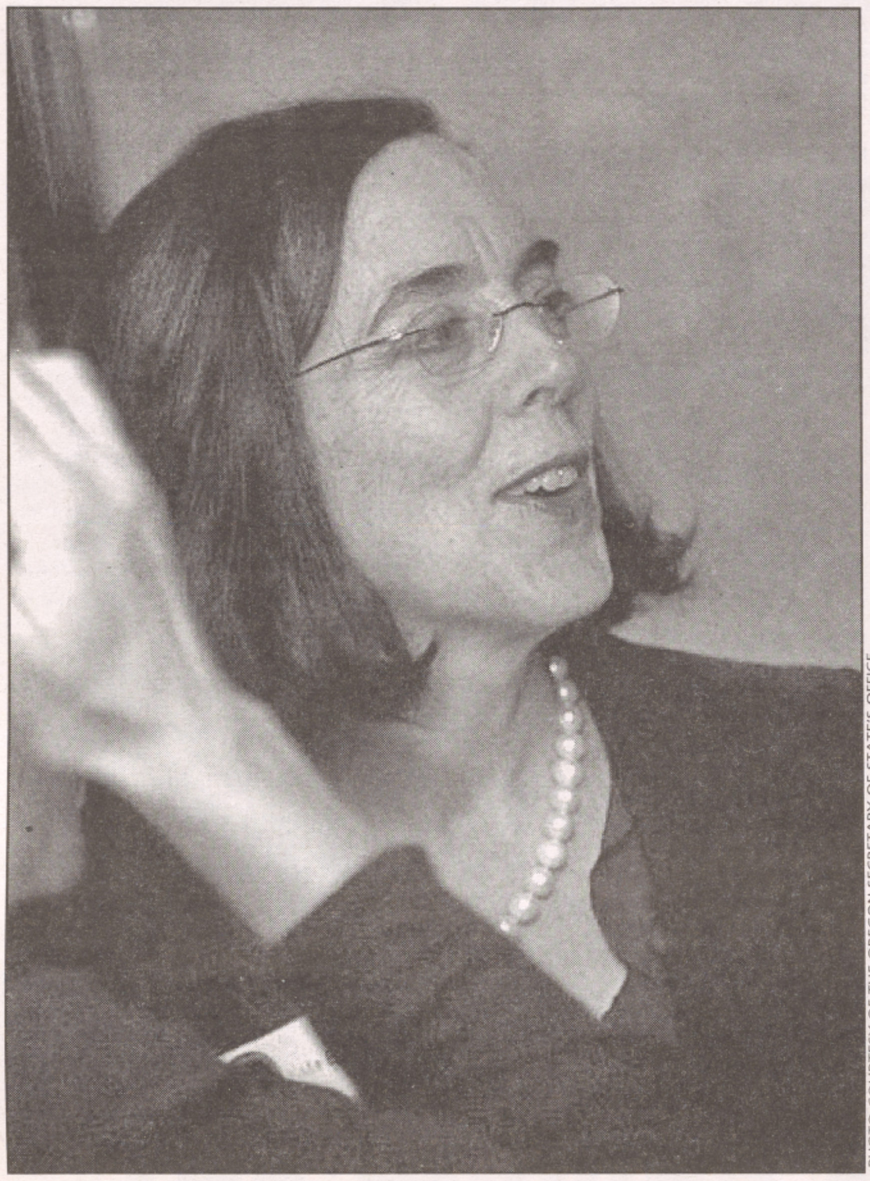

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Temporary Assistance for Needy Families (TANF) by the numbers:

- In 1997, the maximum payment for a family of three was $503. That figure would have had to rise to $730 by 2013 to keep up with inflation. Instead, it rose $3 to $506 a month.
- TANF covers roughly one in 40 Oregonians: More than 95,000 Oregonians from 35,000 families. One of the highest coverage rates in the nation.
- About one in three Oregonians receive some form of public assistance, such as TANF, food stamps and Medicaid (according to most current records).
- Federal contribution: $170 million to Oregon. State Contribution: $90 million. For total 2013-15 biennium: $500 million state budget.
- The number of single parent families in the TANF program almost doubled from 2007 to 2013, and the number of two-parent families increased fivefold.

Source: Oregon Secretary of State TANF audit, April 2014

Welfare woes

Secretary of State Kate Brown addresses her bureau's hard-hitting audit of the state's welfare system

BY JOANNE ZUHL
STAFF WRITER

It's 2008, and the recession has settled upon Oregon. Unemployment skyrockets, the housing market takes a dive, and families are losing their homes and livelihoods.

Faced with rising numbers of people falling into poverty and needing assistance, Oregon responded with broad shoulders.

According to the Secretary of State's office, Oregon — more than any other state in the nation — took the approach to reinforce the safety net and keep families together. Over the next five years, the number of people signing on to the state's primary assistance program, the Temporary Assistance for Needy Families, nearly doubled. The number of two-parent families on assistance increased nearly five-fold. Today, TANF, as it's called, covers roughly one in 40 Oregonians: More than 95,000 Oregonians from 35,000 families. It's one of the highest coverage rates in the nation. Meanwhile, the downward pressure on wages, the labor market and state resources has been unrelenting.

It has taken its toll. An audit of the state's TANF program, released this month from the Secretary of State's office, strongly criticizes TANF for overloaded case managers and poor outcomes in getting people back to work. Clients were not getting back to self-sufficiency, the audit states. None of this occurred in the vacuum of the state's Department of Human Services, which runs TANF. And in terms of solutions, the audit casts a wide net that includes legislative policy, staff flexibility and restored resources. We talked with Oregon Sec. Kate Brown about the audit and its message, starting with the overall situation of who and what is to blame for the poor outcomes of the TANF program.

Kate Brown: The reason why we're at this critical juncture right now is the budget challenges that the agency faced and the recession – the combined impact of the two. The budget impacts resulted in the huge caseloads, for example – caseworkers having 200 families on their caseload. That is absolutely unrealistic in terms of providing any type of individual service. The other piece – and I think this is extremely important – is that the budget cuts resulted in slashes in services. We know that folks are on the TANF program because, obviously, they are in poverty, they have children, but many of them have barriers. They have drug and alcohol issues or mental health issues, or they don't have a high school degree. When you slash the funding for those wraparound services, whether it's child care, transportation, drug and alcohol assessment, or a navigator to get them to those things, it is impossible for these families to overcome the barriers and move toward self-sufficiency.

Those are two major challenges that the audit addresses.

I think that the other piece – and this is chicken or egg – is it realistic when somebody has 200 families on their caseload to have an extensive case plan? I don't know the answer to that. But what the audit lays out is a roadmap where the agency can go moving forward. There are some fairly creative partnerships in here. The Coordinated Care Organizations (Oregon's low-income health care network), that's pretty intuitive, and they're moving in that direction. And working with the BOLI Apprenticeship Program. Our labor commissioner is interested in getting more women into the trades. It seems like a perfect match. It's not going to fit a ton of clients, but it will fit some.

The other one was within the Department of Human Services; there is the Vocational Rehabilitation Services. They have slots available. When there are families on TANF with parents who have disabilities, those folks should be specifically moved toward vocational rehab. The audit mentions some really good recommendations about where the agency should go moving forward. But it's all contingent upon resources.

Joanne Zuhl.: *Which is in part contingent upon the Legislature.*

K.B.: And the economy. It's both. We're in this bad spot because of the economy. I think the Legislature totally made the right decision (to expand coverage) when they did because they provided more money to more families to stabilize them.

J.Z.: *The audit really focuses on the work aspect of TANF. It does much more than that. It invests in families, keeping them together through hard times and preserving. Is the work measure, given the employment environment, the right measure of whether this program is doing the right things? Where's the measurement of how many families were spared homelessness? How many kids stayed in school?*

K.B.: My assessment of the major purpose of the TANF program is to make sure that children are successful. That is the major purpose. And you make children successful by stabilizing their family living situation. That's the primary purpose in my mind.

The reality is that the cash assistance is not adequate for people to live on. So do we get people into the workforce immediately so they can barely make ends meet, or do we invest in these parents, they're mostly women, so they can be successful moving forward, as opposed to always being on the edge. I think it makes more sense to invest in these parents, to invest in these women to invest in these families.

J.Z.: *The imperative in returning parents to the workforce has led the agency to prioritize job status for people. The audit says those clients with the greatest barriers are usually placed in the least-ready category and offered limited services at best. The people who need the most receive the least?*

K.B.: For me, the recommendation about partnering with Vocational Rehab really spoke to me. I don't think we should be serving people who are less job ready or challenged with special needs. I wouldn't put them on a low priority list simply because they're less likely to be ready in the marketplace. I think we should be providing everybody services to fit the needs of that particular person or that particular family. I understand the focus on getting people into the job market, but you can't forget about our more vulnerable folks either.

J.Z.: *So what does your office ask of DHS and TANF workers to address that? How do we get people back to work? The economy isn't cooperating with us.*

K.B. For me, it comes back to the other pieces that we've done. We did an audit of the GED program in Oregon about a year ago, We made some specific recommendations in that report that I think would benefit the TANF families as well. For example, right now, Oregon is one of only a few states that don't pay for the cost of GED testing. We should provide specific funding for GED testing, and we should be providing the funding for services for people to overcome the barriers to complete their GED. For example, child care and transportation – those costs should be subsidized for people who are on the TANF program who want to get their GED.

J.Z.: *They used to be. Is that a message to lawmakers?*

K.B. Yes. Let's fund these wraparound services so people can get the basic certifications and the basic tools they need to be successful in the workforce.

The other piece is we're the only state in the nation that doesn't have categorical funding for other GED programs. Provide categorical funding – direct funding for GED programs – so it doesn't come out of the community college budget. Essentially it's a more holistic approach.

J.Z.: *There are consequences to the state financially for not performing well, in addition to the human consequences.*

K.B That's one of the realities of the programs. If we don't meet federal minimum requirements we get penalized as a state.

J.Z.: *And we're coming close to that, correct?*

K.B.: That is correct. They are doing a workaround with the Job Participation Incentive. Since 2011, DHS has chosen to make up the gap by finding clients receiving food stamps who work enough hours to meet federal participation guidelines. The program adds $10 a month to food stamp benefits. Because TANF funds cover the payments, the recipients are considered TANF clients, which substantially increases Oregon's TANF work participation rate.

State Auditor Gary Blackmer is working at the federal level on a GAO (Government Accountability Office) committee to really take a look at federal rules and regulations when they don't make sense. And one of the reasons you see a lot of recommendations at the federal government is because some of the federal rules don't make sense. It's hard to say whether a state like Oregon can make changes, but we've got Sen. Ron Wyden in a very powerful place. It makes sense to me that we make the push.

There were three federal recommendations, including allowing clients more time: We know from the 2010 Census

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