

REQUEST FOR INFORMATION:

**Temporary Assistance for Needy Families (TANF) Implementation of Sections 302 and 304 of the Fiscal Responsibility Act of 2023**

**Docket Number: ACF-2023-26100**  
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**Submitted to:**

Office of Family Assistance  
Administration for Children and Families  
U.S. Department of Health and Human Services.  
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## Introduction

Mathematica is a nonpartisan research and data analytics organization with a mission to improve public well-being. For more than 50 years, we have worked closely with federal agencies, grantees, foundations, community organizations, and other partners in the evidence community to collect, analyze, and interpret data on a wide range of topics, including family self-sufficiency and well-being, health, education, labor, nutrition, and social policies.

We appreciate the opportunity to provide specific feedback regarding the design and implementation of the new pilot program and work outcomes measures of the Fiscal Responsibility Act of 2023 (FRA) in the Temporary Assistance for Needy Families (TANF) program. Our response and recommendations draw on our experience supporting the development, implementation, and evaluation of government programs and providing technical assistance to state and local TANF programs.

## Item-by-item response

### 3.0 Key Questions—Pilot Program

3.3 What technical assistance or supports would be helpful for states and service providers in designing and implementing pilots? What obstacles do you foresee and how can ACF provide assistance to overcome or manage them?

Based on our experience providing technical assistance to dozens of state and local TANF programs, we believe states and service providers are likely to require technical assistance and support in their design and implementation of pilots in the following ways:

- **Aligning program operations and services with work-based outcomes.** Since 1996, and especially since 2005, many states have oriented their programs around activities, services, and operations designed to meet the states' work participation rate targets. Most states have well-developed strategies for counting specific work activities from subsets of the TANF caseload (for example, those most work ready) to achieve federal participation benchmarks, thereby creating flexibility for the rest of the TANF caseload. For example, some states and contracted service providers have curricula and programming in place tailored to the federal limitations on participating in job search and readiness activities and to the caps on “non-core” activities such as education and training. If states are to reorient around work-based outcomes measures, they may need considerable time and support as they adjust their programming to achieve employment retention versus meeting a specified number of participation hours in different activities.
- **Identifying relevant data sources, protocols, and capture strategies for outcomes reporting.** States will likely welcome the Administration for Children and Families' (ACF's) computing three of the four FRA work outcomes measures on their behalf. If, however, states had to compute one or more of these measures, ACF would likely need to provide up-front training and ongoing technical assistance on matching participant information with quarterly wage records—whether from the National Directory of New Hires (NDNH) database, state wage records, or other sources—to calculate the measure. States will need extensive support if they are to play an active role in calculating a high school attainment measure because there is no

existing national or state database containing this information. Any data capture strategies that require follow-up directly with TANF participants are likely to be an intensive, costly effort that states must carefully consider, given the numerous competing demands on direct service staff and the existing data entry burden. Some states already attempt to measure employment retention through onerous data collection strategies—for example, by obtaining pay stubs from participants every month for up to six months—with mixed success.

- **Clarifying the definition of TANF program exit.** States vary significantly in how they define “exit” from the TANF program. Although standardizing a definition of exit would help the purposes of the FRA pilots, imposing a single definition for all states would affect how they currently operate their programs and potentially conflict with states’ existing eligibility criteria. For example, states like Vermont have strong employment retention strategies in place and strive to keep participants actively engaged and communicating with the program for some time after they obtain employment. In other states, low earning limits on program eligibility mean that TANF participants who become employed tend to exit the program almost immediately because they exceed income limits and have little or no TANF support after exit. States will likely require technical assistance around not only applying the new definition but also the operational and programmatic changes that will occur as a result. For instance, they may need assistance on instituting an earned income disregard.
- **Coordination with counties in state-supervised, county-administered systems.** Ten states (CA, CO, MN, NJ, NY, NC, ND, OH, VA, and WI) have a county-administered TANF program in which significant discretion has been delegated to counties for program operations. These states may need technical assistance to support what will be a complex change management effort. For instance, economic and job market conditions can vary considerably from county to county. States are likely to need help customizing outcome benchmarks at the county level.
- **Navigating state legislative mandates or rules that require significant effort to revise.** Some states are beholden to legislative requirements or policy rules related to the TANF work participation rate and federally defined work activities. States may need technical assistance to advocate for and secure legislative and other support for needed changes to legislation and rules to allow them to participate in the pilot. For some states, this navigation will require intensive effort.

- 3.4 What indicators of family stability and well-being, including alternative measures related to employment, for families participating in TANF should we consider measuring as part of the pilot? For example, should pilots include measures related to family poverty, interactions with the child welfare system, or other indicators related to child well-being? Please explain your reasoning. What data source(s) would be of most utility in tracking your recommended indicators? For example, if a state is interested in measuring job quality as an indicator of family well-being, would a state be able to measure that by tracking jobs with benefits such as a paid leave or employer contribution retirement plans? Should family income be included as a measure of family stability and well-being and, if so, what are the important components, who should be included, and what would be the most reliable and practical sources of data? Should any indicators be measured for all low-income families, irrespective of TANF participation, to evaluate whether a state's TANF program is successfully serving these families (e.g., the share of families living in deep poverty, taking into account all sources of income)?

TANF programs have the potential to shape both the economic and social well-being of people and families who participate. Thus, ACF can choose from a range of potentially relevant family well-being indicators. In two ongoing projects for ACF, Mathematica is working to conceptualize family economic well-being and social well-being, which includes family stability. Both projects are developing lists of potential measures of economic and social well-being and their subdimensions, from which the Office of Family Assistance (OFA) could potentially draw.

- **Economic well-being.** According to a definition recently developed for ACF (see [Eddins et al. 2023](#)), family economic well-being is the alignment between families' economic resources and their self-defined economic needs and goals. At least four domains may shape this alignment: the ability to (1) meet and sustain basic human needs; (2) have control over financial decisions and access to beneficial financial services and transactions; (3) have present and future financial security, through earnings and other income, that is consistent with family needs and allows families to absorb shocks over time; and (4) achieve employment security and satisfaction. **The definition explicitly acknowledges how structural factors like systemic racism, inequality, and macroeconomic conditions shape families' ability to secure economic well-being.** Within each domain of economic well-being are multiple subdomains. For example, within the domain of basic needs, ACF could consider food security, medical care and physical health, shelter, transportation, utilities, or education. Within the domain of financial security and shock absorption, ACF could consider household income, wealth, poverty, and debt. For each subdomain, programs and researchers have used a wide range of individual measures. The HomeEc report includes a list of measures of economic well-being ACF could consider adopting. See Mathematica's [HomeEc](#) project for details.
- **Social well-being.** Social well-being considers how all members of a family, across their lifetimes, are faring in their (1) physical and mental health; (2) safety, support, and engagement in the community and civic society; (3) cognitive and social thriving—including feeling a sense of meaning, efficacy, belonging, inclusion, and respect; and (4) healthy and supportive family interaction. As with economic well-being, within each of these domains of social well-being are several subdomains and a wide range of individual indicators researchers have used to measure subdomains. Mathematica's [Measuring SUCCESS](#) project for ACF found strong evidence of associations between families' economic situation and their social well-being. In addition, some causal research suggests employment and self-sufficiency programs—including several funded by TANF—can improve aspects of social well-being. Thus, ACF might want to consider

adopting some measures of family social well-being. In 2025, Mathematica expects to release a compendium of such measures.

**When selecting from this wide range of potentially relevant family well-being measures, ACF should seek to align with the pilot sites' specific TANF program models, theories of change, and populations served.** Doing so will assure that the selected measures are those that the given program can reasonably be expected to make progress on—and that they are well-matched to the population served. For example, for a TANF program that serves only a small share of families in poverty in the given state—likely those families that face significant challenges to employment—and that focuses on connecting caregivers to behavioral health services, ACF could reasonably expect the program to move the needle on families' ability to meet basic needs, caregiver mental health, and health behaviors. Conversely, for a TANF program that serves a relatively high share of families in poverty in the given state and focuses primarily on connecting participants to work supports and quality jobs, appropriate well-being measures might include connections to quality early childhood care and education and caregivers' job satisfaction. Measures should also align well with key individual and family factors common to the population served—for example, cultural norms around parenting practices and historic interactions with government agencies or programs. We encourage ACF to build on its existing investment in [Measuring SUCCESS](#) by using the project's conceptual framework and compendium of measures to select family well-being measures appropriate to the pilot programs.

**Selecting a small number of family well-being measures may be challenging.** Careful consideration—in partnership with programs—of what measures are most closely aligned with their specific TANF program model and theory of change should guide selecting these measures. Additionally, when narrowing this focus, ACF may also prioritize certain key measures. Child development experts underscore the importance of measures of access to stable child care, caregiver-child dyadic interactions, and families' safety and support in the community. In recent focus groups of caregivers participating in welfare and family self-sufficiency programs, caregivers underscored their own mental health as a key well-being domain and a driver of other aspects of family economic and social well-being. Finally, the considerable evidence suggesting a causal link between measures of family or household income and improved child welfare outcomes ([Anderson et al. 2023](#)) suggests ACF may also prioritize measures of family or household income.

**Although many existing measures of family well-being are survey based, ACF has options to collect information on family well-being in a way that reduces burden on participating states.** The majority of the economic and social well-being measures we are currently cataloguing or developing are survey based. Therefore, using these measures might require new data collection from at least a sample of TANF families. However, for measures in several domains of economic and social well-being, TANF programs may already collect or have access to administrative data they could use to create the measure. For example, TANF programs may have program data on indicators of financial security and shock absorption—such as participant income and assets. Similarly, they may have direct access or access through partners to indicators of stable child care, such as the use of public child care subsidies. Alternatively, or in addition, TANF program staff could administer a brief set of survey-based measures during routine follow-ups with program participants or people who recently left the program.

3.6 What information should be collected about the pilots to help evaluate and explain their level of success? Is there information HHS should collect to help determine how a successful pilot program may be replicated in a different state? Should the pilot program undergo a formal evaluation? If so, what form should it take? Please provide your reasoning.

**The pilot programs should, at minimum, undergo implementation evaluation.** An implementation evaluation would examine in depth how the pilot sites designed and operationalized their pilot programs. It would ideally involve data collection and assessment from a neutral third party. The evaluator would observe program operations, interview those involved in designing and operationalizing the pilot program, interview leaders and staff implementing the pilot programs, and seek feedback from participants in the pilot programs. Implementation lessons learned—both what worked well and what did not—will be invaluable if any of the pilot programs are to be attempted in other states.

**In addition, we suggest ACF consider allowing for a staggered rollout of pilots within each participating state, accompanied by rapid-cycle evaluation.** A staggered rollout—for instance, in a few counties at a time—could allow states to work out implementation challenges before scaling statewide. It could also potentially allow some comparisons of programmatic and participant-level outcomes in counties that adopt early to those that adopt the pilot later.

**Experimental impact evaluations are possible, but ACF must weigh their costs and difficulty against what will be learned from them.** See our response to Question 3.8 about why it will be challenging to generalize lessons learned from an impact study of pilot sites to other states.

3.8 What characteristics among pilot states (e.g., programmatic, geographic, economic, demographic) would be most helpful in providing useful and scalable results for TANF administrators and policymakers? What level of diversity among pilot sites (e.g., geographic, size, location) would be most helpful in providing relevant results across states?

We caution ACF in expecting cross-state insights from an impact evaluation of states' pilot programs. With only five states participating in the pilot, generalizability of the results of such an evaluation to other states would be minimal. In other words, there is little reason to expect that approaches that are demonstrated to be effective in pilot states would necessarily be effective if implemented in other states. States differ too widely in their existing TANF program policies and structures, the data infrastructure already in place, working relationships across departments of human services and labor, caseload sizes, the value of the cash benefit, economic conditions, and many other factors.

However, other states can learn a lot from the implementation evaluations of pilots. For example, other states can learn about common implementation challenges and their solutions. They might also learn about what kinds of factors, such as the policy environment, leadership of the service providers, and other factors, seemed to positively support implementation.

To maximize learning from the pilot sites, we suggest ACF diversify them based on the following elements:

1. A measure of size of the cash grant (for example, [https://wrd.urban.org/wrd/Data/databook\\_tabs/2018/II.A.4.xlsx](https://wrd.urban.org/wrd/Data/databook_tabs/2018/II.A.4.xlsx))—important for determining



the kinds of economic well-being outcomes that are reasonable to measure and changes in other outcomes that are reasonable to expect

2. A measure of the reach of the program (for example, share of families in poverty in the state who receive assistance)—important as an indicator of how the state thinks about the TANF program and its goals
3. Representation from both state- and county-administered TANF programs
4. Diversity of economic conditions across pilot sites

- 3.9 In what ways should equity be considered when implementing a pilot? Are there tools or resources needed to promote equity in pilot design, implementation, and evaluation? What factors or data points would you consider important to ensuring equity (avoiding disparate impacts) in the implementation of work and family well-being measures as part of the pilot? How do we ensure that the individual experiences of families that receive TANF cash assistance are considered in the pilot design, implementation, and evaluation?

The pilots will directly affect families receiving TANF. It is critical to seek their input and ideas to better design and implement more effective and equitable services that work for them. The challenges that families face in accessing and participating in services must be considered in the pilots' design, or states run the risk of developing pilot programs that make services harder to access, increase inequality in access to benefits, and hinder families from moving toward work-based outcomes.

Systematically creating opportunities for families to provide feedback should be an integral part of the pilot design, implementation, and evaluation to ensure that the experiences of families receiving TANF cash assistance are considered. However, this engagement must be authentic, including the following actions:

- **Engage families early and often.** Engaging families early in the process includes them as part of the design team rather than a group that is responding to a design that did not consider their ideas or experience. After early outreach, pilot sites should continue to engage them as plans for the pilots solidify.
- **Build trust.** Pilot sites need to build trust with the families and demonstrate a genuine commitment to listening to what the families have to say about moving toward work-based outcomes in the program, even if what they have to say is difficult for pilot sites to hear. Setting the stage and preparing the families' participation involves transparency about the expectations and parameters of what is possible and feasible as the program orients toward work-based outcomes.
- **Be curious.** Families' lived experiences will not always be positive, and pilot sites should be prepared to engage them with curiosity and humility.
- **Compensate families for their input.** Pilot sites should demonstrate respect for the time invested by families and the lived experience they bring. Appreciation might be demonstrated in several ways, including paying for families' time or providing child care, a meal, transportation stipends, or other supports.
- **Be accountable.** The pilot sites should plan to hold themselves accountable to the families by reporting back on how their feedback was used, what changes occurred, what decisions were made, and what changes will not happen.



The [TANF and Child Support Moving Forward: Further Incorporating Family Input](#) project developed a [toolkit](#) containing these and other concrete tips on how to meaningfully engage TANF families in pilot design and implementation.

#### 4.0 Key Questions—Work Outcomes Measures

4.1 In your experience, what data sources on employment and earnings are most accurate and practical for work outcomes measures similar to those required by the FRA? What do you see as advantages and limitations of matching with the National Directory of New Hires (NDNH) at the federal level, as compared to the State Wage Interchange System (SWIS) or other alternatives? We are particularly interested in understanding the costs, timing, administrative burden, and reliability of different data sources.

Unemployment insurance wage records—available through the NDNH and the SWIS—offer a source of information on employment that is consistently available with relatively low burden to state agencies. However, these sources have limitations ACF should consider:

- Because not all job types are included in unemployment insurance job records, work outcomes measures based on these sources will not give credit to TANF participants for certain types of employment. Wage records include earnings for all jobs with payroll deductions for federal unemployment insurance (UI). These records do not include many types of jobs that are common for people with low incomes. For example, they exclude earnings from jobs by independent contractors, such as ride app drivers and food delivery app workers, a growing employment sector often concentrated in the bottom half of the income distribution ([Lim et al. 2019](#); [Tollestrup 2019](#); [Katz and Krueger 2016](#)). They also exclude self-employed workers, federal employees, military personnel, railroad employees, workers in service for relatives, most agricultural labor, some domestic service workers, part-time employees of nonprofit organizations, and some workers who are casually employed. Additionally, other studies have found that some employers do not report earnings that they should as a way to avoid paying UI taxes; this is especially an issue with reporting earnings from low-paying jobs ([Abraham et al. 2013](#); [Blakemore et al. 1996](#)).
- Data are only available quarterly. TANF performance measures are typically based on monthly information on hours of engagement in work activities and employment retention. The data reference period for wage records is the quarter, meaning they cannot provide information on the number of hours, weeks, or months of employment. For example, a person employed for one day during a quarter and a person employed every day of a quarter would both appear as having been employed during the quarter for the purposes of a quarterly employment rate. Thus, a work outcomes measure based on wage records has a coarser reference period that places less emphasis on stable, sustained employment than would a measure with a finer reference period. The proposed pilots can help assess the implications of having a work outcomes measure with a quarterly reference period.
- Data from the NDNH are not available immediately. State workforce agencies must submit quarterly wage records to the NDNH within two months of the end of a reporting quarter. Processed and verified data are then available for one quarter after the end of a reporting quarter, although data can change as employers issue additions or corrections to information reported to state agencies. As a result, many researchers using NDNH data do not analyze the data until at least three quarters after the end of a reporting quarter. This delay creates a lag in

the availability of complete, stable wage records. For example, employment in October 2023 (calendar quarter 4 of 2023) would not be in NDNH wage records until the end of March 2024 (calendar quarter 1 of 2024) and would not be regarded as complete and final until September 2024 (calendar quarter 3 of 2024) because of the potential for late submissions and corrections. Introducing such lags in work outcomes measures reduces the extent to which they are immediately responsive to policy and practice changes or that they provide regular, actionable information.

- 4.3 In your experience, what data sources are most accurate and practical for high school degree or secondary school diploma equivalency attainment? Is it feasible to reliably determine high school completion or secondary school diploma equivalency attainment for current and former TANF recipients using survey data? Please share the nature of your experience.

OFA is asking TANF agencies to report the individual-level educational attainment of their clients. Based on our experience as evaluators and technical assistance providers to dozens of TANF programs, we recommend against requiring this of TANF programs, for several reasons:

- 1. Increasing educational attainment is not a goal of most TANF programs.** Although TANF programs are allowed to spend funds on education and training, including attainment of high school equivalencies, in fiscal year 2020 TANF programs spent only 10 percent of their allotment on work, education, and training activities. In addition, because pursuing a high school equivalency is a non-core activity and cannot count toward participants' hours' requirements, few pursue it. Because it is not a central goal of the TANF program, few programs offer services to acquire a high school credential, and few participants take it up even when offered, it is unclear the insights or value this measure would add.
  - 2. No readily available administrative data source at the national or state level exists to provide the type of individual-level data that would be needed for this measure.** To use administrative records for this measure, TANF programs would need to develop individual agreements with local public school districts, charter school networks, and private and parochial schools through which TANF program participants would most likely receive a high school diploma. They would need separate agreements with each high school equivalency provider as well. Many educational entities could refuse to provide the data. One possibility would be to use data on educational attainment already collected by Workforce Innovation and Opportunity Act (WIOA) programs, but this information would only include young adults co-enrolled in TANF and WIOA.
  - 3. It adds to already high administrative burdens.** Most TANF agencies already struggle with time-consuming data entry, and adding requirements that rely on individual reporting and documentation would increase this administrative burden. Setting up and maintaining data sharing agreements with a range of educational entities would be a time consuming and cumbersome process. The lowest burden option to collect these data would be to rely on self-reports that case managers could collect during their regular follow-up with participants.
- 4.5 We are interested in understanding the timelines involved in reliably reporting and calculating outcome measures. What are the timelines involved in matching and working with employment and earnings data and education data?

As noted in response to Question 4.1, there is a substantial lag in the availability of complete, stable wage records. For example, employment in October 2023 (calendar quarter 4 of 2023) would not be

in NDNH wage records until the end of the first calendar quarter of 2024 and would not be regarded as complete and final until the third quarter of 2024 because of the potential for late submissions and corrections.

4.7 In what ways should equity be considered when implementing work outcome measures? What are the advantages of and/or possible difficulties associated with reporting data disaggregated by race, ethnicity, gender, age, disability, other demographic characteristics, or geography to enable equity analyses around work outcomes?

Embedding an equity perspective into data analysis and reporting affects our understanding of what is working—or not working—in different communities. By interpreting and framing findings in ways that address the root causes, contextual factors, and social determinants of what we are observing, we can limit oversimplification and overgeneralizations of the outcomes we find.

Disaggregating data by race, ethnicity, gender, age, disability, and other demographic characteristics allows us to examine and understand specific variables within different populations. Disaggregating by subgroup (such as by nativity, country of origin, citizenship) further helps uncover both the homogeneity and heterogeneity of experiences between and within different racial and ethnic groups. Disaggregation is particularly useful for large subgroups, but we caution that small subgroups can obscure differences seen in populations that have greater diversity within the (small) subgroup. Additionally, often smaller populations are grouped together and placed into an “other” category. Without caveats and known limitations, research can inadvertently make inaccurate inferences about the experiences within this group; however, stratified sampling and oversampling can often ease some of the barriers faced when attempting to disaggregate data from smaller populations.

We note that though disaggregating data and interpreting data by race and ethnicity are invaluable tools in ensuring equity as a priority, simply noting these differences does not go far enough. Examining the structural and social determinants that explain the observed findings is equally as important. For example, crosstabulations of the data allow us to examine two or more variables simultaneously to understand patterns; exploring the intersectionality of different dimensions of identity allows us to understand unique experiences and not group populations of people into a monolith; and simply asking why the trends in outcomes occur allows us to more critically think about the events contributing to outcomes.

4.8 What technical assistance or supports would be helpful for collecting data for work outcomes? What obstacles do you foresee and how can ACF and its partners provide assistance to overcome or manage those barriers?

If ACF requires state TANF agencies to report on work outcomes, we agree that having ACF match Social Security numbers provided by TANF agencies to NDNH data at the national level is likely the lowest burden for states. Requiring states to each collect information from their state unemployment insurance wage records or NDNH would result in substantial duplication of effort because every participating state would develop its own set of procedures. This seems unnecessarily burdensome considering that ACF already has the infrastructure in place to do this on behalf of the states. If OFA were to require states to undertake this matching and calculation themselves, state TANF agencies would likely need support for these activities:

**1. Gaining buy-in and access from the agencies in their states that hold wage records.**

TANF agencies do not often have access to the wage data reported to the state department of labor (or equivalent) for purposes of administering the unemployment insurance program. These are the wage records that underlie the NDNH database. For example, in one state Mathematica has worked with, both TANF and WIOA programs use the same system of record, yet a firewall exists in the database so TANF programs cannot see the labor information of shared participants and vice versa. Gaining buy-in and securing access through memoranda of understanding or interagency data sharing agreements would require ample time, relationship building, and political will.

**2. Managing logistics, data preparation, and analysis.** Operationalizing the data matching and measure calculations would require thoughtful planning. This management will be new to state TANF data staff, so they will need training and support in how to prepare data files for matching, conduct matches, examine match quality, extract relevant outcome measures, and develop reports using the new data. States would need to create new workflows and protocols for state data staff, who generally are already functioning at maximum capacity.

4.9 Please describe the characteristics of successful partnerships between the public workforce system and the TANF system that support the collection of data for the work outcomes measures required by the FRA?

Successful partnerships must start from a place of mutual collaboration and respect. To increase data access and sharing between TANF programs and the public workforce system, both must see the value in developing a partnership. Partnerships that are one-sided—for example, with TANF programs using data collected by public workforce programs but providing no data in return—are unlikely to succeed in the long run. Therefore, we recommend that ACF partner with U.S. Department of Labor at the federal level as well as labor departments (or their equivalents) at state levels. This will go a long way toward setting expectations and communicating the importance of collaboration. These interactions could focus on communicating the benefits of collaboration to both programs; these benefits could include improved operational efficiency, simplified reporting, coordinated business services outreach (so multiple agencies in the same local area are not all reaching out to employers separately with different requests), and coordinated case management for shared clients.

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