shows changes across categories in terms of actual dollars and percentages. This increase in overall TANF expenditures in Colorado occurred in the context of an increase in Colorado Works cash assistance caseloads during SFY 2002, a weakening economy, and a corresponding increase in assistance expenditures. Several factors related to individual category expenditures contributed to the overall increase in Colorado Works expenditures in SFY 2002:

- Assistance expenditures increased partly because of a \$5.7 million increase in BCA payments and supplemental cash assistance. Also contributing to this increase was a one-time \$10 million transfer of state funds to LEAP.
- Expenditures for benefits and services other than monthly cash assistance increased during SFY 2002. Child care expenditures for employed families increased by approximately \$4.5 million, or 167 percent.
- The other category of non-assistance expenditures that increased substantially in SFY 2002 was expenditures on work clothes, other work expenses, and miscellaneous. Funding for this category of expenditures increased by approximately \$2.2 million, or 58 percent.

Exhibit 1.3

Change in TANF Expenditures in Colorado
State Fiscal Years 2001 and 2002

	Total Expenditures SFY 2001	Total Expenditures SFY 2002	Difference	Percent Change
<u>Expenditures on Assistance:</u>				
Basic Cash Assistance and Supplemental Cash Assistance	\$41,121,841	\$46,802,504	\$5,680,663	13.8%
Low-Income Energy Assistance Program (LEAP) Benefits	3,775,000	13,806,447	10,031,447	265.7
Supportive Services for Nonemployed Families	4,233,126	2,709,616	! 1,523,510	! 36.0
<u>Expenditures on Non-Assistance:</u>				
Education and Training	689,745	796,709	106,964	15.5
Other Work Activities, Work-Related Expenses, and Work Subsidies	351,720	205,393	! 146,327	! 41.6
Child Care for Employed Families	2,682,130	7,161,139	4,479,009	167.0
Transportation for Employed Families	2,535,375	3,113,928	578,553	22.8
State and County Diversion Payments	4,311,865	5,193,299	881,434	20.4
Work Clothes, Other Work Expenses, and Miscellaneous	3,837,224	6,045,886	2,208,662	57.6
Nonmonetary Services ^a	0	1,002,268	1,002,268	
Subtotal:	\$63,538,027	\$86,837,190	\$23,299,163	36.7%
<u>Expenditures on Administration:</u>				
County Administration Expenses ^b	5,151,364	6,282,145	1,130,781	22.0
State Administration Expenses ^b	2,031,973	2,524,497	492,524	24.2
Information Systems	8,970,650	11,391,676	2,421,026	27.0
Colorado Works State Program-Related Costs	934,931	512,581	! 422,350	! 45.2
<u>Colorado Works County Program-Related Costs:</u>				
Contract Program Services	23,823,563	28,786,607	4,963,044	20.8
Combined Program Staff Salaries and Benefits	23,665,288	22,808,101	! 857,187	! 3.6
Program Overhead	8,047,915	5,926,085	! 2,121,830	! 26.4
Subtotal:	\$72,625,684	\$78,231,692	\$5,606,008	7.7%
CCCAP Child Care Subsidies and Administration	9,890,332	9,626,373	! 263,959	! 2.7
Child Welfare Program Activities	51,615,838	51,495,659	! 120,179	! 0.2
Total TANF Expenditures	\$197,669,884	\$226,190,913	\$28,521,029	14.4%

Source: Colorado Department of Human Services CFMS reports.

Note: Because of rounding, some rows do not sum exactly to the dollar.

^a Includes expenditures for prevention of out-of-wedlock pregnancies.^b Administrative expenditures subject to TANF 15 percent spending cap.

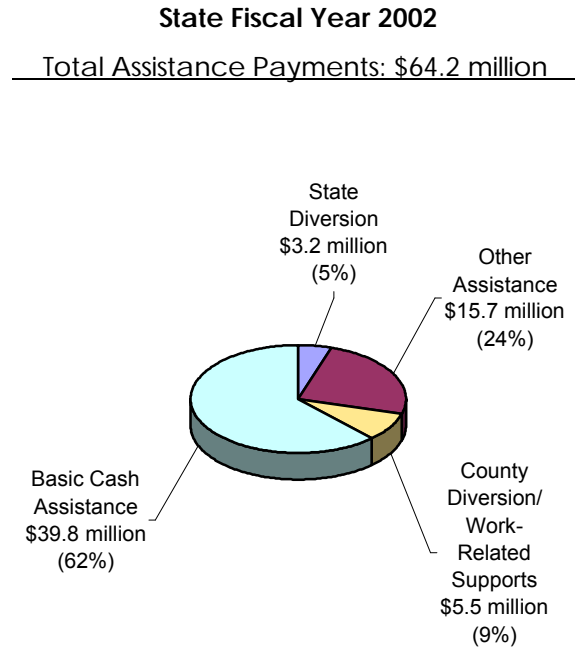
Total Colorado Works Assistance Payments Increased during SFY 2002

During SFY 2002 total assistance payments to Colorado Works participants equaled \$64.2 million. Exhibit 1.4 reports direct assistance payments made to Colorado Works participants. These include payments for monthly Basic Cash Assistance, “other assistance” payments, State Diversion payments, and payments for County Diversion and work-related supports.¹ Like County Diversion, the payments for work-related supports represented in Exhibit 1.4 are for families not receiving BCA. “Other assistance” payments, which are made only to those receiving Colorado Works BCA, fund a variety of supportive services for Colorado Works participants, such as supplemental cash assistance and transportation, among others. “Other assistance” payments may be classified as either “assistance” or “non-assistance” benefits under federal TANF regulations. “Other assistance” payments made to Colorado Works recipients who are not employed will generally be classified as assistance, whereas such payments made to employed recipients will be classified as non-assistance. (A summary of federal TANF and Colorado Works definitions of assistance is presented in Appendix D.)

During SFY 2002, “other assistance” payments totaled \$15.7 million. The total number of “other assistance” payments increased by 11 percent—to 88,661—during the year, while the average “other assistance” payment remained stable at \$177. Exhibit 1.5 presents information on SFY 2002 “other assistance” expenditures, including a breakdown of payments by category. Two categories of “other assistance” continued to account for over one half of these payments: supplemental cash assistance (46 percent of “other assistance” payments) and transportation (20 percent of “other assistance” payments).

¹ Total assistance payments, as defined in this section, are based on COIN administrative records and do not directly correspond to the expenditure categories in Exhibit 1.2. The four types of Colorado Works assistance payments shown in Exhibit 1.4 are categorized as a mix of assistance and non-assistance payments under federal TANF rules.

Exhibit 1.4
**Total Expenditures for Basic Cash Assistance, "Other Assistance" Payments,
 and State and County Diversion Payments**
 State Fiscal Year 2002



Source: BPA tabulations using COIN administrative records, Colorado Department of Human Services.

Note: The four types of Colorado Works assistance payments are categorized as a mix of assistance and non-assistance payments under federal TANF rules.

Exhibit 1.5 Colorado Works "Other Assistance" Payments by Type State Fiscal Year 2002					
<u>Assistance Category</u>	<u>Number</u>	<u>Average Payment</u>	<u>Total Expenditures</u>	<u>Percent of Total Expenditures</u>	<u>Percent Change in Total Expenditures SFY 2001-SFY 2002</u>
Supplemental Cash Assistance	21,893	\$329	\$7,211,469	45.9%	16.6%
Transportation	36,447	84	3,061,101	19.5	13.2
Individual Responsibility Contract Bonuses	15,182	155	2,356,623	15.0	174.9
Miscellaneous	6,798	246	1,670,322	10.6	! 45.0
Educational Expenses	4,037	171	691,108	4.4	-0.2
Other Work Expenses	3,461	138	480,934	3.1	! 25.1
Work Experience / Community Service Compensation	756	279	211,059	1.3	174.3
Employer Incentives	87	480	41,760	0.3	13.5
All Payments	88,661	\$177	\$15,724,376	100%	10.9%

Source: BPA tabulations using COIN administrative records, Colorado Department of Human Services.

Note: The number of "other assistance" payments is reported here rather than the number of cases receiving such payments. Because some cases receive more than one payment in a month, the number of payments will exceed the number of cases in a particular month.

Individual Responsibility Contract (IRC) bonuses, which are incentive payments counties make to Colorado Works participants for fulfilling certain requirements on their IRCs, accounted for 15 percent of "other assistance" payments in SFY 2002. Even more noteworthy, expenditures for IRC bonuses increased by 175 percent during SFY 2002. A comparable percentage increase occurred in payments for work experience/community service compensation, although such payments accounted for only 1 percent of "other assistance" expenditures. This category of "other assistance" includes payments made to Colorado Works recipients engaged in work experience or community service, in cases where it is necessary to supplement the recipient's cash grant so that he or she receives paid compensation commensurate with the minimum hourly wage, as required by the Fair Labor Standards Act.

Chapter 2: Colorado Works Caseload Trends

Introduction

Colorado's welfare system changed dramatically in 1997 with the implementation of Colorado Works. A cash assistance program for families with children was replaced by a more complex system that included cash assistance contingent on participation in work-related activities, diversion payments, and other services. Monthly Basic Cash Assistance (BCA) remains at the center of the Colorado Works program, but is now accompanied by other supportive services. In this chapter, we discuss trends in the Colorado Works caseload, the likelihood of individuals exiting the program, and the employment and earnings outcomes of exiters.

Key Findings

- After remaining stable during State Fiscal Year (SFY) 2001, the Colorado Works caseload increased during SFY 2002, the fifth program year. In July 2001, 11,676 families received BCA; by June 2002, the caseload had grown to 13,083, an increase of 12 percent. Most of this increase resulted from families headed by single parents joining the program.
- About one in five recipients exiting the program returns to cash assistance within a year. Between SFY 2000 and SFY 2001, the return rate climbed from 17 percent to 20 percent.
- As expected, the state's less favorable labor market conditions during 2001 hindered some former Colorado Works recipients in finding jobs and reduced job retention.
- Even after three years of employment, the median earnings of former Colorado Works recipients remain low (\$16,360 on an annual basis). Most former recipients remain eligible for other assistance programs after they leave Colorado Works, including food stamps, child care assistance, and federal and state earned income tax

credits. These programs increase the effective household income of former Colorado Works recipients.

Trends in Caseload Size and Characteristics

Following several years of steady decline, the monthly Colorado Works BCA caseload increased during SFY 2002. The caseload had declined rapidly during the first two years of the program and had continued to decline—though at a slower rate—during the third year (SFY 2000). During its fourth program year (SFY 2001), the BCA caseload had stabilized at about 12,000 cases per month—the level reached by the end of the third year. Between July 2001 and June 2002, however, the monthly BCA caseload increased by almost 1,500 cases. These trends are illustrated in Exhibit 2.1.¹

Exhibit 2.1 also indicates that the recent increase in BCA cases is associated with an increase in single-parent cases. The number of single-parent cases increased from 6,294 in July 2001 to 7,439 in June 2002. Two-parent cases increased from 431 in July 2001 to 656 in June 2002. Child-only cases increased only very slightly, from 4,923 in July 2001 to 4,974 in June 2002.

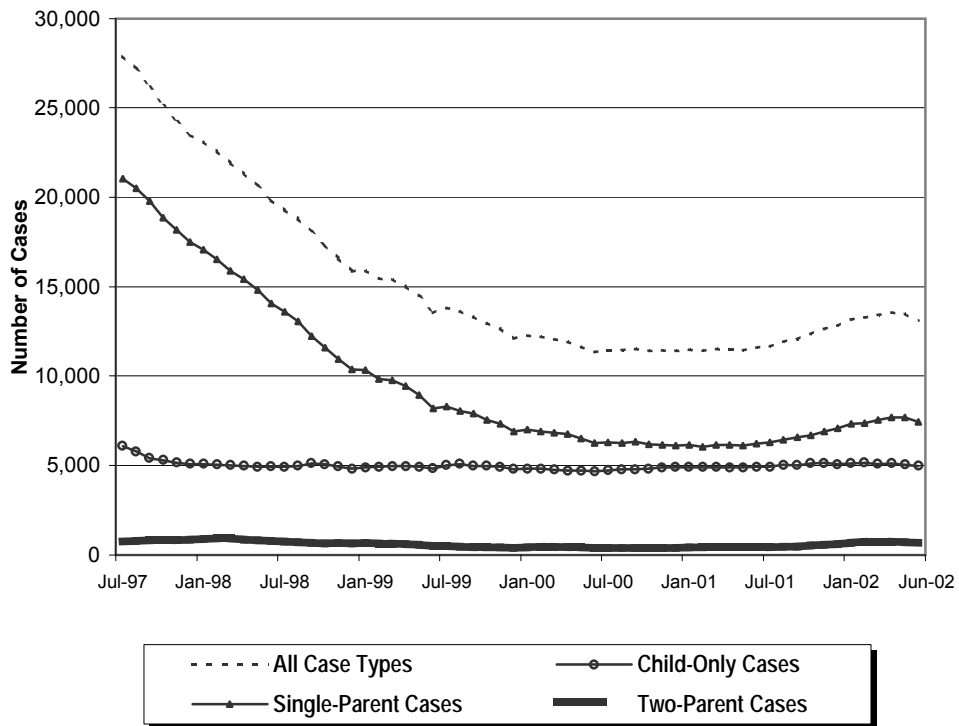
Consequently, as a percentage of the total Colorado Works caseload, the share of single-parent and two-parent cases increased during SFY 2002, while the share of child-only cases decreased. Between July 2001 and June 2002, single-parent cases increased by 15 percentage points, from 42 percent to 57 percent of the total caseload. During the same period, two-parent cases increased by 1 percentage point, from 4 percent to 5 percent of the caseload. Child-only cases fell by 4 percentage points, from 42 percent to 38 percent of the caseload.

Given the weakening of the state and national economies, and the resulting growth in unemployment rates, the Colorado Works caseload increase during SFY 2002 is not surprising. In July 2001, Colorado's unemployment rate was 3.4 percent; by June 2002, it was 5.2 percent.² This increase in unemployment was accompanied by a 12 percent increase in the Colorado Works BCA caseload, from 11,676 cases to 13,083 cases.

¹ Month-by-month BCA caseload data utilized to create Exhibit 2.1 may be found in Appendix A, Exhibit A.1. Caseload figures broken down by county are presented in Appendix A, Exhibit A.2.

² U.S. Department of Labor; Bureau of Labor Statistics Data. Seasonally Adjusted Unemployment Rates for Colorado.

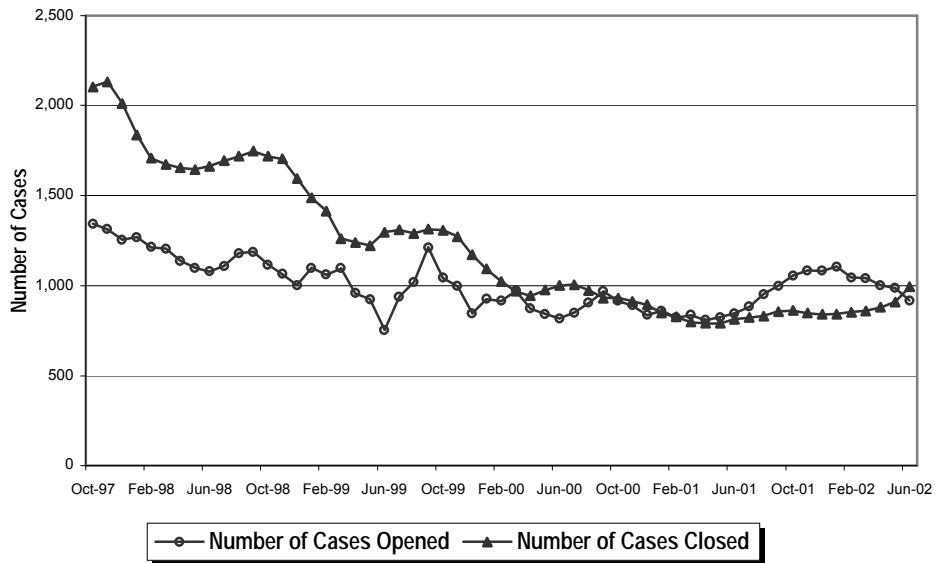
Exhibit 2.1
Colorado Works Basic Cash Assistance Caseload
 By Case Type, July 1997–June 2002



Source: BPA staff calculations based on COIN administrative records, Colorado Department of Human Services.

The caseload increase during SFY 2002 resulted from an increase in the number of households entering Colorado Works rather than from a decrease in the number of households leaving the program. Exhibit 2.2 reports the number of adult-headed cases opened and closed since the start of Colorado Works. The number of adult-headed cases opened during SFY 2002 increased, while the number of adult-headed cases closed remained relatively stable. These two trends resulted in overall caseload growth during SFY 2002. Even though the number of new cases did decline during the latter part of the

Exhibit 2.2

**Colorado Works Basic Cash Assistance, New and Closed Cases
Adult-Headed Cases, October 1997–June 2002**

Source: BPA staff tabulations based on COIN administrative records, Colorado Department of Human Services.

Note: Monthly numbers of case openings and closures are three-month moving averages.

year, there were still more cases opened than closed per month. In contrast, during the first two years of Colorado Works, case closures exceeded case openings by a wide margin, resulting in an overall decrease in the caseload.³

³ Despite the changes in the size and composition of the caseload as a whole, we did not detect any major changes in the demographic characteristics of Colorado Works recipients during SFY 2002. Characteristics of Colorado Works recipients for the last three fiscal years are summarized in Appendix A, Exhibit A.6.

The Number of Diversion Cases Fluctuated during SFY 2002

Diversion payments are short-term cash payments that aid families in obtaining or retaining employment, or otherwise help families stabilize their financial situation. There are two forms of diversion: state and county. State Diversion is reserved for families that are eligible for BCA, but that—due to particular circumstances—are better served by a lump-sum payment than by enrollment in ongoing cash assistance. County Diversion is available to low-income families with incomes too high to qualify for BCA but below a county-established eligibility limit (typically between 185 and 225 percent of the federal poverty level). Our measure of County Diversion cases includes payments for work-related supportive services to low-income families who are not receiving Colorado Works cash assistance.

As illustrated in Exhibit 2.3, the number of County Diversion cases fluctuated during SFY 2002. Between July 2001 and February 2002, the number of County Diversion cases increased significantly, reaching 590 cases in October 2001. Beginning in March 2002, the number of County Diversion cases dropped back to about 300 cases per month, the level of a year earlier.⁴

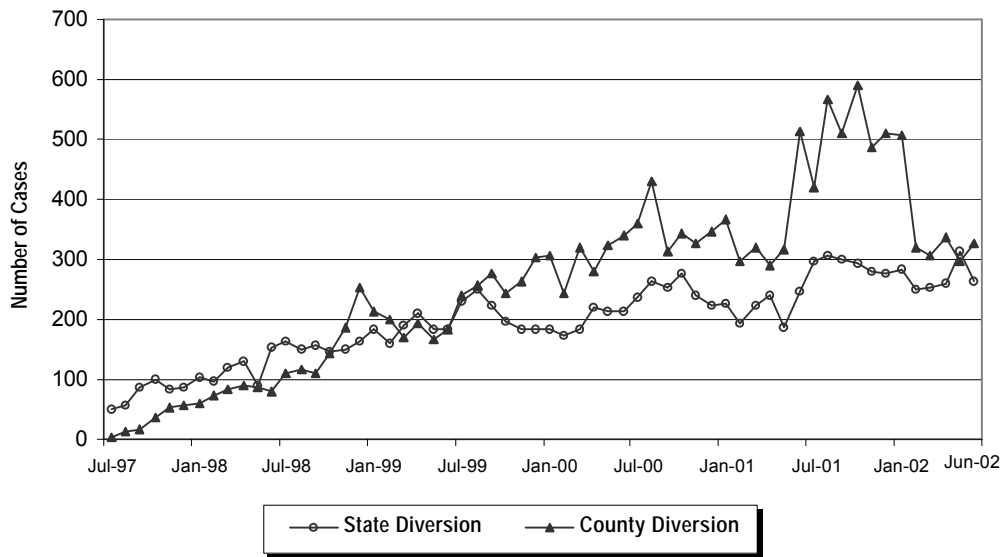
The State Diversion caseload was more stable during SFY 2002, but also declined toward the year's end. The monthly State Diversion caseload was about 300 families until February 2002 and then dropped to about 250 cases.

The Probability of Leaving Colorado Works Declines as Time on Aid Increases

The longer Colorado Works recipients remain on assistance, the less likely they are to exit from the program in any given month. For example, during SFY 2002, among recipients who had been in the program for at least four months, 13 percent exited after exactly four months. In contrast, recipients who had been receiving assistance for between 49 and 60 months exited at a rate of only 6 percent.

⁴ Monthly breakdowns of the types of assistance (BCA, other assistance, diversion payments) received by adult-headed cases from July 1997 to June 2002 are presented in Appendix A, Exhibit A.3. A breakdown of the types of assistance received by county in May 2002 is presented in Appendix A, Exhibit A.4.

Exhibit 2.3
Monthly Caseloads for State Diversion and County Diversion
 July 1997–June 2002



Source: BPA staff calculations based on COIN administrative records, Colorado Department of Human Services.

This lower rate of exit among long-term recipients indicates that many of these recipients may have significant barriers that prevent them from entering the labor force. These barriers include mental health problems, inadequate housing, lack of child care, and the prevalence of domestic violence.⁵ In addition, long-term receipt of assistance may have weakened participants' ties to the labor market or caused unused job skills to deteriorate.

⁵ Berkeley Policy Associates, *Evaluation of the Colorado Works Program: Second Annual Report*, November 2000.

The Likelihood of Leavers Returning to Colorado Works Increased among Those Exiting in SFY 2001

One important measure of whether former Colorado Works recipients achieve self-sufficiency is their rate of re-entry into the program. As Exhibit 2.4 shows, the rate of re-entry was higher for those who exited during the fourth year of Colorado Works (SFY 2001) than for those who exited during the previous year.⁶ The U.S. Department of Health and Human Services uses the term “leavers” to denote those exiting the program.

Exhibit 2.4 Re-Entry Rates among Colorado Works Leavers Adults Who Left the Program during State Fiscal Years 1999–2001			
	Re-Entry Rates by Year of Exit		
	Exited in SFY 1999	Exited in SFY 2000	Exited in SFY 2001
Number of Adult Leavers	16,700	12,447	9,952
Percent of Leavers Who Returned to Colorado Works:			
within 3 months	3.5%	3.1%	3.4%
within 6 months	10.4	9.4	10.8
within 12 months	17.3	16.5	20.2
within 24 months	23.8	25.2	n.a.
within 36 months	28.3	n.a.	n.a.
Percent of Leavers Who Did Not Return:			
within 12 Months	82.7%	83.5%	79.9%
within 24 months	76.2	74.8	n.a.
within 36 months	71.7	n.a.	n.a.

Source: BPA staff calculations based on COIN administrative records, Colorado Department of Human Services.

In SFY 2000, 84 percent of leavers successfully remained off Colorado Works for one year. In SFY 2001, that number decreased to 80 percent, with about one-half of returnees re-entering the program within six months after exiting. The percentage of leavers returning to BCA within one year of exiting ranged from 17 to 20 percent for the years reported in Exhibit 2.4. This rate is generally on par with—and even appears to be somewhat better than—the rates of Temporary Assistance for Needy Families (TANF) re-entry in other states, where the range was from 19 to 27 percent.⁷

The rate of return to Colorado Works increases at a slower rate in the second and third years after exit, as indicated in Exhibit 2.4. About 25 percent of leavers have returned to the program within 24 months, and 28 percent have returned within 36 months.⁸

Employment and Earnings Outcomes

Key indicators of self-sufficiency for Colorado Works recipients are their employment and earnings outcomes after leaving cash assistance. To analyze employment rates and earnings for those exiting Colorado Works, we use state Unemployment Insurance (UI) records. UI records are based on filings by employers of their employees' total earnings during each calendar quarter.

Because these earnings records are based on legally-mandated direct reports by employers, they are highly accurate measures of earnings. Some types of employers are, however, not covered by the UI system and, hence, do not report earnings information to the State. In addition, former recipients who are employed out of state will not be included in Colorado UI records. Therefore, employment rates based on UI data are likely to underestimate the employment rates of former Colorado Works recipients to some degree. Nonetheless, UI records remain the most complete source of administrative

⁶ Because at least 12 months of follow-up data are required to calculate yearly re-entry rates, rates can be calculated only for recipients exiting Colorado Works through SFY 2001.

⁷ G. Acs et al., *Final Synthesis Report of the Findings from ASPE's "Leavers" Grants*, Urban Institute, November 2001, available at <http://aspe.hhs.gov/hsp/leavers99/synthesis02/index.htm>. In contrast to the numbers from this larger study, which are based on single-parent cases, we report recidivism rates for adult single-parent and two-parent cases combined. Because two-parent cases comprise only 8 percent of all adult-headed cases, our numbers should be comparable to the national figures.

⁸ A breakdown of 12-month re-entry rates by county, for leavers in SFYs 2000 and 2001, is presented in Appendix A, Exhibit A.5.

data available for gauging employment outcomes and are estimated to cover over 90 percent of total employment in the state.⁹

UI records do not document the number of hours worked by an employee or the employee's hourly wage. Therefore, it is not possible to identify the reasons for changes in an employee's quarterly earnings over time. Increases in earnings could result from an increase in the hourly wage or salary paid, from an increase in hours worked, or from some combination of these two factors. Further, because UI records report earnings on a quarterly basis, it is impossible to identify an individual's employment patterns within a given quarter. We count an individual as employed in a quarter if his or her earnings from all employers in that quarter totaled at least \$100.

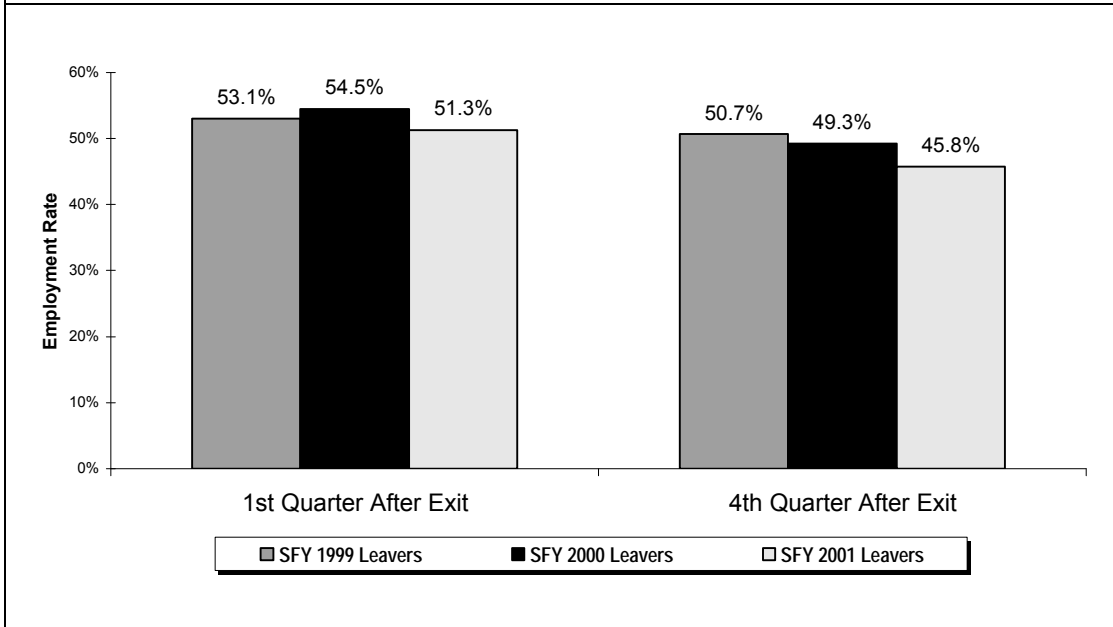
Employment Rates of Recent Colorado Works Leavers Have Declined

In the first quarter after exiting Colorado Works, about one-half of former recipients are employed. Exhibit 2.5 shows employment rates after exit for recipients who left Colorado Works during SFYs 1999, 2000, and 2001. The employment rate in the first quarter after exit for former recipients entering the labor market during SFY 2001 was 51 percent, slightly lower than employment rates for those leaving in earlier years (53 to 55 percent). One possible explanation is that the State's less favorable labor market conditions during 2001 hindered some former recipients in obtaining jobs.

The increase in the state unemployment rate during 2001 also appears to have reduced job retention among former recipients. This is evident from the trend in former recipients' employment rates in the fourth quarter after exit, also shown in Exhibit 2.5. For leavers in SFY 2001, the employment rate in the fourth quarter post-exit was 46 percent, down from 51 percent for leavers in SFY 1999 and 49 percent for leavers in SFY 2000. For each of the three exit groups, the employment rate in the first quarter after exit was higher than that in the fourth quarter after exit. A number of factors contribute to this pattern. Some recipients stop working and return to BCA within the first year after exiting Colorado

⁹ Types of employment not included in UI data include: military and other federal government employment, some agricultural employment, informal or off-the-books employment, and self-employment.

Exhibit 2.5
Employment Rates of Former Colorado Works Recipients
 Leavers in State Fiscal Years 1999–2001



Source: BPA tabulations using Unemployment Insurance records, Colorado Department of Labor and Employment.

Note: This sample includes all adult leavers from Basic Cash Assistance. Former recipients are counted as employed if they earned \$100 or more in a quarter.

Works. Others may stop working due to marriage, childbirth, or health problems. A third group of recipients are employed only sporadically after exit because of a lack of job skills or other barriers, such as the unavailability of transportation.¹⁰

¹⁰ Berkeley Policy Associates, *Evaluation of the Colorado Works Program: Second Annual Report*, November 2000. Among Colorado Works recipients surveyed, the most frequently reported barriers to sustained employment were: transportation needs, housing needs, substance abuse, domestic violence, mental health or emotional problems, physical disabilities, lack of education or training, and child care needs.

Many Former Recipients Are Sporadically Employed after Exit

As we noted in our prior Colorado Works evaluation reports, a significant proportion of former recipients are not continuously employed after leaving Colorado Works; many recipients move in and out of employment after leaving the program. This pattern has not changed dramatically for the most recent leavers' group for which we have employment outcomes data.

As shown in Exhibit 2.6, among adults who exited Colorado Works during the fourth quarter of 2000, only 28 percent worked in all four subsequent quarters, while almost 33 percent had no UI earnings in any quarter during the year after exit. Twenty-four percent of leavers were employed in one or two quarters after exit, and 16 percent were employed in three quarters.

We are also now able to track the employment outcomes of some early groups of Colorado Works leavers for four years after exit. The bottom panel of Exhibit 2.6 shows the employment patterns over time for the group exiting in the fourth quarter of 1997. A majority of the group—82 percent—had at least some employment experience during this period. Only 10 percent of the members of this group were employed in all 16 quarters after exit. Between 20 and 30 percent of these former recipients exhibited a tenuous attachment to the labor market, working in half or fewer of the 16 quarters.

Quarter of Exit		<u>Total Quarters Employed in First Year after Exit</u>				
	Number of Exiting Adults	<u>0 Qtrs.</u>	<u>1 Qtr.</u>	<u>2 Qtrs.</u>	<u>3 Qtrs.</u>	<u>All 4 Qtrs.</u>
1999:4	3,088	29.2%	10.5%	12.5%	15.9%	31.9%
2000:4	2,465	32.6%	10.9%	12.7%	15.5%	28.3%

Quarter of Exit		<u>Total Quarters Employed in First Two Years after Exit</u>				
	Number of Exiting Adults	<u>0 Qtrs.</u>	<u>1-2 Qtrs.</u>	<u>3-4 Qtrs.</u>	<u>5-7 Qtrs.</u>	<u>All 8 Qtrs.</u>
1998:4	4,452	24.0%	12.6%	14.4%	29.5%	19.7%
1999:4	3,088	24.4%	13.8%	14.3%	29.2%	18.4%

Quarter of Exit		<u>Total Quarters Employed in First Three Years after Exit</u>						
	Number of Exiting Adults	<u>0 Qtrs.</u>	<u>1-2 Qtrs.</u>	<u>3-4 Qtrs.</u>	<u>5-6 Qtrs.</u>	<u>7-8 Qtrs.</u>	<u>9-11 Qtrs.</u>	<u>All 12 Qtrs.</u>
1997:4	5,425	19.7%	9.6%	9.2%	10.4%	11.6%	25.6%	14.0%
1998:4	4,452	20.9%	10.4%	9.8%	10.4%	11.8%	24.1%	12.4%

Quarter of Exit		<u>Total Quarters Employed in First Four Years after Exit</u>								
	Number of Exiting Adults	<u>0 Qtrs.</u>	<u>1-2 Qtrs.</u>	<u>3-4 Qtrs.</u>	<u>5-6 Qtrs.</u>	<u>7-8 Qtrs.</u>	<u>9-12 Qtrs.</u>	<u>13-15 Qtrs.</u>	<u>All 16 Qtrs.</u>	
1997:4	5,425	18.1%	8.3%	7.2%	7.3%	8.2%	20.0%	20.7%	10.3%	

Source: BPA tabulations using Unemployment Insurance records, Colorado Department of Labor and Employment.

Note: This sample includes all adult leavers from Basic Cash Assistance who exited in the fourth quarters of 1997, 1998, 1999, and 2000. Former recipients are counted as employed if they earned \$100 or more in a quarter.

Leavers’ Median Earnings Increase over Time, but Remain Relatively Low

The median earnings of former Colorado Works recipients increase significantly after exit from the program. Exhibit 2.7 shows the median earnings of former Colorado Works recipients for 13 quarters after exit.

Even after two or three years of employment experience, the income received from earnings alone is not sufficient to lift most families above the federal poverty level. After four quarters of employment, median earnings for the leavers groups shown in Exhibit 2.7 increased between 20 and 24 percent. After three years of employment, earnings increased by 52 to 57 percent. Even so, median earnings for the SFY 1998:3 exit group

Exhibit 2.7
Median Earnings of Former Colorado Works Recipients
 Adult Recipients Who Exited in the Third Quarters of Calendar Years 1997–2001 and Did Not Return to Assistance

Quarter of Exit	Number of Exiting Adults	Median Earnings				Percent Change in Median Earnings		
		1 st Qtr. after Exit	5 th Qtr. after Exit	9 th Qtr. after Exit	13 th Qtr. after Exit	Qtr. 1–Qtr. 5	Qtr. 1–Qtr. 9	Qtr. 1–Qtr. 13
1997:3	4,391	\$2,623	\$3,258	\$3,689	\$4,116	24.2%	40.6%	56.9%
1998:3	3,416	2,694	3,243	3,641	4,090	20.4	35.2	51.8
1999:3	2,739	2,683	3,247	3,719		21.0	38.6	
2000:3	1,971	2,665	3,319			24.5		
2001:3	2,084	2,662						

Source: BPA tabulations using Unemployment Insurance records, Colorado Department of Labor and Employment.
 Note: This sample includes all adult Basic Cash Assistance (BCA) leavers who did not return to Colorado Works BCA and who had earnings of \$100 or above in the quarter of analysis.



were \$4,090 in the 13th quarter after exit, or \$16,360 on an annual basis. As noted earlier, because UI wage records do not include the number of hours worked or the hourly wages, we cannot determine how much of the earnings gains experienced by former recipients were due to increased wages or to increases in hours worked. However, given that median earnings have steadily increased over time, it is likely that both factors are responsible for the overall earnings increases.

Many former Colorado Works recipients remain eligible for other government-funded services, such as child care assistance, food stamps, and the federal and state earned income tax credits. Exhibit 2.8 shows the impact of these services on household well-

Exhibit 2.8

Impact of Tax Credits, Food Stamp Benefits, and Child Care Subsidies on Household Income in 2000

Former Colorado Works Recipients, 1997-1999

<u>Sources of Income</u>	<u>Percent With Income Above Federal Poverty Level</u>	
	<u>Single Filers</u>	<u>Joint Filers</u>
Earnings Based on Unemployment Insurance Records	33.2%	n.a.
Adjusted Gross Income	37.8	55.5%
Adjusted Gross Income + Low Income Child Care	46.5	56.4
Adjusted Gross Income + Food Stamps	40.1	56.4
Adjusted Gross Income + Federal and State Earned Income Credits	49.4	62.9
Adjusted Gross Income + Low Income Child Care + Food Stamps + Federal and State Earned Income Credits	58.7	65.3
Number of Individuals	13,912	1,690

Source: BPA tabulations from the state tax file, Colorado Department of Revenue, and CHATS and CAFFS administrative records, Colorado Department of Human Services

Notes: Former Colorado Works recipients are defined as those who received Colorado Works benefits at any time from July 1997 to December 1999 but not during calendar year 2000. Annual income is income for calendar year 2000. Tabulations are based on former recipients who filed a state tax return for 2000.

being. The cash value of food stamps, child care subsidies, and earned income tax credits is added to household adjusted gross income (AGI) in order to develop an alternative measure of the poverty rate among former Colorado Works recipients. AGI is a broader measure of household income than the earnings reported in Unemployment Insurance records and is available for former Colorado Works recipients who filed state tax returns for calendar year 2000.

When the value of these services is considered in calculating household income, many families rise above the federal poverty level. In calendar year 2000, 33 percent of single-parent families who formerly participated in the Colorado Works had household incomes from earnings that were above the federal poverty level. When the value of the aforementioned services was included in the calculation, 59 percent of single-parent families were above the federal poverty level. This indicates the positive impact these programs have on families' well-being.

Chapter 3: Overlap in the Colorado Works and Child Welfare Caseloads

Introduction

Policymakers and researchers have recognized for some time that families served by the welfare (cash assistance) and child welfare programs are likely to overlap because of the strong correlation between poverty and the risk of involvement with the child welfare system. To date, however, the extent of this overlap has not been extensively documented. Recent national studies have estimated that almost one-half of reported incidents of child abuse or neglect occur in families receiving cash assistance and that 70 percent or more of the families receiving in-home child welfare services also receive cash assistance.¹

Implementation of Temporary Assistance for Needy Families (TANF), the program created by federal welfare reform legislation in 1996, has increased the focus of policymakers on the interrelationships between the cash assistance and child welfare systems. In many states, including Colorado, TANF funds a significant share of the Child Welfare program and preventative services for families considered to be at risk of child maltreatment. Statutes requiring an evaluation of the Colorado Works program direct the evaluators to consider the impact of Colorado Works on the Child Welfare program.² This report responds to that mandate.

This chapter examines three aspects of the Colorado Works/Child Welfare caseload relationship:

- First, we examine whether Colorado's Child Welfare caseload has increased as a result of welfare reform and the large subsequent reduction in the number of families receiving Colorado Works cash assistance. Prior to the implementation of welfare

¹ A review of existing studies is provided by R. Geen et al., *Welfare Reform's Effect on Child Welfare Caseloads*, The Urban Institute, *Assessing the New Federalism* Discussion Paper 01-04, February 2001.

² Section 26-2-723 (4) (a), C.R.S.

reform, many policymakers, child welfare advocates, and researchers expressed concern that there would be an increase in child welfare caseloads as families lost eligibility for cash assistance under the TANF program.

- Second, we document trends since the start of welfare reform in the size of the dual-system caseload, defined as families that have open cases in both the Child Welfare and Colorado Works programs.
- Finally, we describe the nature of dual-system families' involvement with the Child Welfare program and the types of services provided to them.

A number of factors, most notably organizational issues, make it difficult for either Child Welfare or Colorado Works program staff to identify dual-system families. This situation has implications for the effectiveness of case management and service delivery to these families, and for their ability to move toward self-sufficiency. We examine the issues involved in identifying dual-system cases in Colorado, and make a recommendation for improvement.

Key Findings

- Consistent with national evidence, there has not been a pronounced increase in the entry rates into the Child Welfare program by children in families that have exited Colorado Works cash assistance.
- The size of the dual-system caseload in Colorado is significant. In December 2000, 10 percent of children receiving cash assistance had a concurrent Child Welfare case. About one in four children on Colorado Works had some involvement with the Child Welfare program within the prior 24 months.
- The percentage of children in the Child Welfare program who are also in the Colorado Works program has declined over time. In July 1997, 15 percent of children in Child Welfare had concurrent Colorado Works cases. By December 2000, only 8 percent of children with a Child Welfare case were also in Colorado Works.

- Almost one-half of the children in dual-system cases have Child Welfare cases involving an investigation of abuse or neglect.
- Most counties we visited rely on clients to self-report their involvement in both the Child Welfare and Colorado Works systems. Database limitations are a primary reason counties do not take a more systematic approach to identifying dual-system cases.

TANF Funding of Child Welfare Services

The federal welfare reform legislation—the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996—made two significant changes to the sources of funding available for child welfare services. These changes effected the way in which child welfare services are managed in Colorado. Colorado, like other states, has relied on multiple federal funding streams to finance its Child Welfare program, including Title IV-B and Title IV-E funds, the Social Service Block Grant (SSBG), Emergency Assistance (EA) funds, and Medicaid. PRWORA altered the availability of these federal funds for child welfare services in the following ways:

- PRWORA eliminated the EA program and consolidated EA funding into the TANF block grant. EA funded a range of child welfare activities, including prevention, family preservation, foster care, family reunification, and parenting education.
- PRWORA also reduced federal SSBG funding and allowed states to transfer up to 10 percent of their federal TANF block grant into the SSBG. Since the passage of PRWORA, Congress has reduced funding for SSBG by approximately 30 percent. SSBG provides funding for direct social services (including foster care, home-based services, and prevention services), administration, training, and case management. States are given wide discretion in the use of SSBG funds.

The effect of these changes in Colorado has been to shift a significant proportion of federal funding for child welfare services from an open ended entitlement program with a 50 percent federal match rate (Emergency Assistance) to capped block grant programs (TANF and SSBG). In Colorado, state and county general fund expenditures for services formerly provided under EA are now included as part of the state's required Maintenance

of Effort (MOE) spending for TANF. In addition, counties have transferred surplus federal TANF funds into the Social Services Block Grant to cover shortfalls in their annual child welfare allocations.

Two of the purposes of the TANF program give states wide latitude to fund prevention programs that previously had been within the domain of child welfare agencies and funding streams. One purpose of TANF is to provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives. A second purpose of TANF is to end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage. Both of these purposes allow TANF funds to be used for a range of family preservation services usually delivered through Child Welfare programs.

Historically, there has been limited collaboration between child welfare programs and AFDC/TANF cash assistance programs. However, various changes brought on by welfare reform legislation, including the availability of TANF resources for child welfare services and the need to coordinate programming and services for clients engaged in both programs, have opened up new opportunities for collaboration between child welfare programs and TANF cash assistance programs.

The Adoption and Safe Families Act (ASFA) of 1997, major legislation implemented shortly after welfare reform, also increased the emphasis on providing services to families at risk of having a child removed from the home. ASFA requires more rapid permanency planning, which necessitates that additional resources be spent on collaborative initiatives with other programs and on case management.

As noted in Chapter 1, approximately 23 percent (\$51.5 million) of federal, state, and county funds that are countable TANF expenditures in Colorado are spent on Child Welfare program services. Exhibit 3.1 presents information on the types of Child Welfare activities (programs and services, administration, etc.) financed by these TANF-countable funds. Approximately 90 percent of TANF-countable expenditures for Child Welfare program activities are state and county funds that count as part of the State's TANF MOE requirement and the remaining 10 percent are federal TANF funds.

Almost one-half of TANF-countable child welfare expenditures fund core services, as shown in Exhibit 3.1. These are intensive, time-limited services for families designed to protect children, prevent out-of-home placement, and reunify children and their families. Core services include intensive family therapy, day treatment (intensive therapy and

Exhibit 3.1
**Federal, State, and County TANF-Countable Expenditures on Child Welfare Program
 Activities in Colorado**
 State Fiscal Year 2002

<u>Activity</u>	<u>Federal TANF Expenditures</u>	<u>State and County MOE Expenditures</u>	<u>Total Expenditures</u>	<u>Percent of Total</u>
<u>Core Services:</u>				
Home Based Intervention	\$0	\$5,058,322	\$5,058,322	9.8%
Intensive Family Therapy	514,878	2,545,955	3,060,833	5.9
Life Skills	73,493	2,348,155	2,421,648	4.7
Day Treatment	3,828,330	7,209,452	11,037,782	21.4
Sexual Abuse Treatment	0	1,951,205	1,951,205	3.8
Non-Medical Substance Abuse Treatment	199,955	0	199,955	0.4
County Designed Programs	0	1,509,252	1,509,252	2.9
Domestic Violence Counseling	16,664	0	16,664	0.0
Subtotal:	\$4,633,320	\$20,622,341	\$25,255,661	49.0%
<u>Other Services:</u>				
ADAD Substance Abuse Treatment	0	3,060,933	3,060,933	5.9
Child Welfare Special Circumstances Day Care	0	1,444,449	1,444,449	2.8
Case Services	0	507,752	507,752	1.0
Subtotal:	\$0	\$5,013,134	\$5,013,134	9.7%
Child Welfare County Program-Related Costs (including Case Worker salaries and overhead)	0	17,623,065	17,623,065	34.2
County Administration Subject to 15% Cap	223,640	1,405,271	1,628,911	3.2
State Administration Subject to 15% Cap	0	802,159	802,159	1.6
State Program-Related Costs	0	603,664	603,664	1.2
Systems	0	569,068	569,068	1.1
Subtotal:	\$223,640	\$21,003,227	\$21,226,867	41.3%
Total TANF-Countable Expenditures on Child Welfare Program Activities	\$4,856,959	\$46,638,702	\$51,495,662	100%

Sources: TANF ACF-196 Financial Reports and Colorado Department of Human Services CFMS reports.



education for children), and home based intervention by social workers. State and county funds that count as TANF MOE provide approximately one-half of total Child Welfare program expenditures for core services. Prior to TANF, core services were funded largely through the Emergency Assistance program.

Other Child Welfare program expenditures that are TANF-countable include: Alcohol and Drug Abuse Division (ADAD) substance abuse treatment; Special Circumstances Day Care; county program-related costs for case worker staff salaries and overhead; case services; and other state and county administration costs. Nearly all of these expenditures are comprised of state and county funds.

Through the transfers of their TANF Colorado Works allocation funds into the Social Services Block Grant, counties have also drawn on federal TANF funds to finance some Child Welfare program activities. During SFY 2002, counties transferred \$14 million of federal TANF block grant funds into SSBG to cover overexpenditures of their Child Welfare program allocations. These expenditures are in addition to the \$51.5 million of TANF-countable expenditures shown in Exhibit 3.1.

Since the onset of TANF, the funding streams for the Colorado Works and Child Welfare programs have become more closely interlinked. The State has made a decision to dedicate a significant proportion of its TANF Maintenance of Effort spending requirement to cover Child Welfare program activities that were previously financed through a mix of federal, state, and county funds. At the same time, the primary federal funding streams for Child Welfare core services (i.e., family preservation and prevention services) are now capped block grant funds (TANF and SSBG) rather than an open-ended entitlement program with federal matching funds (as under the pre-TANF Emergency Assistance program). As a consequence, the fiscal circumstances and needs of the Colorado Works and Child Welfare programs now directly impact each other.

Rate of Entry into Child Welfare

Between July 1997 and November 2000, the number of children in Colorado with an active Child Welfare case increased by 11 percent. This increase does not appear to have been the result of greater involvement in the Child Welfare system by former Colorado Works families. In Exhibit 3.2, we report children's rates of entry into Child Welfare within 12 months after their families exited Colorado Works. For this analysis we focus on children in single-parent families exiting Colorado Works. In August 1997, the first

Exhibit 3.2
Entry into the Child Welfare System after Exit from Colorado Works
 Children in Single-Parent Colorado Works Cases

<u>Month of Exit from Colorado Works</u>	<u>Number of Children Exiting</u>	<u>Percent with Open Child Welfare Case within 12 Months of Exit</u>
August 1997	3,128	9.3%
January 1998	3,042	8.7
August 1998	3,013	10.0
January 1999	2,391	7.8
August 1999	2,201	10.0
January 2000	1,858	9.7

Source: BPA staff tabulations based on COIN and CWEST administrative records, Colorado Department of Human Services.

month in which families exited Colorado Works, 9 percent of children leaving the program had an open Child Welfare case within 12 months of exit. The entry rate into Child Welfare within 12 months of Colorado Works exit remained stable at between 7 and 10 percent in most months between August 1997 and January 2000. Accordingly, for the time period examined, we find no evidence of increased entry into the Child Welfare system by former Colorado Works families. This issue merits further study, however, once longer-term data become available.³

³ Due to limited availability of data, we cannot measure trends in Child Welfare program participation by former Colorado Works families within 24 months of Colorado Works exit beyond August 1998. During the period August 1997 to August 1998, between 13 percent and 16 percent of children exiting Colorado Works were involved with a Child Welfare case within 24 months.

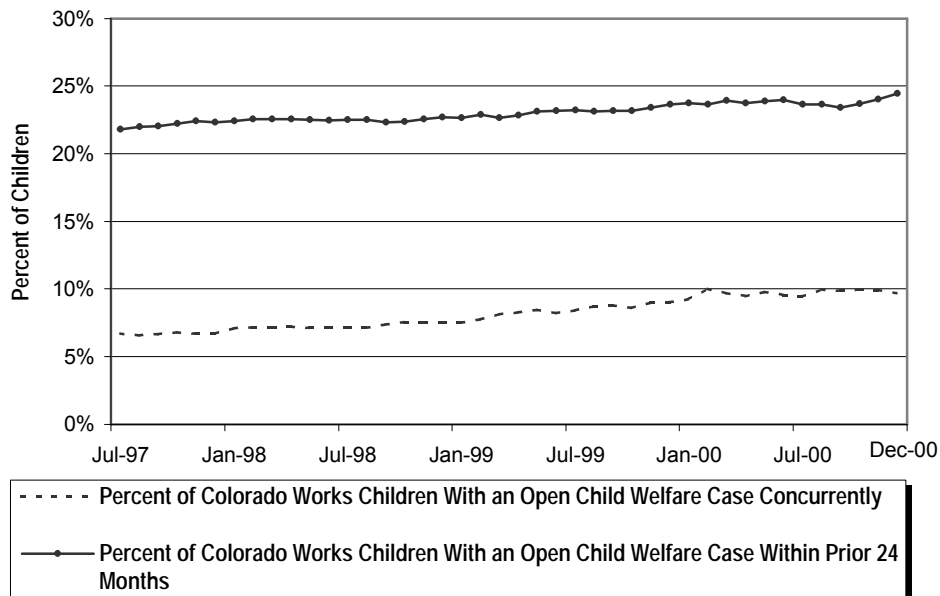
Trends in the Dual-System Caseload

Our approach to measuring dual-system cases involves identifying children in families receiving Colorado Works Basic Cash Assistance (BCA) and matching them to Child Welfare administrative records to determine if these children have an open Child Welfare case.⁴ Children in dual-system cases can have an open Child Welfare case because the agency is conducting an investigation of abuse or neglect, or because they are receiving other Child Welfare services. We include in our count of dual-system cases all Colorado Works BCA cases: child-only cases, single-parent cases, and two-parent cases. We calculate two counts of the dual-system caseload: (1) a concurrent count, which includes children who are in Colorado Works families and who have an open Child Welfare case in the same month; and (2) a retrospective count, which includes children who are in Colorado Works families and who have had an open Child Welfare case anytime within the prior 24 months.

Our retrospective count of the dual-system caseload produces a much larger number of children involved in both the Colorado Works and Child Welfare programs than does the concurrent count. As of December 2000, 10 percent of children in the Colorado Works program had a concurrent open Child Welfare case, and 25 percent of Colorado Works children had an open Child Welfare case within the prior 24 months. Exhibit 3.3 shows the percentage of children in Colorado Works during the period July 1997 to December 2000 with concurrent or recent open Child Welfare cases. By the end of this period, approximately one in four children in Colorado Works had ongoing or recent involvement with the Child Welfare system.

⁴ The Colorado Department of Human Services (CDHS) provided Child Welfare administrative records from the CWEST system covering the period January 1996 through December 2000. In 2001, a new Child Welfare data system, TRAILS, was implemented. The CDHS was not able to provide records from that system for this report.

Exhibit 3.3
**Percentage of Colorado Works Children with an Open Child Welfare Case:
Concurrently and within the Prior 24 Months**
July 1997–December 2000



Source: BPA staff tabulations based on COIN and CWEST administrative records, Colorado Department of Human Services.

Published research on the size of dual-system caseloads in other states is virtually nonexistent. Research conducted in California during the AFDC program indicated that in 1990, one in four children entering AFDC had involvement with the Child Welfare system within the previous five years.⁵

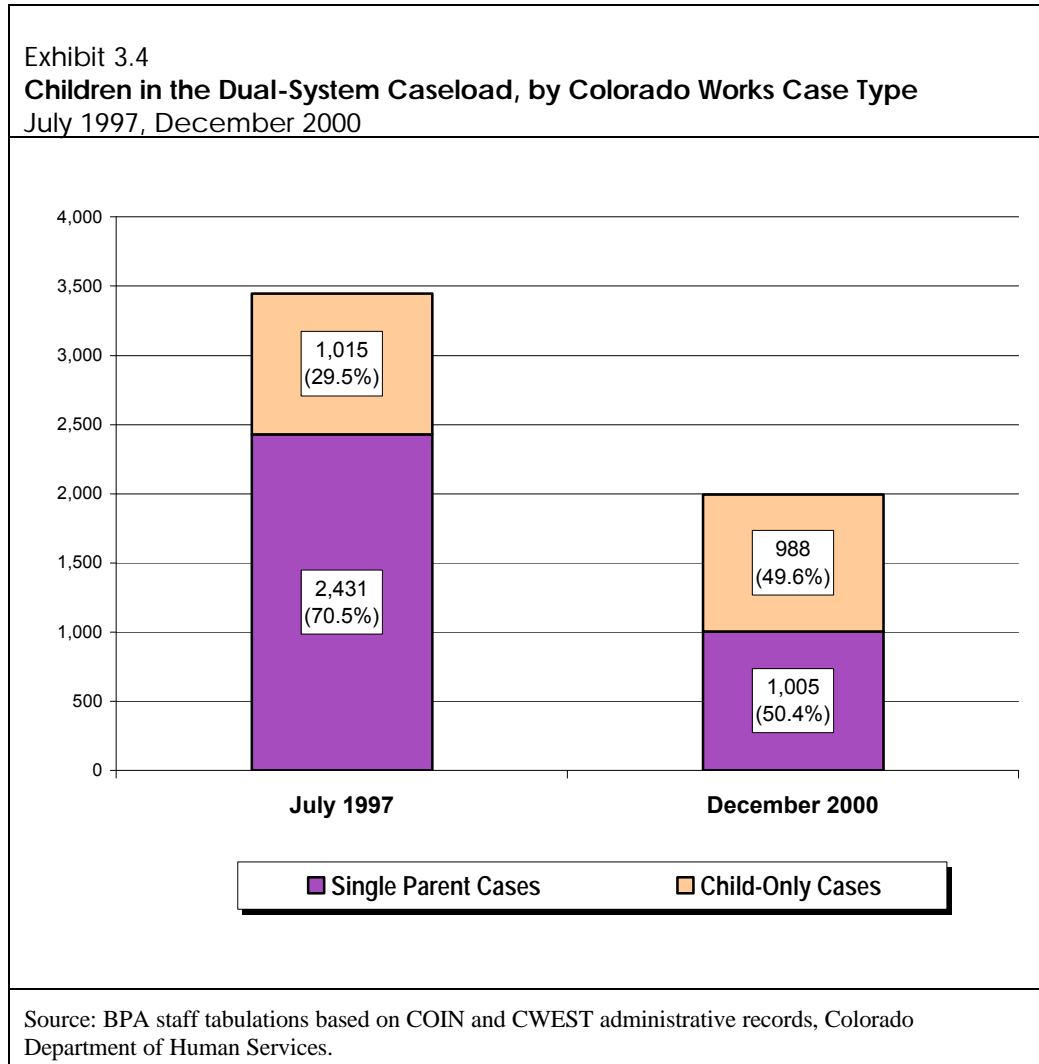
⁵ B. Needell et al., “Transitions from AFDC to Child Welfare in California,” *Children and Youth Services Review* 21, 1999.

During the first three and one-half years of Colorado Works, the proportion of Colorado Works children with a concurrent or recent Child Welfare case increased, as is shown in Exhibit 3.3. In July 1997, 7 percent of children receiving Colorado Works BCA had an open Child Welfare case; by December 2000, 10 percent of Colorado Works children had an open Child Welfare case. In addition, the percentage of Colorado Works children with an open Child Welfare case within the prior 24 months increased from 22 percent in July 1997 to 25 percent in December 2000. This increase over time suggests that families that remained on Colorado Works were more likely to have involvement with Child Welfare than were families that exited Colorado Works during this period. Exhibit A.7 in Appendix A presents monthly counts of the dual-system caseload for the period July 1997 through December 2000. Individual county counts of the dual-system caseload in December 2000 are reported in Exhibit A.8 of Appendix A.

Like the Colorado Works Caseload, the Dual-System Caseload Declined between July 1997 and December 2000 and Increasingly Consisted of Child-Only Cases

Between July 1997 and December 2000, the total number of children on the Colorado Works caseload declined by almost 60 percent, from 53,411 to 21,814. Most of this decline was due to a drop in the number of single-parent families on the Colorado Works caseload. The number of child-only families remained relatively stable. The size and composition of the dual-system caseload reflected these changes in the overall Colorado Works caseload. The total number of children belonging to dual-system cases declined from 3,446 in July 1997 to 1,993 in December 2000. As with the Colorado Works caseload, the dual-system caseload over time was increasingly composed of children in child-only Colorado Works cases. These caseload trends are illustrated in Exhibit 3.4.

Both the number and the percentage of children in the Child Welfare program who are also in the Colorado Works program has declined over time as well. In July 1997, 14.5 percent of children in Child Welfare had concurrent Colorado Works cases. By December 2000, this figure had fallen to 8 percent. The number of children in the Child Welfare Program who were also on Colorado Works declined from 3,575 to 2,112 between July 1997 and December 2000.



The Proportion of Colorado Works Children Receiving Child Welfare Services Has Increased Slightly over Time

Not all children with an open Child Welfare case are actually receiving services from the program. Almost one-half of the children in dual-system cases have Child Welfare cases involving an investigation of abuse or neglect, which typically precedes delivery of services to a family. For example, in October 2000, 47 percent of children in dual-system

cases were involved in abuse/neglect investigations, as shown in Exhibit 3.5. The other major types of Child Welfare cases involving dual-system families include cases in which children are considered at risk and a request for services has been made (21 percent in October 2000), and cases in which children are receiving court-ordered services (20 percent in October 2000). As also shown in Exhibit 3.5, these October 2000 proportions are similar to those from October 1997.

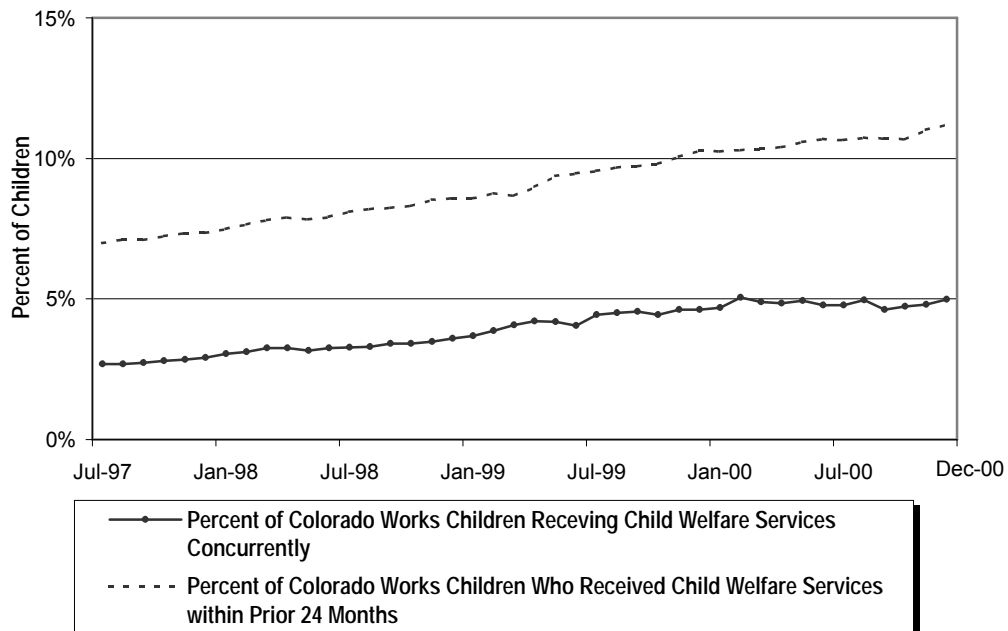
The proportion of children in dual-system cases who receive Child Welfare services is smaller than the proportion with an open Child Welfare case. Not all open Child Welfare cases involve delivery of services to a child or family; a large proportion of open cases are ongoing abuse and neglect investigations in which no service delivery is involved. Although we have shown that 7 percent of children in Colorado Works in July 1997 had an open Child Welfare case (see Exhibit 3.3), Exhibit 3.6 shows that only 3 percent of Colorado Works children were actually receiving services from the Child Welfare program.

Exhibit 3.5 Child Welfare Case Types for Children in Dual-System Cases October 1997; October 2000		
Case Type	Case Type as Percent of All Children in Dual-System Cases	
	October 1997	October 2000
Abuse/Neglect Investigations	45.2%	47.0%
At-Risk/Requests Services	20.1	20.6
Court-Ordered Services	18.0	19.9
Miscellaneous	5.2	6.7
Beyond Control of Parents	5.5	4.7
Reunification Failed	4.4	1.2
Legally Free/Special Needs/DSS Custody	1.6	0.9
Total Number of Children in Dual-System Cases	3,309	2,186

Source: BPA staff tabulations based on COIN and CWEST administrative records, Colorado Department of Human Services.

The proportion of Colorado Works children actually receiving Child Welfare services has risen over time, although at a slightly slower rate than has the proportion of Colorado Works children with open Child Welfare cases. By December 2000, 5 percent of BCA recipients were receiving services, up from 3 percent in July 1997. Similarly, the proportion of children on Colorado Works who received Child Welfare services within the last 24 months has increased over time. In July 1997, 7 percent of Colorado Works children had received a Child Welfare service in the last 24 months; by December 2000, this proportion had increased to 11 percent, as shown in Exhibit 3.6.

Exhibit 3.6
**Percentage of Colorado Works Children Receiving Child Welfare Services:
Concurrently and within the Prior 24 Months**
July 1997–December 2000



Source: BPA staff tabulations based on COIN and CWEST administrative records, Colorado Department of Human Services.

A wide variety of services, administered at the county level and supervised by the State, are provided to Child Welfare clients. These include preventative services designed to protect children and keep families together (for example, kin care, substance abuse treatment, and family therapy) and maintenance services designed to protect children (for example, out-of-home placement services like foster care). As shown in Exhibit 3.7, the

Exhibit 3.7

Child Welfare Services Received by Children in Dual-System Cases
October 1997, October 2000

Service Type	Percent of Children in Dual-System Cases	
	October 1997	October 2000
Kin Care	15.0%	19.9%
Substance Abuse Treatment	11.0	13.9
Home-Based Service Options	8.6	10.6
County-Designated	6.5	10.4
Mental Health	6.9	10.0
Family Foster Care	5.4	5.5
Intensive Family Therapy	10.2	7.2
Life Skills	9.3	7.0
Special Economic Assistance	4.8	2.9
Shelter Care	2.3	1.8
Day Treatment	4.3	3.5
Sexual Abuse Treatment	6.9	3.7
Residential Treatment Center	3.0	1.9
Receiving Home	2.0	1.0
Miscellaneous	3.8	0.8
Total	100%	100%
Total Number of Services Received	1,821	1,533

Source: BPA staff tabulations based on COIN and CWEST administrative records, Colorado Department of Human Services.

major types of Child Welfare services provided to Colorado Works recipients in October 2000 included kin care, substance abuse treatment, home-based service options, special county-designated services, and mental health services. In October 2000, dual-system cases received a higher proportion of these services (and a lower proportion of other services, including intensive family therapy, special economic assistance, and sexual abuse treatment, among others) than in October 1997.

Shortcomings in Data Availability Prevent Most Counties from Systematically Identifying Dual-System Cases

Because nearly one-quarter of children in Colorado Works families have current or recent involvement with the Child Welfare program, the ability of staff in both of these programs to readily identify dual-system families becomes important for several reasons. First, identification of dual-system clients helps Colorado Works case managers and Child Welfare social workers collaborate to ensure efficient service delivery. Second, identification of dual-system cases can streamline and strengthen intervention strategies. Finally, identification of dual-system cases can prevent duplication of services and guard against overpayments to families.

Current practices used to identify dual-system clients varied in the counties we visited. The majority of counties, however, rely on clients to self-report their involvement in both systems. Database limitations are a major reason that most counties do not use a more systematic and proactive approach to identifying dual-system clients. In most counties, cross-checking a recipient's involvement in either Colorado Works or Child Welfare is not possible because there is no link at the state level between the automated systems of the two programs (Colorado Works COIN and Child Welfare TRAILS). In counties where some type of database check is performed, it is typically done once, at the time families enter Colorado Works. Hence, a family in Colorado Works that becomes part of the Child Welfare caseload would not be identified as a dual-system client through this matching procedure.⁶ New entrants to the Child Welfare program are typically not checked for their involvement in Colorado Works.

⁶ One county, Boulder, does generate a list of all potential dual-system clients (new entrants or not), although this list is generated only once a year.

Despite these challenges, some counties have been successful in developing procedures that facilitate identification of dual-system families. Several counties have developed their own automated systems that process data from TRAILS and COIN. Several others have developed more staff-intensive methods of identification. Both types of approaches are discussed below.

- **Automated systems:** Four counties (Adams, El Paso, Mesa and Weld) have used their own automated systems to identify dual-system clients, according to staff in these counties. El Paso uses an internal tracking database (CATS) that allows staff in their central record keeping unit to check each new case to determine whether it is a dual system case and the status of the case. When a recipient comes to the county office to apply for services, she is required to fill out the EPC-40 form. This form then goes to central record-keeping, where the client's information is checked to see if the family is already receiving any services. This information is then shared with the case managers. Prior to the implementation of TRAILS, Mesa County's system generated a list of services received by dual-system families and also identified the line worker in charge of the case. This information was distributed to program managers and line staff in the TANF program.⁷ In Weld County, a TANF technician uses a county-developed automated program to check for dual-system clients. When an active case is found, the TANF case manager is given the name of the Child Welfare social worker handling the family's case.
- **Staff-intensive methods:** Otero County convenes a daily meeting between Colorado Works and Child Welfare staff to discuss new entrants into the TANF program, according to county staff. Child Welfare staff are responsible for verifying involvement of the new TANF clients in the Child Welfare system.

In the event that children are removed from the home of a Colorado Works family and placed in foster care, continued eligibility of that family for cash assistance will generally change. Children in voluntary foster care placements can remain on their family's Colorado Works grant for up to 90 days. Such voluntary foster care placements are often short-term in nature, while case workers try to stabilize the family situation. Continued cash assistance during this period is seen as supporting family preservation. Under a court-ordered foster care placement, the child is no longer considered to be living in the home, and the Colorado Works cash grant must be adjusted to reflect this change in

⁷With the implementation of the new Child Welfare automated system (TRAILS), Mesa's program became obsolete. Currently Mesa uses an administrator from their Workforce Center program to check the TRAILS system.

family size within 30 days. Assessing this change in a family's eligibility will be potentially difficult if the system for cross-checking cases between the Child Welfare and Colorado Works programs is cumbersome or not carried out systematically.

To assess the magnitude of this potential problem, we examined the ongoing participation in Colorado Works of children who were receiving Child Welfare foster care services. We identified Colorado Works cases involving 897 children in which there was an overlap between receipt of Child Welfare foster care services and Colorado Works cash assistance for one or more complete months. Of these children, 86 children, or about 10 percent, had overlapping periods of Colorado Works and Child Welfare foster care of more than three months. This indicates that some overpayments for Colorado Works families are likely occurring but that they do not represent a significant financial impact on the Colorado Works program.

A number of benefits in the areas of case management, service delivery, and program efficiency can result from increased information sharing and collaboration between Child Welfare and Colorado Works program staff. An effective and efficient procedure for identifying dual-system cases is a necessary condition for increased collaboration. Accordingly, the Colorado Department of Human Services should improve the data system capabilities for accomplishing this task.

Recommendation 1:

The Department of Human Services should ensure procedures are in place to allow county program staff to readily identify dual-system cases. In particular, the Department should:

- a. generate monthly status reports identifying children with open Child Welfare and Colorado Works cases (including new entrants and old cases); and*
- b. distribute status reports on a monthly basis to county program managers in both the Child Welfare and Colorado Works programs.*

Department of Human Services Response:

Agree. The Department shall assure that procedures are in place.

Chapter 4: Collaboration between Colorado Works and Child Welfare Programs

Introduction

Prior to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Aid to Families with Dependent Children (AFDC) and Child Welfare programs were viewed as having clearly distinct missions. AFDC was a cash assistance entitlement program for low-income families, while Child Welfare provided services to enhance the safety and well-being of children experiencing, or at risk of, abuse or neglect. With the onset of the Temporary Assistance for Needy Families (TANF) program, the missions of the two programs—cash assistance and Child Welfare—became more closely linked. Both TANF and Child Welfare strive to stabilize families and help them to achieve self-sufficiency.

There is also a significant overlap in the caseload served by the two programs. As reported in Chapter 3, nearly one-quarter of children in Colorado Works have had some contact with Child Welfare in the previous two years. Staff in both programs are beginning to recognize that increased collaboration between the two agencies will benefit the recipients and the programs themselves.

Key Findings

- Confidentiality issues were often cited by program staff as a barrier to collaboration. Staff in several site visit counties seem to be unaware that the Colorado Department of Human Services (CDHS) has developed a confidentiality policy and release form to allow information sharing between CDHS programs without legal liability.
- Interprogram collaboration was enhanced when County Department managers implemented joint management committees and other strategies to promote collaborative efforts at the program and staff levels.

- County Colorado Works and Child Welfare staff would benefit from receiving training in each other's programs. In counties incorporating such training, line staff are more likely to collaborate.

Colorado Works/Child Welfare Collaboration Presents Several Benefits and Challenges

Based on our site visits in Colorado, we identified three main benefits from increased collaboration between Colorado Works and Child Welfare:

- **Reduced burden on parents:** Both Colorado Works and Child Welfare have separate plans to help families achieve self-sufficiency and leave government assistance. As a requirement of participation, recipients in Colorado Works agree to an Individual Responsibility Contract (IRC), whereas Child Welfare social workers assist families in meeting the goals of their court-defined Family Service Plan (FSP). Most counties we visited do not have a formal process by which Colorado Works case managers and Child Welfare social workers collaborate to align these plans, even though staff in many counties identified conflicting obligations in the two plans as a problem for clients.
- **Improved ability to identify family needs:** Interagency collaboration allows for early identification and/or prevention of problems that influence client outcomes in Colorado Works and Child Welfare cases. Colorado Works case managers can benefit from the depth of Child Welfare social workers' case knowledge (which is often informed by home visitation) to better mobilize TANF resources for families and help clients solve problems. For example, several counties utilize TANF funds to help families involved in Child Welfare programs access mental health services that are otherwise not immediately available.
- **Improved ability to deliver services to help families achieve self-sufficiency:** Many of the families involved in Colorado Works and Child Welfare need similar services that are offered by both agencies, such as grandparent support groups or mental health counseling. Improved communication between Colorado Works and Child Welfare staff allows for streamlining of service delivery while avoiding duplication of services.

Department staff at the state and county levels face a number of issues that impede collaboration between Colorado Works and Child Welfare. We identified the following barriers to collaboration:

- **Colorado Works and Child Welfare staff are not aware of services offered by the other program.** In most counties, Colorado Works case managers and Child Welfare social workers exhibited a lack of understanding with regard to the resources and services available from each other's programs. For example, one Colorado Works case manager referred to the Child Welfare program in that county as the "great unknown." This lack of knowledge makes potential collaboration more difficult from both a client and a program perspective.
- **Many staff have a misunderstanding about clients' confidentiality rights and the ability to share information between the two programs.** Some Child Welfare program staff are reluctant to share information with Colorado Works case managers for fear of breaching clients' confidentiality rights. However, CDHS has developed a confidentiality policy and release form to allow information sharing between CDHS programs without legal liability. Staff at counties with successful Colorado Works/Child Welfare collaboration understand that client confidentiality rights are not a barrier to collaboration.
- **Databases are difficult to integrate.** The automated data systems for Colorado Works (COIN) and Child Welfare (TRAILS) are not linked, making it difficult to share information and identify dual-system cases. No statewide program exists to help the two systems generate relevant information about dual-system cases.
- **Requirements for the Family Service Plan and Individual Responsibility Contract are not coordinated.** The FSP is a document that describes court-ordered actions Child Welfare clients must take to successfully leave the caseload. Similarly, the IRC documents activities that Colorado Works recipients must agree to undertake. Without systems in place to identify dual-system clients, and without formal requirements for coordination of FSPs and IRCs, plan requirements often conflict. For example, a client's weekly Child Welfare counseling appointment might conflict with a mandatory Colorado Works employment activity. Collaboration between Colorado Works case managers and Child Welfare social workers in developing their programs' respective client plans can help prevent conflicting requirements.

Counties Use Various Strategies to Promote Organizational Collaboration between Colorado Works and Child Welfare

CDHS conducted a series of trainings in 1999 on building collaboration between Colorado Works and Child Welfare. Although the majority of counties we visited have incorporated some organizational collaboration across the Colorado Works and Child Welfare programs, the extent of such collaboration varies greatly by county. Specific organizational collaboration strategies in place in the 14 site visit counties are shown in Exhibit 4.1.

Exhibit 4.1 Areas of Organizational Collaboration between Colorado Works and Child Welfare Programs as of November 2002 14 Site Visit Counties					
<u>County</u>	<u>Joint Management Meetings</u>	<u>Joint Staff Training</u>	<u>Prevention Program</u>	<u>Targeted Program</u>	<u>Service Sharing</u>
Adams	✓	✓	✓	✓	✓
Arapahoe					
Boulder					
Denver			✓	✓	✓
El Paso	✓	✓	✓	✓	✓
Fremont			✓		
Jefferson				✓	
Larimer	✓		✓		
Las Animas		✓			✓
Mesa		✓	✓		✓
Otero		✓			✓
Pueblo		✓	✓		
Rio Grande					
Weld		✓	✓	✓	

Source: BPA tabulations based on information derived from county interviews.

Note: For more detail on specific county collaborative prevention and special programs, see Appendix B.

The five primary strategies by which counties promote Colorado Works/Child Welfare collaboration are described in detail below.

- **Joint management meetings:** Three counties we visited have formal joint Colorado Works/Child Welfare management meetings. These are regular meetings at which managers and/or staff from both programs meet specifically to discuss issues related to increasing Colorado Works and Child Welfare collaboration. For example, since 1999 Adams County has convened a joint departmental meeting for all levels of Colorado Works and Child Welfare staff, with the goal of clarifying policies for dual-system clients and discussing how best to use TANF dollars for Child Welfare services.
- **Joint staff training:** Seven of the County Departments we visited report that they have joint staff training between the Colorado Works and Child Welfare programs. We define joint staff training as staff from one or both programs regularly attending training aimed at improving the understanding of the other program. For example, El Paso County instituted an Education and Training Committee in early 2002, with the goal of developing more integrated training between Colorado Works and Child Welfare. Now, all new Child Welfare staff receive training on Colorado Works services and staff from each program attend each others' statewide conference every year.
- **Prevention programs:** Eight counties we visited developed prevention programs designed to prevent abuse and neglect in families at risk of Child Welfare involvement but not currently under court order to participate. The purpose of these programs varied in focus and scope. In Pueblo County, Child Welfare used its TANF funds to form a "Prevention Unit" to which families likely to become involved in Child Welfare are referred for help. For example, the Prevention Unit pays a family's heating bill for a month if a working mother loses her job and is unable to pay the bill. This type of intervention may prevent a situation in which Child Protective Services would be called to address the safety of the children considered in jeopardy from lack of heat.
- **Targeted programs:** Five counties offer special supportive services to families that fall into particular target populations, such as kinship care or teen families, to help them achieve self-sufficiency goals. For example, in Denver and Jefferson counties, kinship care families receive a larger TANF payment than they would as child-only

cases, an effort to offset the costs associated with maintaining these children in a relative's home.

- **Service sharing:** Six counties have service-sharing collaboration, by which the Colorado Works or Child Welfare programs offer supportive services to clients from the other program. An example of service sharing occurs in Mesa County, where Child Welfare families are able to access any Colorado Works service, such as job search assistance.

Case Management Collaboration Occurs Both Formally and Informally

Colorado Works case managers and Child Welfare social workers have the most accurate picture of the obligations clients must meet and the services they receive. By integrating case management and client obligations across the two programs, Colorado Works and Child Welfare can provide support that will help clients achieve the goals of both programs more efficiently. Service integration can result in better utilization of both program's existing resources and avoid conflicting requirements. Case management collaboration involves Colorado Works case managers and Child Welfare social workers discussing clients' service needs and coordinating the development and modification of Colorado Works IRCs and Child Welfare FSPs.

Current case management collaboration is generally informal in the majority of the 14 site visit counties. Collaboration around dual-system clients depends in large part on the personal relationships existing between individual Colorado Works and Child Welfare staff.

In counties with more formal collaborative efforts in case management, collaboration is facilitated through three primary strategies: liaisons, formal joint service planning, and information sharing. Case management collaboration strategies currently employed by the 14 site visit counties are identified in Exhibit 4.2.

Exhibit 4.2
**Areas of Case Management Collaboration between Colorado Works
 and Child Welfare Programs as of November 2002**
 14 Site Visit Counties

<u>County</u>	<u>Liaisons</u>	<u>Formal Joint Service Planning (IRC/FSP)</u>	<u>Information Sharing</u>
Adams	✓	✓	✓
Arapahoe			
Boulder	✓		
Denver			
El Paso	✓	✓	✓
Fremont	✓		
Jefferson			
Larimer	✓		
Las Animas			✓
Mesa			
Otero		✓	✓
Pueblo			
Rio Grande			
Weld			✓

Source: BPA tabulations based on information derived from county interviews.

- Liaisons:** Five counties designate an individual staff person from Colorado Works or Child Welfare to serve as the primary contact for the other program. For example, Boulder County has a Colorado Works case manager dedicated to work with dual-system clients and to serve as the primary liaison for Child Welfare staff. This case manager formerly worked in the Child Welfare department, and Child Welfare staff told us they feel comfortable seeking him out when they have questions regarding Colorado Works. With dedicated liaisons, communication between Colorado Works and Child Welfare is more easily fostered and maintained.
- Formal joint service planning:** Three counties use a formal system of joint service planning. When a dual-system case arrives, Colorado Works case managers contact the appropriate Child Welfare social worker, and staff from the two programs collaborate with the client to develop an achievable IRC. For example, in Otero



County the Child Welfare social worker and the Colorado Works case manager meet regularly to coordinate on dual-system cases, but together they designate one of them to be the primary coordinator of the case. This process prevents conflicting client plans and removes any ambiguity about ultimate responsibility for the case.

- **Information sharing:** Five counties have formal processes that allow Colorado Works and Child Welfare staff to access relevant information about their dual-system or potential dual-system cases. For example, a staff person may be designated to regularly search both program databases for dual-system clients. Case managers from both programs are then alerted and can assist each other in creating service plans for shared clients. Counties incorporating information sharing at the case management level are not infringing on clients' confidentiality rights, a concern often raised by staff in noncollaborating Child Welfare programs. As noted earlier, CDHS has developed a confidentiality policy and release form to allow information sharing between CDHS programs without legal liability. To foster information sharing in El Paso County, management formed a Linkages Committee that comprises line supervisors from Colorado Works and Child Welfare. This committee develops alternative ways to better identify dual-system clients, while also working to develop policies that improve Colorado Works/Child Welfare linkages.

Recommendation 2:

The Department of Human Services should ensure that the Child Welfare and Colorado Works programs share client information appropriately for the purposes of identifying client needs, developing coordinated service plans, coordinating case management activities, and facilitating joint services discharge or transfer processes. To eliminate confidentiality obstacles, the Department should issue rules that mandate the use of its confidentiality policy and forms as outlined in the CDHS reference manual entitled: Sharing Customer Information Through a Common Consent Procedure.

Department of Human Services Response:

Agree. Staff will review the CDHS reference manual entitled Sharing Customer Information Through a Common Consent Procedure to make any new changes that may be warranted to comply with the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA). Once the manual and forms are HIPAA-compliant, staff will pass rules that give counties guidance on appropriate exchange of client information between Child Welfare and Colorado Works. Staff will design and deliver confidentiality training for counties.

Recommendation 3:

The Department of Human Services should improve coordination between the Child Welfare and Colorado Works programs and eliminate conflicting client requirements by:

- a. requiring counties to specify in their County Plans formal procedures to ensure that Colorado Works case managers and Child Welfare case workers effectively collaborate in case management and service planning for dual-system clients, including development and modification of Colorado Works Individual Responsibility Contracts for dual-system clients;*
- b. requiring counties to specify in their County Plans how they will train new and existing Child Welfare and Colorado Works staff regarding the basic eligibility criteria, services available, and referral procedures for both programs; and*
- c. disseminating to County program managers in both written form and in staff trainings current best practices for Child Welfare and Colorado Works program collaboration, including those identified in this report.*

Department of Human Services Response:

Agree. We will add a requirement to County Plans that counties develop collaboration procedures for working with dual-system clients, including: assessment, case management and IRC services plans; and cross-system training regarding eligibility, availability of services, and referral processes. The Department also agrees to provide written guidance through an Agency Letter and will also provide training on best practices.

Appendix A: Colorado Works and Dual-System Caseloads

Exhibit A.1

Colorado Works Basic Cash Assistance Caseload by Family Type

July 1997–June 2002

Year	Month	Total Colorado Works Caseload (Including Diversions)	Basic Cash Assistance Cases			
			All Case Types	Single-Parent Cases	Two-Parent Cases	Child-Only Cases
1997	7	27,974	27,910	21,040	737	6,094
	8	27,278	27,190	20,493	776	5,775
	9	26,292	26,174	19,792	806	5,407
	10	25,295	25,133	18,861	805	5,290
	11	24,386	24,229	18,172	806	5,160
	12	23,650	23,489	17,482	837	5,078
1998	1	23,285	23,098	17,052	903	5,076
	2	22,750	22,563	16,532	905	5,054
	3	22,149	21,927	15,892	920	5,018
	4	21,579	21,336	15,430	855	4,981
	5	20,831	20,642	14,827	823	4,915
	6	20,107	19,855	14,058	791	4,936
	7	19,571	19,276	13,586	728	4,918
	8	19,108	18,805	13,041	719	4,985
	9	18,359	18,073	12,242	675	5,113
	10	17,640	17,332	11,581	648	5,071
	11	16,949	16,585	10,939	669	4,945
	12	16,296	15,852	10,367	648	4,816
1999	1	16,310	15,895	10,330	663	4,879
	2	15,818	15,440	9,851	634	4,925
	3	15,789	15,405	9,771	646	4,966
	4	15,444	15,021	9,429	616	4,956
	5	14,818	14,459	8,952	577	4,922
	6	13,909	13,532	8,192	502	4,830
	7	14,310	13,823	8,296	507	5,008
	8	14,152	13,622	8,053	463	5,088
	9	13,822	13,307	7,887	438	4,970
	10	13,411	12,968	7,549	433	4,970
	11	13,122	12,673	7,318	411	4,928
	12	12,589	12,101	6,888	397	4,806

Exhibit A.1 (continued)						
Year	Month	Total Colorado Works Caseload (Including Diversions)	Basic Cash Assistance Cases			
			All Case Types	Single-Parent Cases	Two-Parent Cases	Child-Only Cases
2000	1	12,765	12,269	7,001	430	4,812
	2	12,622	12,200	6,915	443	4,820
	3	12,558	12,051	6,826	440	4,767
	4	12,420	11,920	6,759	437	4,705
	5	12,169	11,628	6,492	414	4,710
	6	11,903	11,347	6,263	383	4,679
	7	11,996	11,395	6,275	373	4,727
	8	12,157	11,459	6,269	385	4,780
	9	12,104	11,532	6,338	384	4,785
	10	12,031	11,405	6,187	376	4,819
	11	12,015	11,442	6,157	369	4,893
	12	11,979	11,408	6,097	386	4,911
2001	1	12,076	11,482	6,151	410	4,898
	2	11,906	11,415	6,050	424	4,905
	3	12,055	11,510	6,149	428	4,903
	4	12,000	11,468	6,134	429	4,887
	5	11,965	11,457	6,125	431	4,885
	6	12,349	11,584	6,222	428	4,923
	7	12,398	11,676	6,294	431	4,923
	8	12,804	11,925	6,426	452	5,027
	9	12,879	12,063	6,574	462	5,005
	10	13,236	12,349	6,699	512	5,112
	11	13,415	12,645	6,912	561	5,142
	12	13,588	12,794	7,096	609	5,072
2002	1	13,951	13,158	7,318	672	5,127
	2	13,858	13,286	7,378	726	5,150
	3	13,964	13,400	7,561	728	5,087
	4	14,166	13,564	7,685	729	5,119
	5	14,102	13,484	7,694	715	5,052
	6	13,677	13,083	7,439	656	4,974

Source: BPA staff calculations using COIN administrative records, Colorado Department of Human Services

Note: Total Colorado Works caseload includes Basic Cash Assistance cases and County and State Diversion cases. A small number of cases are missing family-type information. Therefore, the total Basic Cash Assistance caseload may not exactly match the sum of cases across all family types.

Exhibit A.2
Colorado Works Basic Cash Assistance Caseload by County
 May 2002

<u>County</u>	<u>Total Colorado Works Caseload (Including Diversions)</u>	<u>Basic Cash Assistance Cases</u>			
		<u>All Case Types</u>	<u>Single-Parent Cases</u>	<u>Two-Parent Cases</u>	<u>Child-Only Cases</u>
Adams	771	707	196	11	499
Alamosa	127	124	76	18	30
Arapahoe	1,306	1,301	872	67	362
Archuleta	25	25	18	0	7
Baca	20	18	7	0	11
Bent	27	25	9	1	15
Boulder	405	399	261	27	111
Broomfield	46	36	23	3	10
Chaffee	28	28	16	5	7
Cheyenne	2	2	2	0	0
Clear Lake	28	28	22	6	0
Conejos	57	54	33	9	12
Costilla	45	44	27	1	16
Crowley	47	46	27	3	16
Custer	7	7	4	1	2
Delta	148	139	97	12	29
Denver	3,528	3,442	1,871	69	1,502
Dolores	7	7	6	0	1
Douglas	46	46	31	1	14
Eagle	8	8	5	0	3
El Paso	2,280	2,027	1,241	140	646
Elbert	15	15	10	0	5
Fremont	167	149	89	15	45
Garfield	113	111	67	6	37
Gilpin	8	7	2	2	3
Grand	16	16	13	1	2
Gunnison	18	18	14	1	3
Hinsdale	2	2	1	0	1
Huerfano	71	70	36	10	24
Jackson	10	9	6	1	2
Jefferson	1,015	1,006	726	61	219
Kiowa	3	3	1	0	2
Kit Carson	21	20	8	3	9
La Plata	73	67	41	4	22
Lake	25	25	17	2	6

Exhibit A.2 (continued)					
County	Total Colorado Works Caseload (Including Diversions)	All Case Types	Basic Cash Assistance Cases		
			Single-Parent Cases	Two-Parent Cases	Child-Only Cases
Larimer	613	600	410	52	138
Las Animas	138	135	70	7	58
Lincoln	20	19	9	4	6
Logan	81	73	41	4	28
Mesa	501	465	307	41	116
Mineral	3	3	0	0	3
Moffat	39	34	16	0	18
Montezuma	154	154	97	21	36
Montrose	156	156	101	17	38
Morgan	193	193	102	11	80
Otero	140	130	61	8	61
Ouray	3	2	2	0	0
Park	8	7	3	1	3
Phillips	6	6	5	0	1
Pitkin	3	3	0	0	3
Prowers	140	133	80	9	44
Pueblo	721	691	240	9	437
Rio Blanco	9	7	0	0	7
Rio Grande	112	111	67	18	25
Routt	13	13	12	0	1
Saguache	58	57	26	9	22
San Juan	2	2	2	0	0
San Miguel	4	4	4	0	0
Sedgwick	2	2	2	0	0
Summit	17	16	7	2	7
Teller	33	30	14	2	14
Washington	9	9	6	1	2
Weld	371	363	121	8	221
Yuma	38	35	14	11	10
State Total	14,102	13,484	7,694	715	5,052

Source: BPA staff calculations using COIN administrative records, Colorado Department of Human Services.

Note: Total Colorado Works caseload includes Basic Cash Assistance cases and County and State Diversion cases. A small number of cases are missing family-type information. Therefore, the total Basic Cash Assistance caseload may not exactly match the sum of cases across all family types.

Exhibit A.3
Colorado Works Adult-Headed Caseload by Type of Assistance
 July 1997–June 2002

<u>Year</u>	<u>Month</u>	<u>Total Adult-Headed Cases</u>	<u>BCA Only</u>	<u>BCA and Other Assistance^a</u>	<u>State Diversion</u>	<u>County Diversion</u>	<u>Misc.^b</u>
1997	7	21,839	20,752	1,025	50	4	8
	8	21,351	19,434	1,835	57	13	12
	9	20,714	18,338	2,260	87	18	11
	10	19,826	17,083	2,583	99	36	25
	11	19,133	16,682	2,296	83	51	21
	12	18,479	15,993	2,326	87	58	15
1998	1	18,140	15,443	2,512	104	59	22
	2	17,621	14,855	2,582	96	73	15
	3	17,030	13,792	3,020	119	83	16
	4	16,526	13,056	3,229	130	91	20
	5	15,837	12,452	3,198	90	88	9
	6	15,100	11,650	3,199	154	81	16
	7	14,609	11,121	3,193	162	111	22
	8	14,060	10,554	3,206	149	117	34
	9	13,198	9,699	3,218	157	111	13
	10	12,531	8,844	3,385	147	140	15
	11	11,959	8,476	3,132	150	185	16
	12	11,445	8,195	2,820	164	253	13
1999	1	11,403	7,903	3,090	183	213	14
	2	10,858	7,529	2,956	159	197	17
	3	10,791	7,226	3,191	189	170	15
	4	10,461	6,996	3,049	211	193	12
	5	9,884	6,692	2,837	183	168	4
	6	9,070	6,295	2,399	183	185	8
	7	9,282	6,155	2,648	229	239	11
	8	9,037	5,956	2,560	250	256	15
	9	8,833	5,700	2,625	222	276	10
	10	8,421	5,369	2,613	195	241	3
	11	8,135	5,275	2,454	180	225	1
	12	7,747	5,013	2,272	182	279	1

Exhibit A.3 (continued)							
<u>Year</u>	<u>Month</u>	<u>Total Adult-Headed Cases</u>	<u>BCA Only</u>	<u>BCA and Other Assistance^a</u>	<u>State Diversion</u>	<u>County Diversion</u>	<u>Misc.^b</u>
2000	1	7,892	5,216	2,215	185	274	2
	2	7,764	4,852	2,506	173	231	2
	3	7,753	4,608	2,658	185	301	1
	4	7,686	4,703	2,493	221	269	0
	5	7,407	4,451	2,455	213	287	1
	6	7,175	4,350	2,296	213	316	0
	7	7,214	4,306	2,342	236	328	2
	8	7,330	4,163	2,491	261	413	2
	9	7,280	4,348	2,374	255	303	0
	10	7,182	4,117	2,446	276	340	3
	11	7,097	4,155	2,371	240	327	4
	12	7,053	4,275	2,208	224	346	0
2001	1	7,155	4,136	2,425	227	366	1
	2	6,965	4,178	2,296	195	296	0
	3	7,122	4,140	2,437	223	321	1
	4	7,094	4,071	2,492	241	289	1
	5	7,060	4,156	2,400	186	316	2
	6	7,411	4,124	2,526	246	515	0
	7	7,443	4,236	2,489	296	420	2
	8	7,752	4,078	2,800	306	566	2
	9	7,850	4,438	2,598	299	511	4
	10	8,096	4,366	2,845	294	590	1
	11	8,239	4,696	2,777	280	484	2
	12	8,491	4,957	2,748	276	505	5
2002	1	8,781	4,908	3,082	284	505	2
	2	8,674	5,072	3,032	250	319	1
	3	8,850	5,184	3,105	253	306	2
	4	9,013	5,261	3,153	260	338	1
	5	9,022	5,310	3,099	313	298	2
	6	8,685	5,336	2,759	261	327	2
Source: BPA staff calculations using COIN administrative records, Colorado Department of Human Services.							
^a These are cases that received both Basic Cash Assistance (BCA) and other assistance payments in the same month. Only cases receiving BCA were eligible to receive other assistance payments. Other assistance includes, among others, payments for transportation, educational support, supplemental cash payments, and incentive payments.							
^b "Miscellaneous" included cases that received a retroactive cash assistance payment and a diversion payment in the same month.							

Exhibit A.4
Colorado Works Adult-Headed Caseload by Type of Assistance and County
 May 2002

<u>County</u>	<u>Total Adult-Headed Cases</u>	<u>BCA Only</u>	<u>Other Assistance^a</u>	<u>State Diversion</u>	<u>County Diversion</u>	<u>Misc.^b</u>
Adams	268	55	152	5	56	0
Alamosa	97	79	15	1	2	0
Arapahoe	944	935	4	5	0	0
Archuleta	18	9	9	0	0	0
Baca	9	6	1	0	2	0
Bent	12	10	0	1	1	0
Boulder	293	158	130	5	0	0
Broomfield	36	16	10	1	9	0
Chaffee	21	16	5	0	0	0
Cheyenne	2	2	0	0	0	0
Clear Lake	28	14	14	0	0	0
Conejos	45	34	8	1	2	0
Costilla	29	25	3	0	1	0
Crowley	31	23	7	0	1	0
Custer	5	5	0	0	0	0
Delta	118	59	50	0	9	0
Denver	2026	1082	858	8	78	0
Dolores	6	6	0	0	0	0
Douglas	32	32	0	0	0	0
Eagle	5	4	1	0	0	0
El Paso	1634	724	657	197	56	0
Elbert	10	9	1	0	0	0
Fremont	122	40	64	16	2	0
Garfield	75	23	50	0	2	0
Gilpin	5	4	0	0	1	0
Grand	14	11	3	0	0	0
Gunnison	15	11	4	0	0	0
Hinsdale	1	0	1	0	0	0
Huerfano	47	28	18	0	1	0
Jackson	8	6	1	1	0	0
Jefferson	796	519	268	9	0	0
Kiowa	1	1	0	0	0	0
Kit Carson	12	10	1	1	0	0
La Plata	51	21	24	3	3	0
Lake	19	18	1	0	0	0
Larimer	475	251	211	4	9	0
Las Animas	80	31	46	2	1	0
Lincoln	13	9	4	0	0	0
Logan	53	10	35	1	7	0
Mesa	384	203	145	18	16	2
Mineral	0	0	0	0	0	0

Exhibit A.4 (continued)						
<u>County</u>	<u>Total Adult-Headed Cases</u>	<u>BCA Only</u>	<u>Other Assistance^a</u>	<u>State Diversion</u>	<u>County Diversion</u>	<u>Misc.^b</u>
Moffat	21	6	10	2	3	0
Montezuma	118	106	12	0	0	0
Montrose	118	115	3	0	0	0
Morgan	113	53	60	0	0	0
Otero	79	57	12	5	5	0
Ouray	3	2	0	0	1	0
Park	5	4	0	1	0	0
Phillips	5	5	0	0	0	0
Pitkin	0	0	0	0	0	0
Prowers	96	82	7	0	7	0
Pueblo	279	196	53	16	14	0
Rio Blanco	2	0	0	1	1	0
Rio Grande	86	56	29	0	1	0
Routt	12	10	2	0	0	0
Saguache	36	19	16	0	1	0
San Juan	2	2	0	0	0	0
San Miguel	4	4	0	0	0	0
Sedgwick	2	2	0	0	0	0
Summit	10	6	3	0	1	0
Teller	19	8	8	1	2	0
Washington	7	4	3	0	0	0
Weld	137	57	72	5	3	0
Yuma	28	17	8	3	0	0
State Total	9022	5310	3099	313	298	2

Source: BPA staff calculations using COIN administrative records, Colorado Department of Human Services.

^a These are cases that received both Basic Cash Assistance (BCA) and other assistance payments in the same month. Only cases receiving BCA were eligible to receive other assistance payments. Other assistance includes, among others, payments for transportation, educational support, supplemental cash payments, and incentive payments.

^b "Miscellaneous" included cases that received a retroactive cash assistance payment and a diversion payment in the same month.

Exhibit A.5
12-Month Re-Entry Rates among Adult Leavers by County
 Leavers in State Fiscal Years 2000 and 2001

<u>County</u>	<u>Left Colorado Works in SFY 2000</u>			<u>Left Colorado Works in SFY 2001</u>		
	<u>Total Number of Leavers</u>	<u>Number Re-Entered in 12 Months</u>	<u>12-Month Re-Entry Rate</u>	<u>Total Number of Leavers</u>	<u>Number Re-Entered in 12 Months</u>	<u>12-Month Re-Entry Rate</u>
Adams	710	86	12.1%	426	70	16.4%
Alamosa	123	28	22.8	173	40	23.1
Arapahoe	1,038	152	14.6	940	180	19.2
Archuleta	40	8	20.0	26	5	n.m.
Baca	18	1	n.m.	15	3	n.m.
Bent	36	8	22.2	36	5	13.9
Boulder	610	109	17.9	458	104	22.7
Chaffee	70	11	15.7	33	2	6.1
Cheyenne	2	0	n.m.	6	0	n.m.
Clear Lake	11	0	n.m.	14	4	n.m.
Conejos	89	26	29.2	82	21	25.6
Costilla	53	9	17.0	55	8	14.6
Crowley	59	13	22.0	53	12	22.6
Custer	27	7	n.m.	15	1	n.m.
Delta	139	25	18.0	123	18	14.6
Denver	2,539	448	17.6	1,945	451	23.2
Dolores	10	4	n.m.	24	7	n.m.
Douglas	57	7	12.3	40	7	17.5
Eagle	12	2	n.m.	14	1	n.m.
El Paso	1,918	331	17.3	1,664	323	19.4
Elbert	21	5	n.m.	15	3	n.m.
Fremont	320	44	13.8	229	38	16.6
Garfield	91	11	12.1	78	8	10.3
Gilpin	12	4	n.m.	4	0	n.m.
Grand	30	9	30.0	23	6	n.m.
Gunnison	39	7	18.0	35	8	22.9
Hinsdale	2	0	n.m.	3	0	n.m.
Huerfano	73	11	15.1	43	13	30.2
Jackson	4	1	n.m.	5	2	n.m.
Jefferson	809	101	12.5	595	99	16.6
Kiowa	5	0	n.m.	1	0	n.m.
Kit Carson	15	4	n.m.	31	7	22.6
La Plata	115	13	11.3	106	12	11.3
Lake	16	3	n.m.	13	2	n.m.
Larimer	502	102	20.3	404	103	25.5
Las Animas	155	27	17.4	114	21	18.4
Lincoln	8	2	n.m.	1	1	n.m.

Exhibit A.5 (continued)

<u>County</u>	<u>Left Colorado Works in SFY 2000</u>			<u>Left Colorado Works in SFY 2001</u>		
	<u>Total Number of Leavers</u>	<u>Number Re-Entered in 12 Months</u>	<u>12-Month Re-Entry Rate</u>	<u>Total Number of Leavers</u>	<u>Number Re-Entered in 12 Months</u>	<u>12-Month Re-Entry Rate</u>
Logan	31	3	9.7%	47	9	19.2%
Mesa	431	60	13.9	355	66	18.6
Mineral	1	0	n.m.	3	1	n.m.
Moffat	107	14	13.1	45	7	15.6
Montezuma	157	29	18.5	185	37	20.0
Montrose	138	22	15.9	143	30	21.0
Morgan	182	35	19.2	156	37	23.7
Otero	205	38	18.5	182	30	16.5
Ouray	1	0	n.m.	1	0	n.m.
Park	15	2	n.m.	0	0	n.m.
Phillips	7	0	n.m.	7	2	n.m.
Pitkin	1	0	n.m.	0	0	n.m.
Prowers	93	21	22.6	94	27	28.7
Pueblo	498	49	9.8	318	43	13.5
Rio Blanco	18	3	n.m.	8	1	n.m.
Rio Grande	176	44	25.0	143	48	33.6
Routt	8	4	n.m.	9	1	n.m.
Saguache	57	20	35.1	58	17	29.3
San Juan	12	3	n.m.	1	0	n.m.
San Miguel	4	1	n.m.	2	1	n.m.
Sedgwick	3	0	n.m.	1	0	n.m.
Summit	6	0	n.m.	4	1	n.m.
Teller	80	14	17.5	43	6	14.0
Washington	11	2	n.m.	11	4	n.m.
Weld	392	65	16.6	258	47	18.2
Yuma	35	5	14.3	36	5	13.9
State Total	12,447	2,053	16.5%	9,952	2,005	20.2%

Source: BPA staff calculations based on COIN administrative records, Colorado Department of Human Services.

Note: The 12-month re-entry rates are calculated as the ratio of the number of leavers who return to BCA within 12 months to the total number of leavers. The re-entry rate is calculated if the total number of leavers in the county is at least 30.

n.m. = not meaningful (the total number of leavers is fewer than 30).

Exhibit A.6
Characteristics of Colorado Works Recipients
 Adults from Single-Parent Cases; May 2000, 2001, and 2002

	<u>May 2000</u>	<u>May 2001</u>	<u>May 2002</u>
Average Age in Years	29.8	29.2	29.1
Percent Male	4.4%	4.8%	4.6%
Percent Married	7.4%	7.4%	7.8%
Race/Ethnicity:			
White	48.4%	45.7%	46.7%
African American	16.4%	18.5%	18.8%
Hispanic	30.9%	31.5%	29.5%
Other Race / Ethnicity	3.3%	3.0%	3.2%
Percent Completed High School/GED	46.1%	46.4%	46.9%
Average Number of Children in Household	2	2	2
Average Age of Youngest Child in Household in Years	3.9	3.7	4.0
Percent with Child Age 5 or Younger in Family	65.1%	67.4%	65.5%
Percent Employed ^{a,c}	38.2%	35.0%	n/a
Average Quarterly Earnings ^{b,c}	\$1,588	\$1,575	n/a
Average Months on Colorado Works	16.1	16.2	16.1
Percent with a History of AFDC	69.9%	64.5%	60.0%
Average Total Months on Cash Aid Including AFDC and Colorado Works	62.0	59.0	55.2
Percent Continued on from AFDC	9.9%	9.4%	7.8%
Number of Recipients	6,619	6,273	7,824

Source: BPA staff tabulations based on COIN administrative records, Colorado Department of Human Services, and Unemployment Insurance (UI) records, Colorado Department of Labor and Employment.

^a A recipient is counted as employed if he or she earned \$100 or more in a UI-covered job during the calendar quarter corresponding to the month of Colorado Works enrollment.

^b Average earnings are calculated for those who earned \$100 or more in a UI-covered job for the quarter corresponding to the month of Colorado Works enrollment.

^c UI records end December 2001; data are not available for 2002.

Exhibit A.7

Dual-System Caseloads: Children on Colorado Works Who Are Also Involved in the Child Welfare System

July 1997–December 2000

<u>Year</u>	<u>Month</u>	<u>Percent of Children on Colorado Works with Open Child Welfare Cases</u>	<u>Percent of Children on Colorado Works Receiving Child Welfare Services</u>	<u>Percent of Colorado Works Children with Open Child Welfare Case in Prior 24 Months</u>	<u>Percent of Colorado Works Children Who Received Child Welfare Services in Prior 24 Months</u>
1997	7	6.7%	2.7%	21.8%	7.0%
	8	6.6	2.7	22.0	7.1
	9	6.7	2.7	22.1	7.1
	10	6.8	2.8	22.3	7.2
	11	6.7	2.9	22.4	7.3
	12	6.7	2.9	22.3	7.4
1998	1	7.1	3.1	22.4	7.5
	2	7.2	3.1	22.6	7.7
	3	7.2	3.3	22.6	7.8
	4	7.2	3.3	22.6	7.9
	5	7.1	3.2	22.5	7.8
	6	7.2	3.3	22.5	7.9
	7	7.2	3.3	22.5	8.1
	8	7.1	3.3	22.5	8.2
	9	7.4	3.4	22.3	8.2
	10	7.5	3.4	22.4	8.3
	11	7.5	3.5	22.6	8.5
	12	7.5	3.6	22.7	8.6
1999	1	7.5	3.7	22.7	8.6
	2	7.8	3.9	22.9	8.8
	3	8.1	4.1	22.7	8.7
	4	8.3	4.2	22.8	9.0
	5	8.5	4.2	23.1	9.4
	6	8.2	4.1	23.2	9.5
	7	8.4	4.4	23.2	9.6
	8	8.7	4.5	23.1	9.7
	9	8.8	4.6	23.2	9.7
	10	8.6	4.4	23.2	9.8
	11	9.0	4.6	23.4	10.1
	12	9.0	4.6	23.6	10.3

Exhibit A.7 continued)

<u>Year</u>	<u>Month</u>	<u>Percent of Children on Colorado Works with Open Child Welfare Cases</u>	<u>Percent of Children on Colorado Works Receiving Child Welfare Services</u>	<u>Percent of Colorado Works Children with Open Child Welfare Case in Prior 24 Months</u>	<u>Percent of Colorado Works Children Who Received Child Welfare Services in Prior 24 Months</u>
2000	1	9.3%	4.7%	23.7%	10.3%
	2	10.0	5.1	23.7	10.3
	3	9.7	4.9	24.0	10.4
	4	9.5	4.8	23.7	10.4
	5	9.8	4.9	23.9	10.6
	6	9.6	4.8	24.0	10.7
	7	9.4	4.8	23.7	10.6
	8	10.0	5.0	23.6	10.7
	9	9.9	4.6	23.4	10.7
	10	10.0	4.7	23.7	10.7
	11	9.9	4.8	24.0	11.0
	12	9.7	5.0	24.5	11.2

Source: BPA staff tabulations based on COIN and CWEST administrative records, Colorado Department of Human Services

Exhibit A.8

Dual-System Caseloads by County: Children on Colorado Works Who Are Also Involved in the Child Welfare System

December 2000

<u>County</u>	<u>Percent of Children on Colorado Works with Open Child Welfare Cases</u>	<u>Percent of Children on Colorado Works Receiving Child Welfare Services</u>	<u>Percent of Colorado Works Children Who Had Open Child Welfare Case in Prior 24 Months</u>	<u>Percent of Colorado Works Children Who Received Child Welfare Services in Prior 24 Months</u>
Adams	8.2%	6.3%	22.5%	13.6%
Alamosa	18.4	13.2	34.6	14.7
Arapahoe	7.0	4.0	20.0	10.2
Archuleta	4.4	4.4	13.0	8.7
Baca	28.6	0.0	50.0	21.4
Bent	4.1	0.0	26.5	6.1
Boulder	12.6	5.3	29.7	11.0
Chaffee	13.3	11.1	20.0	13.3
Cheyenne	0.0	0.0	25.0	0.0
Clear Lake	16.7	16.7	33.3	0.0
Conejos	10.1	2.4	21.4	7.1
Costilla	16.0	7.0	30.0	18.0
Crowley	0.0	0.0	20.0	4.2
Custer	0.0	0.0	28.6	0.0
Delta	10.7	6.6	24.8	12.4
Denver	9.5	4.4	23.0	10.7
Dolores	19.4	12.9	22.6	3.2
Douglas	0.0	0.0	9.8	2.0
Eagle	21.4	7.1	28.6	14.3
El Paso	10.3	4.2	24.1	9.7
Elbert	9.1	9.1	13.6	9.1
Fremont	11.3	5.5	33.2	17.7
Garfield	4.4	3.0	16.3	6.7
Gilpin	50.0	0.0	50.0	0.0
Grand	16.7	11.1	22.2	16.7
Gunnison	25.0	10.0	30.0	20.0
Hinsdale	100.0	50.0	100.0	25.0
Huerfano	16.5	4.4	46.2	13.2
Jackson	0.0	0.0	46.2	23.1
Jefferson	7.2	4.6	26.0	11.4
Kiowa	0.0	0.0	0.0	0.0
Kit Carson	7.7	0.0	34.6	3.9
La Plata	10.0	6.0	30.0	19.0
Lake	26.3	5.3	36.8	10.5
Larimer	7.3	2.6	27.7	6.7
Las Animas	11.2	8.8	25.9	11.7
Lincoln	7.1	0.0	7.1	7.1
Logan	28.6	18.7	35.2	27.5
Mesa	6.7	2.9	17.3	6.9

Exhibit A.8 (continued)				
<u>County</u>	<u>Percent of Children on Colorado Works with Open Child Welfare Cases</u>	<u>Percent of Children on Colorado Works Receiving Child Welfare Services</u>	<u>Percent of Colorado Works Children Who Had Open Child Welfare Case in Prior 24 Months</u>	<u>Percent of Colorado Works Children Who Received Child Welfare Services in Prior 24 Months</u>
Mineral	30.0%	0.0%	70.0%	20.0%
Moffat	13.5	9.6	30.8	15.4
Montezuma	7.7	2.3	23.5	12.7
Montrose	10.9	8.6	29.7	15.4
Morgan	20.5	10.8	46.0	19.4
Otero	6.1	5.1	20.5	11.1
Ouray	0.0	0.0	0.0	0.0
Park	25.0	25.0	41.7	41.7
Phillips	0.0	0.0	0.0	0.0
Pitkin	0.0	0.0	66.7	0.0
Prowers	9.4	4.5	35.6	14.9
Pueblo	11.1	8.7	22.1	16.6
Rio Blanco	8.3	0.0	16.7	0.0
Rio Grande	4.0	1.0	18.9	5.5
Routt	0.0	0.0	0.0	0.0
Saguache	32.2	11.1	55.6	12.2
San Juan	0.0	0.0	0.0	0.0
San Miguel	0.0	0.0	0.0	0.0
Sedgwick	0.0	0.0	0.0	0.0
Summit	42.9	42.9	42.9	42.9
Teller	26.5	19.1	33.8	22.1
Washington	11.1	0.0	22.2	0.0
Weld	7.1	3.8	26.2	10.2
Yuma	31.9	17.0	59.6	21.3
State Total	13.4%	6.5%	27.7%	10.9%
Source: BPA staff tabulations based on COIN and CWEST administrative records, Colorado Department of Human Services.				

Appendix B: Colorado Works and Child Welfare Highlighted Prevention and Targeted Programs

14 Site Visit Counties

County	Prevention Program
Adams	<p><u>Nurse Family Partnership</u>: In collaboration with Adams County public nurses, this program conducts home visits to all teen parents with the goals of preventing reliance on county support and promoting self-sufficiency. <u>Promoting Safe and Stable Families</u>: A collaboration with Family Tree, a local nonprofit, this program prevents out of home placements by linking kinship care families to supportive services. The goal of the program is safety and permanency for children and keeping formerly abused children from becoming child-only TANF cases. <u>Partnership for Community Health</u>: Adams County also supports a consortium of community organizations with the goal of promoting family stability through healthy living for low income families. Parents are offered classes and education on nutrition, the dangers of smoking, the importance of using of seat belts and car seats, pre-natal care, and child immunizations.</p>
El Paso	<p><u>Team Success/Family Support Team</u>: Since January 2001, Team Success has offered TANF-funded voluntary supportive services aimed at ensuring safety and permanency for children in moderate-risk families that could benefit from Child Welfare services, but where there is no court order for services. <u>Direct Link Services</u>: The Child Welfare program employs one Colorado Works tech to assist in preventing families with substance issues from becoming Child Welfare cases by providing access to TANF funded support services. The program includes intensive in-home treatment and obtains Colorado Works benefits for families. <u>Domestic Violence Emergency Response Team (DVERT)</u>: In operation since October 2001, this program is comprised of a Child Welfare social worker, police, a Colorado Works technician, and Court Appointed Special Advocates (CASA) workers, who respond within 24 hours to emergency situations as they occur. <u>In-Home Family Assessment</u>: This program provides in-home assessment for families on TANF for more than 24 months to ensure that they receive additional support services including: screenings, coordination of IRC activities, and other needed support services.</p>
Fremont	<p><u>Community Investment Grants</u>: Needy families can access TANF-funded self-sufficiency support services though community based organizations.</p>
Larimer	<p><u>Family Resource Program</u>: This is a voluntary early intervention program for at-risk families designed to assist them in accessing TANF funds for emergency items such as car repairs, rental payments, and cell phones. The program also provides home-based parent education, crisis counseling, and eligibility pre-screening and assistance accessing services.</p>
Mesa	<p><u>Housing Authority Project</u>: TANF funds a housing advocate at the housing authority. Colorado Works case managers refer at-risk families without stable housing. Child Welfare case workers approve the referral to the housing authority and the housing advocate works to assist referred families in maintaining housing.</p>

Prevention Program	
Pueblo	<u>Child Welfare Prevention Unit</u> : This program provides services to families that are referred to Child Welfare but whose cases are determined not serious enough to warrant immediate Child Welfare intervention. Families are able to access community resources to prevent future Child Welfare involvement.
Weld	<u>Summer Programs for Kids</u> : TANF funds are used to pay for summer programs for children whose families' incomes are below 185% of FPL and who are receiving Colorado Works, Medicaid, or Food Stamps. Athletic, educational, occupational, and work-related components are covered.
Targeted Program	
Adams	<u>The Link</u> : This program provides support services to youth who come into contact with the law, to prevent further involvement in the juvenile justice system. Juveniles receive services in the areas of education, anger management, and mental health support. <u>Friends First</u> : Abstinence from sex and high risk behaviors is promoted through a mentor program called STARS (Self Control, Trust, Abstinence, Responsibility and Self Respect), which links older teens to younger teens in order to reduce high risk behavior through peer counseling. <u>Youth Opportunities Program</u> : This program provides youth at-risk for dropping out of school with support services, scholarships and the promotion of secondary education.
Denver	<u>Grandparent/Kin Program or Family to Family</u> : Promoted by the Casey Foundation and housed in Child Welfare, this program will provide a subsidy to kinship care families that is larger than the traditional TANF payment. (Not in operation at time of site visits.) <u>Navigator's Program</u> : Since December 2001, Catholic Charities has provided services to families approaching the 60-month Colorado Works time limit. This program is a collaboration between staff from TANF, family counseling, vocational rehabilitation, and child welfare.
El Paso	<u>Kinship Services</u> : Voluntary support services are provided to grandparents and other relative caretakers raising relative children. Support services include: assistance with the application process for outside supportive funding (TANF, Medicaid, Food Assistance, Child Care) and support groups such as the Parent Opportunity Program, which provides support services via referrals. <u>Teen Self Sufficiency</u> : The Teen Self Sufficiency program provides opportunities and resources to teens. Services include: self sufficiency skills, relationship building, employment opportunities, GED preparation, housing assistance, and income tax preparation. <u>POP Program</u> : The POP program provides assistance to non-custodial parents at 185% FPL or below on how to meet the emotional and financial needs of their children. Services include enhanced child support information and mediation services. <u>Center on Fathering</u> : All fathers, regardless of background or circumstances, are provided support services including: education in parenting skills and conflict management, as well as a resource library and referrals to other programs.
Jefferson	<u>Kinship care</u> : Since January 2002, kincare families receive higher TANF payments.

County	Prevention Program
Weld	<p><u>Multi-disciplinary Youth Assessment Team (MYAT)</u>: Provides supportive services for families whose children are having difficulties but who have not come in contact with the criminal justice system. <u>Supportive Services for Kinship Care Families</u>: Kinship care or grandparent headed families receive up to \$3,300 per year to purchase specified items to assist the family in maintaining care of a child in their home. Items include: beds, clothing, and school supplies for the child. <u>Community Resource Investment Assistance</u>: TANF funds are used to pay for educational costs for Colorado Works participants interested in pursuing educational goals. <u>Transportation Assistance</u>: Program provides transportation assistance for families under 185% of FPL who are working migrants and for families with children in the Head Start Program.</p>

Appendix C: Implementation Status of Recommendations in the *Third Annual Report* (August 2001 and November 2001)

PART I - DIVERSION

Recommendation 1

The Department of Human Services should work with counties to develop policies and procedures to refer State Diversion recipients to appropriate job development and retention programs, including those offered by county Departments of Human Services, Workforce Development Boards, and local community-based organizations.

Department Response:

Department November 2001 Response: Agree. Implementation Date: 12/01
Department November 2002 Update: Implemented: 12/01 and Ongoing

Recommendation 2

The Departments of Human Services and Health Care Policy and Financing should work with counties to review their policies and practices for enrolling State Diversion recipients into Medicaid and revise them, as needed, to ensure that all new State Diversion applicants are also considered for Medicaid eligibility.

Department Response:

Department November 2001 Response: Agree. Implementation Date: 10/01
Department November 2002 Update: Implemented: 12/01 and Ongoing

Recommendation 3

The Department of Human Services should work with counties to develop policies and procedures for referring up-front and post-program County Diversion recipients to appropriate job development and retention programs, including those offered by county Departments of Human Services, Workforce Development Boards, and local community-based organizations.

Department Response:

Department November 2001 Response: Agree. Implementation Date: 12/01
Department November 2002 Update: Implemented: 12/01 and Ongoing

Recommendation 4

The Department of Human Services should work with counties to: a) improve their assessment processes to identify Colorado Works recipients who could benefit from placement in GED preparation classes or other basic education activities; and b) to improve case managers' utilization of assessment information to assist recipients with work activity choices.

Department Response:

Department November 2001 Response:
Department November 2002 Update:

Agree. Implementation Date: 12/01
Implemented: 8/01 and Ongoing

Recommendation 5

The Department of Human Services should work with counties to determine whether additional Colorado Works recipients can be appropriately referred to and placed in occupational skills training programs (vocational educational training work activities).

Department Response:

Department November 2001 Response:
Department November 2002 Update:

Agree. Implementation Date: 10/01
Implemented: 10/01 and Ongoing

PART 2 – CASELOAD TRENDS**Recommendation 1**

The Department of Human Services should continue to work with counties to conduct in-depth assessments of individuals nearing the time limit and ensure that the assessments are conducted in a timely and consistent fashion. These assessments should identify factors that constrain the ability of recipients to become self-sufficient and indicate specific services beyond cash assistance that would benefit recipients. The assessments should also provide the Department with adequate information to allow it to determine if a benefit extension is warranted.

Department Response:

Department November 2001 Response:
Department November 2002 Update:

Agree. Implementation Date: 11/01 and Ongoing
Implemented: 09/01 and Ongoing

Recommendation 2

The Department of Human Services should work with counties to identify and implement practices that can facilitate increased participation in the Food Stamp program among low-income households, including those of former Colorado Works recipients.

Department Response:

Department November 2001 Response:
Department November 2002 Update:

Agree. Implementation Date: 11/01 and Ongoing
Implemented: 11/01 and Ongoing

Recommendation 3

The Department of Health Care Policy and Financing, in consultation with the Department of Human Services, should work with counties to assess whether additional outreach about Transitional Medicaid assistance should be targeted to Colorado Works leavers. If determined to be necessary, the agencies should develop additional outreach programs to increase awareness of post-program Medicaid assistance among under-enrolled Colorado Works leavers.

Department Response:

Department November 2001 Response:
Department November 2002 Update:

Agree. Implementation Date: 05/02
Implemented: n.a.

Appendix D: Federal TANF and Colorado Works Definitions of Assistance

Federal Definitions of TANF Assistance

- **Assistance:** As defined by federal TANF regulations, this category includes benefits designed to meet ongoing basic needs, such as food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses. It also includes child care, transportation and other supportive services for families that are not employed, but that are typically receiving TANF cash benefits and are participating in work activities such as job search, community service, education, or training. Families that receive assistance benefits are subject to TANF time limits, work participation requirements, and child support assignment.
 - **Basic Assistance:** This category of benefits is the major form of TANF assistance benefits. Basic assistance includes benefits provided in the form of cash payments or vouchers, such as monthly cash assistance benefits (excluding diversion payments), supplemental cash assistance payments, and Low-Income Energy Assistance Program (LEAP) benefits.
- **Non-Assistance:** This federally defined category includes short-term nonrecurring benefits (such as diversion payments) designed to address a specific crisis or episode of need, and supportive services (such as child care and transportation) to adults who are employed. Recipients of non-assistance are not subject to time limits, work participation rates, or child support assignment.

Colorado Works Definitions of Assistance

- **Basic Cash Assistance:** Under Colorado Works, the monthly cash assistance grant paid to recipients is termed Basic Cash Assistance (BCA). These benefits are classified under the federal TANF definition of assistance.
- **Other Assistance Payments:** These payments are made to recipients of Colorado Works Basic Cash Assistance and fund a variety of supportive services, including supplemental cash payments, transportation payments, and payments for work-related expenses. Depending on the employment status of the Colorado Works recipient, other assistance payments may be classified as either Assistance or Non-Assistance.

State and County Diversion Assistance: Diversion payments are one-time payments to address a specific nonrecurring need or crisis. State Diversion payments are an alternative type of assistance for families that qualify for Colorado Works Basic Cash Assistance. County Diversion payments are available to low-income families whose incomes are too high to qualify for BCA, but fall under county-defined income eligibility limits.

Sources: Final TANF Rules, *Federal Register*, Vol. 64, No.69, April 12, 1999; Colorado Works Regulations (9 CCR 2503-1).

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