Implementing Welfare Reform in Nebraska:

Accomplishments, Challenges, and Opportunities for Improvement

First Interim Process and Case Manager Studies Report

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EXECUTIVE SUMMARY

Nebraska, like other states nationwide, is reforming its welfare system. A system that previously focused on providing needy families with cash assistance and other supports is now building capacity to prepare low-income parents to work and become self-sufficient. Instead of emphasizing immediate entry into the labor market for all clients, as many states do, Nebraska’s Employment First program uses an assessment-choice, case management model of service delivery to assess clients’ interests and needs and connect them with an individualized mix of opportunities and services.

Job search assistance to help clients find jobs quickly—a key opportunity offered by Employment First—is likely to be appropriate for many clients. However, other skill-building opportunities—such as work experience, postsecondary education, and vocational training—are also available to help clients who can benefit from them prepare for self-sufficiency. In addition, a broad range of supportive services are provided to facilitate clients’ transition to self-sufficiency, and sanctions and a two-year time limit on cash assistance are used to encourage client responsibility, participation, and progress.

A great deal has already been accomplished in Nebraska to implement the systemwide changes that welfare reform requires. Administrators have reorganized staff, implemented new service delivery methods, and begun to develop strong community partnerships that promote service coordination. Frontline staff have assumed many new and challenging responsibilities. Still, as in other states, the implementation of welfare reform in Nebraska is in its early stages, and many challenges remain. A qualitative assessment of the early implementation of Employment First in four sites, conducted by Mathematica Policy Research, Inc. (MPR), suggests several key findings:

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<th>Summary of Key Findings: Early Experiences Implementing Welfare Reform in Nebraska</th>
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<td>• Significant progress has been made in restructuring service delivery systems and in providing case management services by assessing clients’ needs, developing self-sufficiency plans, and linking clients with the services they need to become self-sufficient. However, key improvements are needed to provide services to all clients and to do so in a consistent manner.</td>
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<td>• Group job search assistance has been implemented successfully; however, the local sites have not fully exercised the flexibility the assessment-choice model gives them to engage clients in other available employment preparation activities.</td>
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<td>• The local sites provide a wide range of supportive services to clients in a relatively consistent way. Less progress has been made in addressing systemic issues such as the lack of transportation in rural areas and limited child care options for those who have infants or who work nonstandard hours, as well as chronic personal challenges that some clients face, such as domestic violence, learning disabilities, alcohol and drug use, and mental health issues.</td>
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<td>• Case managers apply sanctions and time limits using a relatively consistent process and in a way that encourages client participation, being careful not to penalize clients when needed services have not yet been provided. Since case managers use their discretion in determining when it is appropriate to initiate the sanction process, they vary in the extent to which they apply sanctions. In addition, case managers are uncomfortable with their role in determining which clients qualify for a “hardship exemption” when their two-year time limit expires.</td>
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Before federal welfare reform was legislated through the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, Nebraska had already begun to re-shape its welfare system. The Employment First program emerged in 1993 from Nebraska’s Task Force on Welfare Reform, and then was implemented as a five-county demonstration program in 1995. Statewide implementation of the program began in July 1997, hastened by the 1996 federal welfare reform legislation. Three key program features characterize Nebraska’s individualized, assessment-choice approach to welfare reform:

**Key Features of Nebraska’s Assessment-Choice Employment First Program**

- Case management services, including a structured, up-front client assessment and the development of an individualized Self-Sufficiency Contract.
- Mandatory participation in a choice of employment-related opportunities designed to help clients obtain employment and develop the vocational, educational, and life skills needed to become self-sufficient.
- A mix of supportive services, incentives, sanctions for nonparticipation, and a two-year time limit on cash assistance to encourage client responsibility and support progress.

Nebraska operates a state-administered welfare system but has decentralized responsibility for organizing resources and implementing welfare reform to its regional and local welfare offices. Although the Central Office of the Nebraska Health and Human Services (NHHS) system provides critical policy guidance, training, and support to six regional Service Areas, the regional Service Areas and, in turn, local NHHS offices have been given a great deal of autonomy in deciding how to deliver services.

Competing demands on staff time as a result of a recent agencywide reorganization of NHHS and the implementation of a new management information system--N-FOCUS--have heightened the challenges inherent in implementing welfare reform. Moreover, limits to N-FOCUS reporting capabilities have hampered the ability of administrators to track and monitor caseloads, assess staff performance, and ensure full implementation of program services.

**Evaluating Welfare Reform in Nebraska**

To assess how successfully the Employment First welfare reform program has been implemented in Nebraska’s communities—with a focus on the role that case managers play in delivering services to clients--NHHS contracted with MPR for the conduct of Employment First process and case manager studies. The evaluation, which is funded through a “Track II” evaluation grant from the U.S. Department of Health and Human Services, also includes plans for an experimental-design impact study in one site to determine the program and cost effectiveness of the assessment-choice Employment First program relative to a “work first” demonstration program.
This first report for the evaluation’s process and case manager studies provides a qualitative assessment of experiences implementing welfare reform in four Nebraska communities—the urban areas of Omaha and Lincoln, which represent over half the state’s welfare caseload, and the rural communities of Scottsbluff/Gering and Columbus, which were selected to be fairly representative of Nebraska’s rural areas. The report provides formative feedback on Employment First program accomplishments, challenges, and opportunities for improvement.

IMPLEMENTING WELFARE REFORM: KEY ACCOMPLISHMENTS AND CHALLENGES

While much has already been accomplished in Nebraska to implement welfare reform, many critical challenges remain as local welfare offices strive to develop the capacity to provide employment-focused case management services to all their clients in a timely and consistent way, maximize the resources available in their communities, and ensure that the needs of the hardest-to-employ clients are met. The most important accomplishments and challenges are reviewed below, followed by a summary of suggested opportunities for improving the implementation and performance of Employment First.

Providing Case Management Services in a Welfare-to-Work Context

Significant progress has been made in restructuring service delivery systems and in providing case management services by assessing clients’ needs, developing self-sufficiency plans, and linking clients with the services they need to become self-sufficient. However, key improvements are needed to provide services to all clients and to do so in a consistent manner.

Individualized case management—with a focus on client assessment, Self-Sufficiency Contract development, and service coordination—is at the heart of Nebraska’s approach to welfare reform. Local NHHS offices have worked to improve the continuity and individualized nature of service delivery by reorganizing staff to better link eligibility and case management functions using an integrated case management framework. Frontline staff have provided employment-focused services to clients through the development of client Self-Sufficiency Contracts. In addition, many clients expressed that the opportunities and services available through Employment First and the encouragement and support provided by case managers have helped them progress toward self-sufficiency.

Although Nebraska has laid a solid foundation on which to provide case management services, key improvements are needed to achieve full implementation and provide consistent services to all clients. Despite lower caseloads, case managers’ workloads have expanded with welfare reform. They now have many new and challenging responsibilities but relatively little time to provide individualized services to clients. As a result, many are not able to complete all the work that is expected of them in a timely manner. Moreover, despite the high performance of some case managers, there is wide variation in case managers’ inherent abilities to assess clients’ needs and connect clients to opportunities and services in the community. This variation leads to differences in the type, extent, and timeliness of services delivered to individual clients.
Exacerbating these implementation difficulties, there are limited tools and guidelines provided to case managers to help standardize service delivery processes and compensate for the differences in their abilities. In addition, local office staff do not feel that the N-FOCUS management information system provides them with the automated support they need to manage their caseloads efficiently. For example, case managers are not able to use N-FOCUS to extract a list of their clients who have signed a Self-Sufficiency Contract, who are approaching the time limit, or who are in sanction status.

Preparing Clients for Work and Self-Sufficiency

Group job search assistance has been implemented successfully; however, the local sites have not fully exercised the flexibility the assessment-choice model gives them to engage clients in other available employment preparation activities.

Through Employment First, case managers strive to connect clients with appropriate employment preparation activities that will help them achieve self-sufficiency within a two-year period. The activity that is most used—job search assistance—has been well implemented. Moreover, through performance-based contracts with partner organizations, the sites have developed sufficient capacity to provide structured job search assistance to all clients who are required to find employment. In addition, as clients find employment, the sites have taken important early steps to address their employment retention needs.

Although it is generally expected that job search assistance and rapid job placement are appropriate for most clients, many case managers have not been able to exercise fully the flexibility that the program gives them to engage clients in education, vocational training, and workplace training opportunities, which may be suitable for some clients. That is, many case managers have not been able to identify those clients who might benefit from education and training, or they have been otherwise unable to navigate the service delivery system to connect clients with these types of opportunities. Overall, many case managers have not yet been able to maximize their use of employment and training opportunities in the community, particularly those available through the Job Training Partnership Act (JTPA) providers.

As welfare caseloads fall over time, many of the clients who remain on welfare are those considered hard-to-employ—that is, clients with very low education and skills, little work experience, or one or more chronic barriers to employment. The local sites have developed useful job readiness programs to help these clients develop personal skills and overcome challenges as they prepare for work. Nevertheless, relatively few employment preparation opportunities are available for these clients. Moreover, only a small number of these hard-to-employ clients have yet been able to take advantage of work experience and other supports available through JTPA. In addition, Nebraska, like most other states nationwide, has not yet been able to tap fully into the opportunities available for hard-to-employ clients through the newly implemented Welfare-to-Work (WtW) Initiative.
Providing Supportive and Transitional Services

The local sites provide a wide range of supportive services to clients in a relatively consistent way. Less progress has been made in addressing systemic issues such as the lack of transportation in rural areas and limited child care options for those who have infants or who work nonstandard hours, as well as chronic personal challenges that some clients face, such as domestic violence, learning disabilities, alcohol and drug use, and mental health issues.

Nebraska’s commitment to support clients as they prepare for and transition to employment is clear. With welfare reform, Nebraska expanded child care and Medicaid eligibility for families to cover them for a longer period of time after they leave welfare for work. The state also gave case managers the flexibility to provide a broad range of other supportive services to clients, including those related to transportation, work-related clothing and supports, and specialized services. Case managers appear to be relatively consistent in helping clients access various services, both when clients are preparing for work and after they leave welfare for work.

Still, as in many states, child care options are limited for clients who work nonstandard hours or who have infants. In addition, the lack of transportation options, particularly in Nebraska’s rural communities, continues to be a critical barrier for many clients. Moreover, although case managers recognize that many of their clients face chronic challenges—such as domestic violence, learning disabilities, alcohol and drug use, and mental health issues—there is not yet a systematic approach for case managers to use to identify and address these needs.

Setting Boundaries for Support

Case managers apply sanctions and time limits using a relatively consistent process and in a way that encourages client participation, being careful not to penalize clients when needed services have not yet been provided. Since case managers use their discretion in determining when it is appropriate to initiate the sanction process, they vary in the extent to which they apply sanctions. In addition, case managers are uncomfortable with their role in determining which clients qualify for a “hardship exemption” when their two-year time limit expires.

Sanctions and time limits are used to motivate welfare clients to participate in employment-related activities. Moreover, local office staff and individual case managers have implemented sanctions and time limits in a fair and appropriate manner, being careful not to penalize clients when the services they need have not yet been provided.

Since case managers use their discretion in determining when it is appropriate to initiate the sanction process, they vary in the extent to which they initiate first-level sanctions for client nonparticipation. Moreover, the relative severity of second- and third-level sanctions for repeated nonparticipation often discourages case managers from applying them. In general, case managers who monitor client participation more closely and who have a better handle on their workloads also tend to impose sanctions more frequently.
In practice, the time-limit clock generally is started by case managers once clients sign a Self-Sufficiency Contract. Because of delays in signing contracts and delivering services, clients vary in when their clock on cash assistance is started, so the time limit may exceed the intended two-year period for some clients. Although few clients have reached the two-year limit, a significant minority will begin to exhaust their two years of assistance during fall 1999. Without automated tracking of time limits, it is difficult for case managers to identify and target services to clients who are nearing the end of their time limit. Although Employment First policy provides guidance on who should receive a “hardship exemption” and who should have their case closed when they reach the time limit, many case managers are not certain how these guidelines will play out in practice and are not comfortable with the discretion they have in making these decisions.

**OPPORTUNITIES TO IMPROVE THE PERFORMANCE OF EMPLOYMENT FIRST**

Even with a strong economy and many job opportunities, the task of preparing welfare clients for employment is a difficult and challenging one. NHHS is aware of many of the challenges involved with implementing welfare reform, and they are beginning to address them. Several key opportunities to address challenges and improve the performance of the Employment First program stand out as especially important:

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<td>• Develop and implement strategies to help case managers achieve more manageable workloads and provide case management services to all clients in a timely way.</td>
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<td>• Develop tools to help case managers achieve more consistency in their approaches to providing services to clients.</td>
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<td>• Identify strategies to help case managers ensure that interested clients who have the capability to participate in activities other than job search have access to these opportunities, as is intended by the assessment-choice Employment First model.</td>
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<td>• Strengthen local relationships with a variety of community partners, including JTPA and its WtW Initiative, specialized service providers, and employers.</td>
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<tr>
<td>• Develop and implement strategies to address the supportive service and employment-related needs of hard-to-employ clients.</td>
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<tr>
<td>• Improve strategies to target services to clients who are nearing the end of their time limit and provide additional guidance to case managers on interpreting and applying the policies for closing cases and granting hardship exemptions when time limits expire.</td>
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While primary responsibility for addressing challenges and improving the implementation of the program lies with the regional NHHS Service Areas and the local welfare offices, the NHHS Central Office can play an important leadership role in facilitating local efforts to improve the program and, in so doing, further support clients’ efforts to get and keep jobs and become self-sufficient.

To facilitate program improvements across the state, several Central Office strategies may be important, among them: (1) setting specific performance goals for the local welfare offices and developing ways to facilitate and track progress toward meeting these goals, (2) developing and implementing a long-range plan for improving the reporting capabilities and efficiency of the N-FOCUS system, and (3) continuing to foster an environment across the state where welfare reform is viewed as a community responsibility and local welfare offices work in partnership with employers and other organizations to provide the opportunities and services that will give welfare clients the best chance for self-sufficiency.
I. INTRODUCTION

Welfare systems across the country are undergoing a major transformation. Before the recent welfare reforms, agencies focused on ensuring that low-income families with children received the benefits to which they were entitled. Now, they are focusing on helping those same families find and sustain employment. A key provision of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 and its resulting Temporary Assistance for Needy Families (TANF) block grant is that states must now engage an increasing proportion of their adult cash assistance recipients in employment or employment-related activities. Moreover, they must do so within the context of a time-limited period. This requires a fundamental shift in the way welfare agencies work with clients.

Nebraska began to reshape its welfare system long before the 1996 federal welfare reform legislation introduced the TANF program, which replaced the Aid to Families with Dependent Children (AFDC) welfare program and its companion welfare-to-work program, the Job Opportunities and Basic Skills (JOBS) training program.¹ Employment First, Nebraska’s response to concerns that the welfare system created a cycle of poverty and dependency for too many families, emerged from extensive discussions by a Task Force on Welfare Reform appointed in 1993 by the governor and state legislature. The recommendations of the Task Force were incorporated into comprehensive legislation that was passed in 1994. Employment First was then implemented in fall 1995 in five pilot counties—Lancaster (Lincoln), Adams, Clay, Nuckolls, and Webster—after federal waivers authorizing the demonstration program were

¹TANF in Nebraska is still referred to as Aid to Dependent Children (ADC). Hence, in the report, we refer to Nebraska’s TANF program (Employment First) as its ADC/TANF program.
granted. Modifications were made to the original demonstration program and the program was later implemented statewide in July 1997, a year after the PRWORA legislation was passed.

Nebraska is one of the few states that has not shifted completely to a “work first” service model. Instead of concentrating on immediate entry into the labor market for all recipients, Nebraska’s approach to reform uses a mix of opportunities, incentives, and sanctions. It emphasizes:

- Case management services, including a structured, up-front client assessment and the development of an individualized Self-Sufficiency Contract
- Mandatory participation in a choice of employment preparation opportunities designed to help clients obtain employment and develop the vocational, educational, and life skills needed to become self-sufficient
- A mix of supportive services, incentives, sanctions for nonparticipation, and a two-year time limit on cash assistance to encourage client responsibility and support progress

Little information is available, either in Nebraska or nationwide, on what it takes to implement time-limited welfare reform policies successfully and help large numbers of clients make the transition to work and self-sufficiency. To address this information need, under a contract with the Nebraska Health and Human Services (NHHS) system, Mathematica Policy Research, Inc. (MPR) is conducting an evaluation of the Employment First program. Although it will be some time before the long-term outcomes of welfare reform in Nebraska are fully understood, this first evaluation report provides state policymakers and program administrators with an important early assessment of the success with which local communities in Nebraska have implemented welfare reform. In this report, we highlight the progress local offices have

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2 The evaluation is funded through a “Track II” evaluation grant from the U.S. Department of Health and Human Services, Administration for Children and Families (ACF), to NHHS.
made in implementing Employment First, examine the key challenges they face, and present potential strategies to improve program performance.

In this introductory chapter, we provide background information on the goals of the Employment First program, describe the evaluation that MPR is conducting, and provide an overview of the local communities included in the evaluation. In Chapter II, we outline a conceptual framework for how the Employment First program is designed to move clients to work and self-sufficiency and the organizational structure through which it is being implemented.

In Chapters III through VI, we draw lessons from the implementation experiences of four local communities, summarizing the major accomplishments, identifying important challenges, and suggesting potential opportunities for improving the implementation of Employment First. In particular, in Chapter III, we assess how local staff have delivered case management services; in Chapter IV, we examine the employment-related opportunities available to clients; in Chapter V, we highlight the provision of various supportive services as clients prepare for and transition to work; and, in Chapter VI, we outline the role that sanctions and time limits play in encouraging client progress. Finally, Chapter VII summarizes key opportunities to improve the performance of Employment First and offers insights on ways in which the state’s NHHS Central Office might facilitate local efforts to improve program performance.

A. THE VISION OF EMPLOYMENT FIRST

The vision and goals of Employment First (EF) involve providing individual welfare recipients with employment-related opportunities and supportive services to help them develop personal and vocational skills, address challenges, and transition to employment and self-sufficiency during a two-year period. The underlying philosophy of EF’s assessment-choice approach is that no single set of prescribed activities is appropriate for all clients. Through the assessment process, case managers and clients jointly develop a
plan and sequence of activities to help individual clients achieve employment and self-sufficiency, based on the client’s individual circumstances. This requires case managers to determine which clients can benefit from particular types of opportunities and services. A rapid transition to employment is an important component of Nebraska’s approach to reform, but only for clients who are assessed as job-ready and capable of a self-sufficient lifestyle without additional support. It is intended that clients who need additional skill development and supportive services are linked to the opportunities, resources, and services that will prepare them for employment and self-sufficiency and help them avoid a return to welfare.

Three key program features support this philosophy and characterize the program’s vision:

1. **Personal Responsibility.** Clients assume responsibility for working toward employment and self-sufficiency. They must participate and may be sanctioned if they do not.

2. **Partnerships with Clients and Community.** Two types of partnerships are embedded in the EF vision. First, case managers work in partnership with clients to assess needs and identify opportunities and resources needed to support clients’ transition to work and self-sufficiency. Second, local offices work in partnership with a broad range of organizations in the community to achieve the goals of welfare reform.

3. **Progress Toward Self-Sufficiency.** Helping families to become self-sufficient is the primary mission of welfare reform in Nebraska. The EF program intends to empower clients by providing them with employment-related opportunities such as job readiness and life skills training, job search assistance, and education and training. In addition, the EF program emphasizes the provision of supportive services to clients to meet their personal and employment-related needs and to help them improve their ability to provide for their families and serve as positive role models for their children.

**B. EVALUATING WELFARE REFORM IN NEBRASKA**

As part of its evaluation of Nebraska’s Employment First program, MPR is conducting process and case manager studies to understand how the program is implemented in local offices, characterize the role that case managers play in delivering services to clients, assess program implementation and service delivery, and provide formative feedback on program accomplishments, challenges, and opportunities for
The Omaha site includes both Douglas and Sarpy counties. ADC/TANF recipients in Sarpy County are served through the Douglas County office; therefore, the focus is on Douglas County.

MPR’s evaluation also includes plans for an experimental-design impact study in Omaha to determine the relative effectiveness of the assessment-choice Employment First approach compared with traditional work first approaches that emphasize up-front job search assistance to move clients quickly into jobs and off welfare. The purpose of the impact study is to determine whether, in the Nebraska setting, the assessment-choice Employment First approach is more effective than a work first approach at moving recipients into jobs and off welfare, reducing welfare recidivism, and supporting sustained employment, job advancement, and self-sufficiency over time. Through the impact study, we will compare various outcomes for clients served by the two different approaches, using a follow-up period of at least two years. The process and case manager studies will provide important context for the interpretation of the impact study findings. In this report, we will focus entirely on the early experiences of the four in-depth study sites in implementing the Employment First program and its case management services.

1. Research Topics

The process and case manager studies are designed to provide feedback to Nebraska state policymakers and local program administrators to help them improve program implementation, service delivery, and staff development. Several sets of research topics and questions are examined in this report:

- **Building Organizational Capacity for Implementing Welfare Reform.** What are the keys to the successful implementation of the Employment First program? How did four sites—Lincoln, Omaha, Scottsbluff, and Columbus—implement policy changes in order to meet EF program goals? How are case management services delivered? How successful are the four

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3The Omaha site includes both Douglas and Sarpy counties. ADC/TANF recipients in Sarpy County are served through the Douglas County office; therefore, the focus is on Douglas County.
local sites in developing Self-Sufficiency Contracts and placing clients in work-related program activities? What employment-related activities do recipients participate in most often? What are the challenges in linking clients with the opportunities and services that they need? How are sanctions and time limits used to influence client behavior?

- **Changing the Structure of and Perceptions about the Welfare System.** How has the EF program changed local office structures and staff work approaches? How has it changed clients’ views of themselves and of welfare?

- **Giving Formative Feedback.** What innovative strategies or promising practices have the research sites implemented to create a service delivery system that supports clients’ efforts to become self-sufficient? What changes can the state and local offices make to improve the design and implementation of the program?

### 2. Research Methods and Data Sources

To address these key research topics as part of this first evaluation report, we relied on a qualitative study of how the Employment First program has been implemented and operated in four communities. The four communities studied are fairly representative of the different types of communities across the state. Omaha and Lincoln were selected because together they account for over half the state’s ADC/TANF caseload. Scottsbluff and Columbus were selected to represent the experiences of welfare offices in Nebraska’s rural areas. Caseload size and location were the two primary factors used to select Scottsbluff and Columbus as research sites that are fairly representative of Nebraska’s rural areas.

For this report, we rely on two primary data sources: (1) site visits to the four local communities, and (2) program documents and reports.\(^4\) The site visits were conducted from January to March 1999 and

\(^4\)This report relies on qualitative findings on program implementation that were derived from the site visits and reviews of program documents and reports. As part of the analysis and reporting for this process and case manager studies report, we originally proposed to examine quantitative administrative data on program participation from the N-FOCUS system. However, because of the limited availability of site-level data on participation and the complexity of obtaining data from N-FOCUS, we delayed the analysis of administrative records until further reporting as part of the process and case manager studies. We do, however, draw on a limited analysis of 1998 statewide sample data that Nebraska provided to the U.S. Department of Health and Human Services as part of its data-reporting requirements.
each lasted three to four days. The visits provided a broad set of qualitative data on program planning, program implementation, the local context, and the characteristics of the welfare office. Site visit activities included:

- Individual in-person interviews with administrators in the NHHS Central Office and in regional service areas
- Individual in-person interviews with the local EF administrators, supervisors, case managers, and intake and eligibility workers, as well as with representatives from contractors and other community service providers
- Client case conferences (or case study reviews) with case managers
- Focus groups with case managers and clients
- Observations of program activities

Nearly all NHHS case managers in each of the sites were interviewed either individually, as part of the focus groups, or through the case conference review process. Clients were recruited for the focus groups from a broad range of agencies and case managers in each of the sites. While not representative of all EF clients in Nebraska, focus group participants did vary in demographic and background characteristics, needs, and length of time on welfare. To enhance the information collected during the site visits, we also reviewed a range of program documents from the state and each of the local offices, including written policy guidelines and program manuals, orientation and assessment materials, staff job descriptions, training manuals, and contracts.
C. IMPLEMENTING EMPLOYMENT FIRST IN DIVERSE COMMUNITIES: A PROFILE OF THE RESEARCH SITES

A full understanding of the implementation of Employment First requires an understanding of the socioeconomic, policy, and community context in which the program is being implemented. While Nebraska is often perceived as a relatively homogeneous rural state, from the perspective of Employment First, it is a diverse set of communities facing some common and some unique social and organizational issues.

1. Nebraska’s Socioeconomic Context

Nebraska prides itself on being a state that has always emphasized the importance of work. The unemployment rate is less than three percent, about half the national average. Much of the state’s economy revolves around agriculture, with almost a quarter of employment in farming and farm-related jobs. Other major industries include meat processing, machinery, electric equipment, and printing/publishing. Despite the economic prosperity, however, one-tenth of the population lives in poverty.

Most of Nebraska’s 1.6 million residents live in rural or semirural communities in 93 counties across the state. Still, about two-fifths of the population live in Douglas and Lancaster Counties, home of the state’s two largest cities, Omaha and Lincoln, respectively. The state is largely homogeneous in terms of racial and ethnic composition, but change is occurring. While the vast majority of families living in Nebraska are Caucasian, some communities have experienced a recent influx of refugee, immigrant, and migrant workers. Families from Mexico, Vietnam, Iraq, Russia, Bosnia, and Croatia have settled in Nebraska and have become part of the workforce and the Employment First program in many of the state’s communities.
Nebraska has a relatively well-educated population. Over four-fifths of adults have completed high school, compared with three-quarters nationwide. In addition, almost one-fifth have a college degree, which is only slightly less than the one-fifth of adults nationwide who have a college degree. Post-high school education and training opportunities are available in communities across the state, as Nebraska offers a wide range of junior colleges, colleges and universities, and vocational/career schools in both its rural and urban areas.

2. Four Diverse Communities

Although the four local research communities have all experienced low unemployment rates and declining welfare caseloads, they represent a range of social conditions. Omaha faces all the common social problems found in most urban areas across the country. Lincoln, with a better-educated population and an exceptionally low unemployment rate, has a low poverty rate. While Columbus, a heavily industrialized area, has more employment opportunities than its rural counterpart, Scottsbluff, both communities face limited transportation options. Figure I.1 presents a geographic illustration of the state of Nebraska and the four local research sites, while Table I.1 presents selected demographic and socioeconomic characteristics of the state and the four sites.

**Omaha (Douglas County).** Omaha, located in Douglas County on the western bank of the Missouri River, is the largest city in Nebraska, with a population of about 358,000, almost double that of Lincoln, the state’s next largest city, and about one-quarter of the entire population of Nebraska. Omaha has the most ethnically diverse citizen population in the state, with a relatively large African American community (12 percent).
Unemployment is very low in Omaha, estimated at about 2.7 percent. However, the neighborhoods in which many welfare recipients live have much higher-than-average unemployment rates. Omaha also has a larger percentage of families living in poverty, as well as a larger percentage of female-headed households, than many communities in the state.

Service and retail jobs are most common in Omaha, with nearly three-fifths of area jobs in these sectors. Telemarketing is a major industry in Omaha and a major employer for people leaving welfare assistance for work. The telemarketing firms generally pay higher than minimum wage, but these jobs are temporary and usually do not offer benefits such as health insurance, sick leave, and retirement plans.
<table>
<thead>
<tr>
<th>Key Characteristics</th>
<th>State of Nebraska</th>
<th>Douglas County (Omaha)</th>
<th>Lancaster County (Lincoln)</th>
<th>Scotts Bluff County (Scottsbluff/Gering)</th>
<th>Platte County (Columbus)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Persons (July 1998)</td>
<td>1,662,719</td>
<td>443,794</td>
<td>235,589</td>
<td>36,109</td>
<td>30,737</td>
</tr>
<tr>
<td>ADC/TANF Caseload--Family Cases (April 1999)</td>
<td>11,653</td>
<td>5,129</td>
<td>1,189</td>
<td>555</td>
<td>139</td>
</tr>
<tr>
<td>Percentage of Households That Are Female-Headed (1990)</td>
<td>8.3</td>
<td>12.2</td>
<td>8.7</td>
<td>9.0</td>
<td>6.1</td>
</tr>
<tr>
<td>Percentage of Families Below Poverty (1995)</td>
<td>9.8</td>
<td>10.5</td>
<td>8.9</td>
<td>15.9</td>
<td>7.8</td>
</tr>
<tr>
<td>Percentage of Children (Under Age 18) Below Poverty (1995)</td>
<td>12.6</td>
<td>15.2</td>
<td>11.1</td>
<td>21.7</td>
<td>9.8</td>
</tr>
<tr>
<td>Racial Distribution (1997)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>93.8</td>
<td>86.1</td>
<td>94.5</td>
<td>97.0</td>
<td>99.1</td>
</tr>
<tr>
<td>African American</td>
<td>4.0</td>
<td>11.7</td>
<td>2.4</td>
<td>0.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Other (mostly Hispanic)</td>
<td>2.2</td>
<td>3.2</td>
<td>3.1</td>
<td>2.7</td>
<td>0.8</td>
</tr>
<tr>
<td>Percentage of High School Graduates (1990)</td>
<td>81.8</td>
<td>84.5</td>
<td>88.1</td>
<td>74.3</td>
<td>79.5</td>
</tr>
<tr>
<td>Percentage of College Graduates (1990)</td>
<td>18.9</td>
<td>24.9</td>
<td>27.6</td>
<td>13.9</td>
<td>12.8</td>
</tr>
<tr>
<td>Unemployment Rate (1997)</td>
<td>2.6</td>
<td>2.7</td>
<td>2.2</td>
<td>4.5</td>
<td>2.4</td>
</tr>
<tr>
<td>Average Hourly Wage (Full-Time New Hires--1999)</td>
<td>$12.09</td>
<td>$13.15</td>
<td>$13.35</td>
<td>$8.14</td>
<td>$11.54</td>
</tr>
<tr>
<td>All jobs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service sector positions</td>
<td>$8.55</td>
<td>$8.76</td>
<td>$9.20</td>
<td>$6.32</td>
<td>$7.84</td>
</tr>
<tr>
<td>Laborers/operators/fabricators</td>
<td>$9.26</td>
<td>$9.42</td>
<td>$8.96</td>
<td>$9.70</td>
<td>$10.40</td>
</tr>
<tr>
<td>Average Hourly Wage (Part-Time New Hires--1999)</td>
<td>$6.97</td>
<td>$7.14</td>
<td>$6.95</td>
<td>$6.02</td>
<td>$6.53</td>
</tr>
<tr>
<td>All jobs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service sector positions</td>
<td>$5.90</td>
<td>$5.86</td>
<td>$6.22</td>
<td>$5.59</td>
<td>$5.49</td>
</tr>
<tr>
<td>Laborers/operators/fabricators</td>
<td>$8.24</td>
<td>$7.50</td>
<td>$7.50</td>
<td>$6.50</td>
<td>$7.70</td>
</tr>
</tbody>
</table>

aData are from the *1999 Annual Metro, City, and County Data Book*, unless otherwise noted.


cNebraska Health and Human Services ADC/TANF reporting system data, April 1999.

dNebraska Quarterly Business Conditions Survey data, first quarter 1999.
Omaha serves the highest number of ADC/TANF families in the state, with over two-fifths of the state’s caseload. In all, in April 1999, there were about 5,100 families on cash assistance in the county, with about 3,500 required to participate in Employment First activities.

**Lincoln (Lancaster County).** Lincoln, in Lancaster County, is the second-largest urban area in Nebraska. People in Lincoln tend to be more educated than those in other parts of the state, in part because it is both the state capital and home to the University of Nebraska. Almost 90 percent have graduated from high school, and well over a quarter have graduated from college. As in most areas of the state, unemployment is very low in Lincoln (2.2 percent). Most of the jobs are not in industry, but rather in government or business. The average starting wage for full-time workers, at $13.35/hour, is higher than in other parts of the state.

Lincoln’s nearly 1,200 ADC/TANF cases represent about a tenth of the number of families on assistance statewide. Having declined from 1,600 cases in 1996, Lincoln has seen the sharpest decline in the ADC/TANF caseload of the four research counties since the implementation of federal welfare reform. The poverty rate in Lincoln is also lower than the state average, as is the percentage of children living in poverty. Lincoln, like many areas of the state, is home to a growing number of immigrants, especially from Vietnam, Iraq, Bosnia, and Croatia.

**Scottsbluff/Gering (Scotts Bluff County).** Scotts Bluff County, in Nebraska’s western panhandle, includes nine small, rural communities bordering Wyoming. Approximately 36,000 people reside in the county, with most of the residents in the towns of Scottsbluff and Gering.

Scottsbluff and Gering are less prosperous than the other research communities, with higher unemployment and poverty compared to the state average. Sugar beet factories and other agricultural companies employ most of the local residents. Outside the farming community, the work is mostly in
industry, the service sector, and tourism. The reported unemployment rate of 4.5 percent is nearly double that of the rest of the state. Underemployment is also common, and starting wages are generally lower than in other parts of the state. Exacerbating these factors, NHHS staff in Scottsbluff report a strong bias among local employers against hiring welfare recipients.

The poverty rate in Scottsbluff is substantially higher than the state average. Over one-fifth of the children in Scottsbluff live in poverty, almost twice the fraction in Lincoln and Columbus. About 550 families qualify for financial assistance in Scotts Bluff County, about one-quarter of whom are two-parent families. From May through July, during the sugar beet planting season, there is an influx of Hispanic migrant workers to the area, which adds about 100 families to the caseload. Though the workers are in the area for only a short time, this sudden increase in numbers directly affects service delivery in the local office, as it places added demands on staff.

**Columbus (Platte County).** Columbus is located in rural Platte County, approximately 80 miles northwest of the state capital of Lincoln. In recent years, Columbus has experienced an influx of immigrants from Central America, particularly from Mexico, El Salvador, and Guatemala. As a result, a portion of the ADC caseload in Columbus consists of Hispanic noncitizen families who receive assistance only for their children.

Along with the rest of the state, Columbus enjoys a very low unemployment rate (2.4 percent). The region has enjoyed strong economic growth, with a 10 percent increase in the number of manufacturing jobs from 1990 to 1999. Economic activity in Columbus revolves around manufacturing, grain farming, livestock operations, wholesale and retail sales, tourism, railroading, and public power. Given its strong economy and the prevalence of local jobs, the poverty rate and welfare caseload are low in Columbus. In April 1999, 139 families received cash assistance.
Although the four research communities in this report were selected to be fairly representative of Nebraska’s ADC/TANF caseload, the experiences of the four communities in implementing Employment First do not necessarily represent the experiences of all communities in the state. Nebraska’s welfare system is state-administered by NHHS. However, like many other states, Nebraska has given local offices some autonomy to decide how best to provide services. One of the consequences of this devolution is that it becomes more difficult to know how representative the experiences of a few communities are compared with the rest of the state in terms of how they have implemented Employment First.
II. CHANGING THE GOALS AND CULTURE OF THE WELFARE SYSTEM

Employment First is designed to help families achieve self-sufficiency—a goal that is broader and more complex than helping welfare clients find employment. Recognizing that welfare clients are a diverse group, Employment First is designed to provide short-term assistance to families who need support during hard times, as well as more intensive, longer-term assistance for those families who face more serious barriers to employment. Regardless of their circumstances, the goal for working with families is the same—to help them achieve self-sufficiency as quickly as possible and within the constraint of a 24-month time limit. A conceptual framework, or logic model, can be used to describe the way in which the Employment First program is intended to influence client outcomes. This sets the stage for understanding the infrastructure that needs to be in place to implement the different Employment First program components successfully and for assessing the degree to which Employment First has been implemented as intended.

A. CONCEPTUAL FRAMEWORK FOR MOVING CLIENTS TO EMPLOYMENT AND SELF-SUFFICIENCY--NEBRASKA’S EMPLOYMENT FIRST PROGRAM

In order to make the transition to work and self-sufficiency within two years, welfare clients in Nebraska must assume more personal responsibility than in the past. Likewise, case managers must take on an expanded and more challenging set of responsibilities. As clients progress toward work and self-sufficiency, a variety of factors may affect their progress. The conceptual framework in Figure II.1 illustrates, in simple and general terms, the hypothesized pathways through which the Employment First program, along with various other factors, is intended to influence this progress.
FIGURE II.1

THE ROLE OF THE EMPLOYMENT FIRST PROGRAM IN SUPPORTING WORK AND SELF-SUFFICIENCY

CLIENT AND FAMILY CHARACTERISTICS
- Background Characteristics
- Strengths and Supports
- Service Needs

EMPLOYMENT FIRST CLIENTS
Personal Responsibility for Progressing Toward Work and Self-Sufficiency

EMPLOYMENT FIRST PROGRAM

INDIVIDUALIZED CASE MANAGEMENT
- Program Orientation
- Client Assessment
- Self-Sufficiency Contract Development
- Service Coordination
- Monitoring

SANCTIONS
Encourage Personal Responsibility

TIME LIMITS
Support Progress

EMPLOYMENT PREPARATION OPPORTUNITIES TO SUPPORT SELF-SUFFICIENCY
- Job Search Assistance
- Job Readiness Training
- Work Experience
- On-the-Job Training
- Vocational Training
- Educational Opportunities
- Job Retention Services

INCENTIVES AND SUPPORTS
- Child Care
- Health Care
- Transportation
- Counseling and Other Supportive Services
- Transitional Services and Benefits

COMMUNITY CONTEXT
- Socioeconomic Characteristics
- Education and Training Opportunities
- Entry-Level Jobs
- Service Capacity

KEY SHORT- AND INTERMEDIATE-TERM CLIENT OUTCOMES
- Regular Program Participation
- Reduced Personal and Family Challenges
- Improved Job Readiness
- Completion of Education and Training
- Reduced Welfare Receipt
- Improved Employment

KEY LONGER-TERM CLIENT OUTCOMES
- Sustained Employment
- Improved Job Advancement
- Increased Earnings
1. **Client participation and responsibility are central to welfare reform in Nebraska.**

   Active client participation is central to the Employment First approach to welfare reform. EF clients are responsible for working with a case manager in the development of a Self-Sufficiency Contract, participating in program activities and services to help overcome challenges and develop skills, and working toward self-sufficiency within a time limit. A variety of factors, shown in Figure II.1, may influence the extent to which clients meet these challenges and progress toward self-sufficiency. These factors—including demographic and background characteristics of clients and their families and contextual characteristics of their community—may all potentially affect clients’ progress toward employment and self-sufficiency either directly or indirectly.

2. **Case management and an individualized mix of opportunities and services are intended to support clients’ transition to work and self-sufficiency.**

   Once a client begins participating in the Employment First program, a variety of program factors can mediate the effects of the demographic and background characteristics in influencing client outcomes. At the heart of Employment First, clients enter into partnerships with case managers. As part of these partnerships, case managers work with clients to orient them to the program’s philosophy and objectives; assess and identify their strengths, needs, interests, and experiences; and develop an individualized Self-Sufficiency Contract that incorporates their interests and choices. Case managers also link clients with an appropriate mix and sequence of employment-related opportunities, as well as services and supports like child care, transportation, and specialized counseling to address mental health or alcohol and drug issues.

   Through their different roles, case managers may influence clients’ behavior, including their participation in program activities, their receipt of services, and, ultimately, their transition to work and self-sufficiency. Case managers are likely to have a *direct* influence on short-term outcomes
such as clients’ access to supportive services and their participation in various employment-related opportunities. In turn, through these mediating, short-term outcomes related to service use and program participation, case managers may indirectly influence longer-term client outcomes related to welfare receipt, employment, and self-sufficiency.

Although there is little evidence of the effect of case management on client outcomes in a welfare-to-work setting, case management has been shown (albeit in a limited number of situations) to be effective in influencing client outcomes in other social services settings, including those for people with mental illness and substance abuse problems and those for pregnant women and young parents (U.S. Department of Health and Human Services 1994; Willenbring et al. 1991; and Olds et al. 1997). Recent research suggests that integrated case management—in which one worker provides both case management services and traditional services related to eligibility determination—can lead to significantly higher monthly client participation rates in work-related program activities and considerable reductions in welfare caseloads, compared to typical case management approaches (Brock and Harknett 1998). The four Nebraska communities examined in this report use an integrated approach to case management service delivery.

3. In contrast to work first programs, Employment First emphasizes the importance of supporting different paths to self-sufficiency.

The philosophy underlying work first programs is that acquiring good work skills through working, no matter what the job or what it pays, is the best way to succeed in the labor market. This approach to self-sufficiency assumes that low-income and welfare receipt are, for the most part, the result of limited work experience, poor job-seeking skills, and a lack of self-esteem and motivation. Quick employment, then, is viewed as a way to provide clients with relevant work experience and skill building that will build self-confidence and open up opportunities for advancement (Brown 1997; and Gueron and Pauly 1991).
In contrast, the Employment First model assumes that quick employment is the best path to self-sufficiency for some ADC/TANF recipients, but not all of them. Through the Employment First program, an initial assessment is used to explore with a recipient the best route to self-sufficiency. Job search, education, vocational training, and work experience are all acceptable program activities. The goal of the program is to find the right mix of activities to help clients achieve the highest level of self-sufficiency within the 24-month time limit. After clients sign a Self-Sufficiency Contract, participation in program activities is expected of all nonexempt clients. It is expected that a client’s contract be developed and signed within 90 days after an application for cash assistance is completed.

The definition of participation may differ from one recipient to the next. Nebraska includes a broader selection of education and training opportunities and for a somewhat longer period of time than the federal TANF guidelines specify. Allowable education and training opportunities in Nebraska are potentially available for up to 24 months, compared to 12 months under the federal guidelines. Nebraska’s menu of allowable employment preparation or work-related activities, other than actual employment, includes the activities listed in Table II.1.

1Federal work participation policies required 20 hours of client participation per week in 1997 and 1998. In 1999, 25 hours per week are required, and in the years 2000 to 2002, 30 hours per week will be required. The following types of ADC/TANF clients can be temporarily exempted from the EF work participation requirements: a person age 15 or younger, a person age 16, 17, or 18 who is regularly attending school, a woman in her third trimester of pregnancy, a person who is disabled or has a medical condition that prevents participation, a parent or caretaker of a child or other family member who is disabled or has a medical condition that prevents participation, a parent or caretaker of an infant under the age of 12 weeks, a person age 60 or older, and a person living in a remote location where effective program participation is not possible.

2Allowable work activities under TANF include (1) unsubsidized or subsidized private- or public-sector employment, (2) on-the-job training, (3) work experience, (4) job search and job readiness assistance for up to six weeks, (5) community service programs, (6) provision of child care services to an individual participating in a community service program, and (7) vocational educational training (limited to 12 months for any individual and 20 percent of the TANF caseload).
### TABLE II.1

KEY EMPLOYMENT PREPARATION OPPORTUNITIES

<table>
<thead>
<tr>
<th>Developing Personal Skills to Prepare for Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job readiness and life skills training</strong> to prepare clients for the work by addressing topics such as personal and occupational training, cultural diversity, health and wellness, appearance and demeanor, interpersonal skills, emotion management, time management, parenting, personal empowerment, self-esteem, problem solving and decision making, resource management, substance abuse information and intervention, and job attitude and work ethic. Training typically lasts from three to four weeks and requires clients to participate from four to five days per week and up to six hours per day. The longest and most intensive workshop is offered in Omaha by Goodwill Industries.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Using Education and Vocational Training to Enhance Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Remedial and specialized education</strong>, such as Adult Basic Education or English as a Second Language, to help clients achieve a basic literacy level or improve English language skills.</td>
</tr>
<tr>
<td><strong>GED services</strong> to provide tutoring support, study materials, a study area, and GED testing.</td>
</tr>
<tr>
<td><strong>High school attendance</strong> at a secondary educational institution to work toward attainment of a high school diploma.</td>
</tr>
<tr>
<td><strong>Vocational training</strong> to attain a certificate or diploma that qualifies the client for employment in a specific field or trade (for example, a clerical position in the business field, a nursing assistant position in the medical field, or a mechanic position in the automotive repair field). Vocational training is potentially available for a 24-month period in cases where training is deemed necessary to fulfill a client’s employment goal and facilitate self-sufficiency.</td>
</tr>
<tr>
<td><strong>Postsecondary education</strong>, typically in a community college, to attain a certificate or associate’s degree that prepares clients for employment in a specific field. Like vocational training, educational programs are potentially available for a 24-month period in cases where the education is deemed necessary to fulfill a client’s employment goal and facilitate self-sufficiency.</td>
</tr>
<tr>
<td><strong>Microbusiness opportunities</strong> to provide clients who have self-employment options with training in business skills and business development.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gaining Experience Through Workplace Training</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>On-the-job training positions</strong> to provide training and workplace experience that will lead to permanent employment. These are generally paid positions that typically last six months or less. A training provider like JTPA typically accesses the position for the client and subsidizes the wage.</td>
</tr>
<tr>
<td><strong>Work experience positions</strong> to improve client employability and job readiness by providing workplace experience and training. These most often are unpaid positions that typically last three months or less. Like on-the-job training positions, work experience jobs may result in permanent employment.</td>
</tr>
<tr>
<td><strong>Apprenticeship opportunities</strong> through a trade organization provide on-the-job training for clients and generally lead to full-time employment within the two-year time limit.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Looking for Work and Obtaining a Job</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job search training and assistance</strong> to provide information and assistance on looking for a job, including assistance around completing job applications, developing a resume, searching for jobs, and conducting interviews. Workshops typically last from two to three weeks and require four to five days of participation per week. Participation typically includes from two to five hours of instruction per day, followed by actual job searching. Ongoing assistance is also typically available, often through a job developer. Clients may access on-site resource rooms and be provided with individualized job leads from job developers. Periodic job fairs are also offered. Overall, job search training and assistance in all four of the sites is structured, individualized, and more intensive than the planned work first/job search demonstration program in Omaha.</td>
</tr>
</tbody>
</table>
In most cases, the sequence of client participation in activities is designed to build skills progressively—both personal and vocational skills. Less job-ready (harder-to-serve) clients are to be referred to job readiness training, GED preparation, work experience, or specialized supportive services before or concurrent with a referral to job search training. Other clients, typically those who have already earned a high school diploma or GED, may be able to access on-the-job training positions, as well as short-term postsecondary education and vocational training, if the experience is deemed necessary to fulfill the client’s employment goal and facilitate self-sufficiency and if it can be completed and a job secured within the two-year time limit. Clients who are deemed job-ready or who are not interested in participating in education, training, or other kind of work activity are to be referred directly to job search to find employment.

4. **Expanded supportive services are provided to help welfare recipients make the transition to employment.**

Nebraska offers a broad range of supportive services to clients, including child care, medical assistance, and payments for transportation, clothing, and other work-related materials and supplies. Moreover, once clients become employed, they continue to be eligible for child care and transitional medical assistance. Earned income disregards also are available to clients to support their transition to sustained employment. Since the implementation of EF, Nebraska has greatly expanded eligibility for child care and medical assistance. After leaving cash assistance, families can receive child care assistance on a sliding fee scale for as long as their countable income is less than 185 percent of the poverty line. Families can receive transitional Medicaid for six months without regard to income and for an additional 18 months as long as their income remains below 185 percent of the poverty line.³

³Families with countable income between 100 and 185 percent of the federal poverty line are subject to payment of a monthly premium.
While participating in EF and for six months after they leave cash assistance, families are also eligible to receive supportive service payments for a wide range of work-related expenses. Since needs vary from one family to the next, these supportive service payments are designed to be flexible enough to meet most clients’ supportive service needs beyond child care and medical assistance. For example, supportive service payments can be used to cover transportation expenses, purchase work clothing, obtain a driver’s permit, or pay for a certification exam.

5. **Sanctions and time limits are designed to encourage personal responsibility and support progress toward self-sufficiency.**

Since the implementation of Employment First, the receipt of cash assistance for nonexempt ADC recipients has been conditional on participation in employment preparation activities. In addition, in Nebraska, families can receive cash assistance for only 24 out of 48 months. Families who do not comply with EF’s work requirements face the loss of cash assistance for the entire family and of Medical assistance for the adult in the household. Examples of a failure to participate include: not keeping an appointment with a case manager, failing to participate in activities specified in the Self-Sufficiency Contract, and quitting a job without good cause. If a client does not begin participating after a formal notification is sent and a 10-day warning period elapses, the client is sanctioned. For the first instance of nonparticipation, families are sanctioned for a minimum of one month. The severity increases for repeated nonparticipation; a second sanction must be in place for a minimum of three months and a third sanction for a minimum of a year. Formal mediation and appeal processes are also available to clients to help ensure that their rights are protected.

While sanctions are used as immediate leverage to encourage client participation in work-related activities, the time limit on cash assistance puts a boundary on the length of time a family can receive
assistance. The hope is that restricting the time a family can receive assistance will hasten their move toward self-sufficiency. Based on EF policy, the time limit is to begin when a client’s Self-Sufficiency Contract is signed, but no later than 90 days after a signed application for assistance is received in a local NHHS office. In practice, however, workers do not start the time clock until after the Self-Sufficiency Contract is signed.

6. Availability of and access to family-supporting jobs is critical to the successful implementation of Employment First.

The ultimate challenge for Employment First is identifying and preparing clients for jobs—full-time jobs with good wages and benefits—that can help them achieve self-sufficiency. Thus, the availability of and access to jobs that allow clients to support their families without cash assistance and eventually without work supports such as child care and medical assistance are essential to the success of the program. Nebraska, like many other states, has implemented welfare during a time when jobs are plentiful. In most communities, finding employment is a relatively easy task. However, the availability of employment that promotes self-sufficiency does vary from community to community. In some areas, welfare recipients face a limited number of jobs that pay a family-supporting wage, offer health insurance and other employment benefits, and provide opportunity for advancement over time. In addition, when these jobs do exist, many welfare recipients do not have the work experience or qualifications to be considered for them. EF, if implemented as intended, will provide some recipients with the opportunity to obtain the skills and experience they need to make those jobs more accessible.

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4If the 90 days falls within the middle of a month, the time clock starts the next month.
7. Client, family, and community factors, along with various features of the Employment First program, all interact to influence clients’ employment-related outcomes.

In sum, the various Employment First program features—case management, employment preparation opportunities, supportive services, and sanctions and time limits—are intended to support clients’ participation in Employment First and their progress toward self-sufficiency. A variety of client outcomes may be influenced by the Employment First program and clients’ participation in it. These key outcomes include the following: short-term outcomes, such as regular and consistent program participation and service use, reduced personal and family challenges, and improved job readiness; intermediate outcomes, such as the completion of education and training, reduced welfare receipt, and improved employment; and long-term outcomes, such as sustained employment, consistent job advancement, and increased earnings and self-sufficiency.

B. BUILDING AN INFRASTRUCTURE TO SUPPORT THE IMPLEMENTATION OF EMPLOYMENT FIRST

Welfare reform increases not only the responsibilities of clients, but also the need for strong program leadership and management at both the state and local levels. Through planning and vision, Nebraska has designed a well-articulated model of service delivery for the Employment First program. However, the ultimate success of Employment First will be determined by how well it is implemented locally. To implement the Employment First model, administrators have needed to modify staffing structures and responsibilities to support high-performance case management, develop and strengthen relationships with community partners, and institute new policies and procedures. In addition, the local offices are dependent on the Central Office to provide them with the automated support they need to operate the program. Thus, before turning to a more detailed examination of how well the Employment First program has been
implemented, we describe the infrastructure that has been put into place to support implementation of the program.

1. The Central Office decentralizes primary responsibility for implementing Employment First to its regional Service Areas and local NHHS offices.

Although Nebraska’s welfare system is state-administered by the NHHS Central Office, primary responsibility for managing the implementation of the Employment First program is decentralized from the Central NHHS Office’s Department of Services to six autonomous regional Service Areas. In turn, the Service Area administrators work with local NHHS administrators to determine how best to organize staff and deliver Employment First services in local communities. Although the Central NHHS Office provides critical policy guidance, training, and support to the regional Service Areas, as in many other states, these regional Service Areas and, in turn, the local NHHS offices have been given a good deal of autonomy to decide how best to provide services.

The process of implementing welfare reform in Nebraska was made more challenging since it occurred during a time of change in the NHHS system. That is, during the time the Employment First program was implemented statewide, the NHHS system was created through the reorganization and consolidation of the former departments of social services, health, public institutions, aging, and juvenile justice. This reorganization was intended to streamline government and provide better services to individuals in local communities. Although services may have been streamlined, in the process the demands on administrators’ time increased and the responsibility for implementing Employment First was further diffused. Moreover, during this same time, the Employment First program was one of several new NHHS program efforts vying for attention and resources from the same few program administrators.

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5Each of the four research sites is located in a different regional Service Area.
2. Development of expanded case management capacity has been a critical building block for the implementation of Employment First.

Prior to the implementation of Employment First, only a few staff in each local office worked as case managers—that is, staff who were responsible for placing JOBS participants in program activities and helping clients access supportive services such as child care. Most welfare staff at this time were responsible only for determining eligibility for cash assistance, food stamps, Medicaid, and child care. Since NHHS is now required to provide case management services to all families mandated to participate in Employment First, local offices have had to reorganize and shift staff responsibilities.

Although local offices are free to decide how to structure staff resources to provide case management services to EF clients, Nebraska’s preferred model is an integrated case management model in which one worker provides both case management services and the traditional services related to determining eligibility. Through integrated case management, Nebraska aims to create a supportive welfare system that provides individualized, employment-focused assistance; promotes continuity in services; and sends a consistent message to clients. Table II.2 summarizes these key case management functions as they are intended to be performed by integrated case managers.

The integrated case manager position expands staff responsibilities and requires a much broader set of skills and knowledge than that of either an eligibility worker or a traditional case manager alone (see Table II.3). To determine client eligibility and authorize benefits, integrated case managers must pay considerable attention to detail, meet multiple deadlines, manage extremely high workloads, and apply program rules consistently and accurately. This requires exceptional organizational and time management skills and a strong working knowledge of ADC/TANF policies and procedures. To perform their case ______

6Tasks associated with eligibility determination and benefit authorization typically include the following: determining program eligibility; conducting redeterminations; processing income, assets, and other household changes; authorizing the payment of benefits; imposing sanctions; and identifying fraud and abuse.
### TABLE II.2

**KEY CASE MANAGEMENT FUNCTIONS**

<table>
<thead>
<tr>
<th>Orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case managers orient clients to the philosophy and goals of the program. During the orientation, they generally describe the available employment-related opportunities and supportive services, the program’s participation requirements, and the policies of sanctions for nonparticipation and time limits on cash assistance.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assessment</th>
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</thead>
<tbody>
<tr>
<td>Using a semi-structured assessment tool, case managers assess clients’ job readiness, vocational interests, capabilities, family and community support system, educational level and employment history, and supportive service needs. The assessment is a critical step in preparing case managers to recommend an appropriate employment and service plan for clients to become self-sufficient.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Self-Sufficiency Plan Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case managers in Nebraska work with clients to develop an individualized Self-Sufficiency Contract. The goal is to complete the contract within 90 days after an application for cash assistance is completed. The contract describes client and case manager responsibilities and includes two components: (1) an Employment Plan, which outlines client goals; and (2) a Service Plan, which outlines the steps and assistance necessary for clients to achieve goals and progress toward self-sufficiency.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Coordination</th>
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</thead>
<tbody>
<tr>
<td>Case managers identify employment-related opportunities and supportive services for clients, coordinate the process of linking clients to these opportunities and services, and, as needed, advocate for clients’ interests and provide services directly to clients. Various strategies may be used to facilitate service coordination (for instance, co-located services and resources and case staffing or service strategy team meetings).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case managers encourage and monitor clients’ participation in program activities, their receipt of services, and their overall progress in preparing for employment.</td>
</tr>
</tbody>
</table>

management responsibilities, integrated case managers need strong assessment, problem-solving, and relationship-building skills. They also need to have a strong knowledge of community resources and how to access them.
TABLE II.3

KEY SKILLS AND KNOWLEDGE REQUIRED OF INTEGRATED CASE MANAGERS

<table>
<thead>
<tr>
<th>Key Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational Skills:</strong> The ability to manage time, perform multiple tasks, and prioritize work in order to stay abreast of the needs of all clients in the caseload.</td>
</tr>
<tr>
<td><strong>Problem-Solving Skills:</strong> The ability to assess clients needs, develop appropriate client service plans, think analytically, and act resourcefully in identifying and accessing suitable community resources.</td>
</tr>
<tr>
<td><strong>Interpersonal Skills:</strong> The ability to communicate program policies and expectations clearly to clients; provide support and encouragement in a respectful, compassionate, and trustworthy manner; and motivate clients to work toward individual goals.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Knowledge Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Policies and Procedures:</strong> A solid knowledge and understanding of ADC/TANF, Food Stamp, medical assistance, child care, and energy assistance program policies and procedures (for example, child care guidelines) and how to apply these policies and procedures. Strong knowledge of program policies and procedures allows case managers to perform eligibility duties efficiently and thereby maximize their available time for case management duties.</td>
</tr>
<tr>
<td><strong>Community Resources:</strong> A broad knowledge of the resources available in the community and an ability to coordinate successfully with other service providers to help clients access opportunities and services.</td>
</tr>
<tr>
<td><strong>Social Service Delivery:</strong> An understanding of various methods of delivering services, often obtained through (1) education and training in social work or some type of human service field, and/or (2) job experience in social work or human services. In particular, an understanding of how to work with clients who have chronic and intensive service barriers, such as substance abuse and mental health issues.</td>
</tr>
<tr>
<td><strong>Computer System (N-FOCUS):</strong> An understanding of and ability to use the N-FOCUS system.</td>
</tr>
</tbody>
</table>

3. To provide integrated case management services, local NHHS offices have reorganized their existing staff resources; however, it is too early to tell whether one method of allocating staff resources is better than another.

When Employment First was implemented, the NHHS Central Office did not provide additional staff positions to the local offices.1 Hence, local offices had to determine how best to allocate existing staff resources to meet the new requirements of the EF program. Since local offices conduct program intake and manage eligibility for a number of different programs--including Medicaid; food stamps; services for

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1The Lincoln office did receive 10 additional staff when it first implemented Employment First in 1995 as part of the original demonstration.
the aged, blind, and disabled; ADC; child care; general assistance (in some offices); and energy assistance--local administrators had to take into account the staff needs for all these programs when they decided how to organize staff resources. In deciding how to allocate and organize staff, local administrators face four key decisions:

1. Should workers be specialized to work only with EF clients, or should they be more generic and carry a caseload of both EF and non-EF cases?

2. At what point should a family be assigned to a case manager?

3. At what point after an EF family moves off cash assistance should the case be transferred from a case manager to an eligibility worker for ongoing assistance related to transitional benefits?

4. Should case management be provided by NHHS staff or contracted to an outside agency?

Because the four local research sites addressed these decisions differently, case managers in the different offices serve caseloads with different types of cases and for different lengths of time. Since the implementation of Employment First is still in its early stages and the characteristics of the caseload in each community are different, it is not yet possible to judge whether one staffing structure works better than another. Nonetheless, their experiences highlight the complexities involved in deciding how to allocate limited staff resources and how to assess what constitutes a reasonable number of cases for a worker to handle. Table II.4 highlights key responsibilities, caseload characteristics, and caseload sizes in each of the four research sites.
TABLE II.4

DESCRIPTION OF CASE MANAGER WORKLOAD, BY SITE
(First Quarter 1999)

<table>
<thead>
<tr>
<th>Site</th>
<th>Key Responsibilities</th>
<th>Types of Cases</th>
<th>Length of Time Cases Held</th>
<th>Caseload Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lincoln</td>
<td>Ongoing eligibility</td>
<td>EF-only</td>
<td>Until case closes</td>
<td>96 active and transitional EF cases on average</td>
</tr>
<tr>
<td></td>
<td>Case management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Columbus</td>
<td>Ongoing eligibility</td>
<td>EF and non-EF</td>
<td>Until case closes</td>
<td>88 to 165 cases, including from 33 to 65 EF cases, some of which are transitional cases</td>
</tr>
<tr>
<td></td>
<td>Case management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scottsbluff</td>
<td>Intake</td>
<td>EF-only</td>
<td>Twelve months after leaving cash assistance</td>
<td>70 to 75 active EF cases on average, plus 10 to 15 EF transitional cases</td>
</tr>
<tr>
<td></td>
<td>Ongoing eligibility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Case management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Omaha</td>
<td>NHHS</td>
<td>EF-only</td>
<td>Three months after leaving cash assistance</td>
<td>70 active EF cases on average, plus 10 to 15 EF transitional cases</td>
</tr>
<tr>
<td>Contractors</td>
<td>Case management</td>
<td>EF-only</td>
<td>Three months after leaving cash assistance</td>
<td>100 active EF cases on average, plus 10 to 15 EF transitional cases</td>
</tr>
</tbody>
</table>

- **The Lincoln Office: Continuity and Specialization.** Lincoln’s NHHS case managers work only with EF-eligible families and do so after initial EF eligibility is determined and until the case is closed. If a client’s case is reopened, the client is referred back to the original EF case manager, which maintains consistency over time. With this staffing structure, most EF case managers carry a mix of current EF cases that are required to participate in employment-related activities and transitional EF cases that might just be receiving food stamps, Medicaid, and/or child care. Maintaining cases until they close provides continuity for clients and gives workers a mix of cases that require varying levels of case management service.

- **The Columbus Office: Continuity and Flexibility.** NHHS case managers in Columbus work with both EF and non-EF clients, including a mix of both family and individual cases. Case managers work with EF families from the point of initial EF eligibility and until the case is closed, meaning that at any given time, workers may carry a mix of both active and transitional EF cases. A client whose case is reopened is referred back to the original EF case manager, a practice that maintains consistency over time. The move to a more generic allocation of EF cases is relatively recent and reflects staff interests in working with a diverse caseload. The wide range in the number of cases that workers carry reflects differences in the makeup of their caseloads. Workers with fewer EF cases have larger caseloads, while those with more EF cases have smaller caseloads. The difference in the number of EF cases occurs by chance as cases are assigned to workers on a rotating basis.
• **Scottsbluff: From Generic to Specialized.** When Scottsbluff began implementing EF, all its NHHS workers carried a mix of EF and non-EF cases, as in Columbus. However, because of the large number of cases assigned to staff, EF case management services were somewhat neglected. To remedy this situation, in July 1998 Scottsbluff shifted to a more specialized service delivery model, in which EF case managers carry only EF cases. The EF case managers work with families after initial EF program eligibility is determined and until the family has been off cash assistance for one year. In addition to their integrated case management responsibilities, Scottsbluff EF case managers also determine initial eligibility for clients.

• **Omaha: A Mixed Public-Private Strategy.** Omaha provides case management services for EF clients both directly through NHHS workers and indirectly through contracted case managers. New EF cases are referred to the NHHS case management unit after clients’ eligibility for EF is determined, but only if space is available. The NHHS case managers work with only EF families and do so after initial EF eligibility is determined and until the family has been off cash assistance for three months. After that, the case is reassigned to the same case manager if it is reopened within two months.

EF cases not referred to the NHHS unit are referred to an NHHS eligibility worker who, in turn, makes a referral to a contracted case management provider. Over one-third of Omaha’s EF caseload currently receives case management services through one of two nonprofit, contracted providers—Goodwill Industries and the Urban League. Unlike NHHS case managers, the contracted case managers do not perform eligibility determination tasks. Instead, NHHS eligibility workers handle these responsibilities. Consequently, the contractors carry higher caseloads compared with the NHHS case managers.

Over time, the local offices have made adjustments to their original staffing plans to better address the needs of families. However, none of the sites has achieved a staffing plan that they feel is ideal. Nearly all EF workers believe that they have more work than they can do; the exceptions are very experienced workers with exceptional organizational skills. By design, integrated case managers perform many different functions. The challenges they face in performing their various job functions and the effect these challenges have had on the implementation of EF are discussed in Chapter III.
4. **Local offices rely on contractors and other community service providers to meet the employment preparation and social service needs of clients.**

   Since case managers act as brokers to link clients with opportunities and services, service provision is increasingly dependent on close coordination with other organizations in the community (“community partners”). In all the research sites, there is a strong reliance on contractors to provide clients with employment preparation services, such as job readiness training, job search assistance, and employment retention support. Case managers also rely on existing community resources to address clients’ social service needs, although few formalized arrangements exist for accessing these services.

   In Lincoln, Scottsbluff, and Columbus, a for-profit provider—Curtis and Associates—provides employment preparation services to clients; in Omaha, two nonprofit providers—Goodwill Industries and the Urban League—provide these services (along with contracted case management services). The number of referrals to these “employment prep contractors” is relatively high, as case managers have well-established and smoothly operating relationships with these providers. Moreover, the use of performance incentive payments successfully promotes the timely and consistent delivery of services by contractors.

   In addition, through an interagency contract between NHHS and the Nebraska Department of Labor, Job Training Partnership Act (JTPA) providers offer vocational assessment services and various education and training opportunities, such as work experience and on-the-job training, to welfare recipients and other low-income people. NHHS offices can also refer eligible, “hard-to-employ” clients to the JTPA providers for employment-related assistance through the newly implemented Welfare-to-Work (WtW) initiative. However, despite their shared interest in helping welfare recipients prepare for and move to work and self-sufficiency, referrals to JTPA are much lower than expected in Lincoln and Omaha.⁸

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⁸Moreover, until recently, the Lincoln Office, through the Southeast Service Area, had a contract with JTPA’s Job Training of Greater Lincoln to provide intensive vocational assessment services to welfare recipients in Lincoln. This contract was canceled by Job Training of Greater Lincoln because of the low number of client referrals from the Lincoln Office.
NHHS and its case managers also collaborate less formally with a broad range of other community service organizations in order to meet the many employment-related needs of clients. The most common types of other employment-related partner organizations include community colleges, adult education agencies, and temporary employment agencies.

NHHS case managers are responsible for linking clients with child care providers, medical assistance, and various other supportive services, including those related to transportation, clothing, work-related materials, and specialized needs such as mental health and substance abuse. In large part, a broad range of community service partners provide these services once a referral is made. Relationships with these partners have been further developed since welfare reform. Key partners include nonprofit providers--such as child- and family-related community service agencies, community mental health centers, substance abuse providers, and literacy assistance centers--and other human service providers within NHHS--such as those related to child welfare and family support and preservation services. In one site (Lincoln), NHHS also contracts with two other organizations that provide in-depth needs assessment and supportive services to “hard-to-serve” clients who face intense personal and family challenges.

Despite the broad mix of partner organizations in all the communities, clients’ specialized service needs, such as those related to substance abuse, mental health, and domestic violence, are not always met. The ability of case managers to identify clients’ specialized service needs, given limitations in screening and assessment instruments, is weak, and the service capacity of specialized providers may be limited, such that clients’ specialized service needs are not fully addressed.
5. An automated eligibility determination and case management information system was developed to support the implementation of Employment First; however, the system has not yet lived up to its promise.

A management information system that allows administrators and staff to track caseloads, coordinate services for clients, monitor client participation and progress, and assess staff performance is an important tool that can support or hamper the successful implementation of a program such as Employment First. To improve its capacity to manage information needs within NHHS and increase its efficiency in determining client eligibility and authorizing benefits, Nebraska contracted for the development of a new automated system, known as N-FOCUS. This new system, fully implemented statewide in 1998, was designed to automate the eligibility determination process for ADC, food stamps, Medicaid, child care, and other public benefit programs. The linked and interactive N-FOCUS system also was designed to allow staff to access, through one system, a range of program data for a given family. Although N-FOCUS does allow staff to access linked case record data—for example, when case managers determine eligibility or make changes to a case record—the process is typically time-consuming and requires many steps.

Although the operation of the N-FOCUS system has continually been improved, local office staff still do not feel that it provides them with the automated support they need to manage their caseloads fully and efficiently. For example, workers are not able to generate a list of the clients on their caseload who have signed a Self-Sufficiency Contract, are approaching the time limit, or have been sanctioned. Management reporting capabilities are also lacking in N-FOCUS, which hampers the ability of administrators to review caseload data regularly, assess staff performance, and ensure successful program implementation.

In sum, Employment First is a comprehensive set of reforms designed to help ADC/TANF families to become self-supporting, and its implementation is a complicated undertaking. Like many state efforts to reform the welfare system, implementation of EF has met or exceeded expectations in some areas and
not yet lived up to expectations in others. Using the conceptual framework provided earlier in this chapter as our guide, and applying our knowledge of the infrastructure that has been put into place to support the implementation of Employment First, we now turn to a detailed assessment of what has been accomplished in the first years of implementation and examine the challenges that still lie ahead.
III. PROVIDING CASE MANAGEMENT SERVICES IN A WELFARE-TO-WORK CONTEXT

Individualized case management—with a focus on client assessment, Self-Sufficiency Contract development, and service coordination—is at the heart of Nebraska’s approach to reform. The four local NHHS sites have made significant progress toward providing case management services. However, substantial improvements are still needed to achieve full implementation and to provide consistent services to clients. Now that states must move more clients into work and work-related activities, welfare staff have greatly expanded their responsibilities and must draw on a broad new set of skills and knowledge. To ensure that case managers are able to deliver program services to all clients in a consistent and timely manner, NHHS offices must not only prepare, guide, and support staff to fill their new roles, but given the constraints on hiring new staff, they must also use creative service delivery strategies to improve the implementation of the program.

In this chapter, we highlight Nebraska’s key accomplishments in providing Employment First case management services, review the most important implementation challenges that local offices are facing, and suggest opportunities and specific strategies that Nebraska might consider for addressing these challenges and improving the program. In large part, NHHS administrators are aware of the challenges and are beginning to address them. Table III.1 summarizes the key accomplishments, challenges, and opportunities for improving the delivery of case management services in Nebraska.
<table>
<thead>
<tr>
<th>TABLE III.1</th>
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<tbody>
<tr>
<td>IMPLEMENTING CASE MANAGEMENT SERVICES</td>
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</table>

### Key Accomplishments

- Local NHHS offices have worked to improve the continuity and individualized nature of service delivery by reorganizing staff structures to better link eligibility and case management in an integrated case management framework.
- Local NHHS offices are striving to send a consistent message to all clients through a more structured orientation process.
- The process of developing client Self-Sufficiency Contracts is employment-focused and individualized.
- To help clients make steady progress toward self-sufficiency, the local sites and some case managers have forged strong and effective partnerships with other organizations in the community.
- Many clients feel that Employment First opportunities and services and the encouragement and support provided by case managers have helped them progress toward self-sufficiency.

### Important Challenges

- Many case managers are not able to complete all the work that is expected of them in a timely manner.
- There is wide variation in case manager ability to assess client needs and link clients with services and opportunities to meet those needs; hence, the type and extent of services delivered to clients with similar needs varies.
- There are limited tools and guidelines to standardize case management processes and compensate for differences in case managers’ abilities.
- Case managers feel that the N-FOCUS system does not provide them with the automated support they need to work efficiently and to manage their caseloads.

### Opportunities for Improvement

- Identify strategies to help case managers achieve more manageable workloads:
  - Explore options for delivering some case management services in group settings.
  - Explore opportunities where caseload specialization might be beneficial.
  - Make additional use of contractors and other community partners.
  - Implement strategies to reduce case manager turnover, particularly in Lincoln and Omaha.
- Improve case managers’ ability to perform their jobs and provide more consistent services to clients:
  - Improve the process of hiring case managers and their supervisors.
  - Provide ongoing “applied” training to case managers.
  - Develop a detailed community inventory of available services and opportunities.
  - Improve linkages with community partners, particularly JTPA.
- Continue to improve the efficiency and reporting capabilities of the N-FOCUS system.
- Provide case managers with regular feedback on their performance.
A. ACCOMPLISHMENTS PROVIDING CASE MANAGEMENT SERVICES

The welfare agency culture in Nebraska is changing, as case managers are adjusting to their new roles. Although numerous challenges must be addressed, Nebraska has laid a solid foundation on which to provide case management services. It has made important strides in organizing resources and staff, developing sound service delivery methods, and coordinating services with partner organizations in the community. Key accomplishments are discussed below.

1. Local NHHS offices have worked to improve the continuity and individualized nature of service delivery by reorganizing staff structures to better link eligibility and case management in an integrated case management framework.

   Nebraska has chosen an integrated case management approach to providing services, an approach in which one case manager is responsible for both eligibility determination and case management services for clients. This approach is an important step at streamlining service delivery and providing more individualized, consistent, and well-coordinated services. Integrated case management places sole responsibility for the development and implementation of a self-sufficiency plan with one worker. It also provides case managers with maximum flexibility to use the variety of tools provided to them through Employment First. Integrated case managers can use supportive service payments to ease the transition to employment, or they can initiate a sanction for noncompliance. Because they do not have to transfer paperwork to another worker to trigger these actions, the process of supporting the movement to self-sufficiency is streamlined.

2. Local NHHS offices are striving to provide a consistent message to all clients through a more structured orientation process.

   During client orientation to Employment First, case managers generally convey the change in philosophy and requirements of the welfare system. Moreover, they try to emphasize to the client the value
of work, the realities of the workplace, and the importance of setting realistic employment-related goals. In general, case managers are supportive of Employment First work requirements and time limits. They are dedicated to their jobs and appreciate the opportunity to work with clients to help develop their skills, improve their self-esteem, and address various needs. As part of orientation and their ongoing work with clients, they generally view their role as motivating clients toward personal responsibility and empowerment, working with them to maximize individual potential, and, ultimately, helping them break the cycle of dependency and entitlement.

In most sites, case managers conduct client orientation using a structured, one-on-one process that lasts an hour or less. For instance, Columbus uses a standardized orientation script, and many case managers in Omaha use a standardized computer-slide presentation to convey information to clients. Scottsbluff has gone a step further, offering a comprehensive, two-day group orientation workshop each month. Representatives from NHHS and various partner organizations participate, and together they explain program policies and procedures, describe available services and opportunities, and encourage clients to set and work toward personal and employment-related goals. Although the orientation process in the other three sites is less detailed, all sites have taken steps to improve the structure and standardization of their orientation process.

3. **The process of developing client Self-Sufficiency Contracts is employment-focused and individualized.**

   In developing contracts with clients, case managers use a semi-structured process and standardized forms to assess clients’ interests and needs, outline client goals as part of an “employment plan,” and specify activities, tasks, and services as part of a “service plan.” The Self-Sufficiency Contract provides workers with a flexible blueprint for helping clients progress toward work and self-sufficiency. As client needs and
circumstances change, the contract can be adapted accordingly. Many clients described their contract in terms of an “agreement to do certain things” and a “plan to get [them] motivated” to achieve their “goals in life.” Workers often use the more flexible service plans to help clients break down their self-sufficiency goals into manageable steps. Appendix A contains examples of typical short-term goals and tasks outlined in client contracts.

4. **To help clients make steady progress toward self-sufficiency, the local sites and some case managers have forged strong and effective partnerships with other organizations in the community.**

   The local sites coordinate with a broad range of contractors and community partners to provide services to clients. Relationships with the employment prep contractors, which specialize in job readiness training and job search assistance, are particularly strong. In addition, in Scottsbluff, local administrators instituted a community-based task force to guide the implementation of Employment First. This task force, which has met monthly since the program’s inception, involves staff from NHHS, the contractors, JTPA, other community partners, and employers.

   In addition, in all the sites, some case managers interact regularly with partner organization staff to address client needs. For instance, case managers may hold case-staffing—or “service strategy”—meetings with staff from the partner organizations. These meetings are an effective team-based mechanism for developing employment and service plans for clients, coordinating services, and monitoring client progress. These service strategy meetings are most often used for clients deemed “hard-to-employ.”

5. **Many clients feel that Employment First opportunities and services and the encouragement and support provided by case managers have helped them progress toward self-sufficiency.**

   During the focus groups, many clients expressed appreciation for the increased opportunities, choices, and case management assistance available through the EF program compared to the prior welfare system.
Moreover, many described the assistance, guidance, and encouragement given them by their case manager as key factors in helping them progress toward self-sufficiency. To these clients, case managers provided valuable structure, direction, caring, and support that was otherwise lacking in their lives. These case managers held high expectations for their clients (for example, through the use of sanctions, when necessary). Client comments, below, highlight the sentiment expressed by many clients about the Employment First program and its case managers.

<table>
<thead>
<tr>
<th>Client Comments on Employment First and Its Case Management Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment First is designed to “help those who help themselves.” It provides an avenue to help and encourage people to “avoid getting stuck in the system” and “to get on track.”</td>
</tr>
<tr>
<td>“[My case manager] believed in me when no one else did. That made a world of difference.”</td>
</tr>
<tr>
<td>“I didn’t have support anywhere else. Having one person [supporting me] made the difference.”</td>
</tr>
</tbody>
</table>

**B. CHALLENGES PROVIDING CASE MANAGEMENT SERVICES**

Despite progress, case management services are not yet fully implemented, and many eligible clients in Nebraska’s two urban areas had not yet signed Self-Sufficiency Contracts by the first quarter of 1999. Moreover, despite the high performance of some case managers, there is wide variation by case manager in the type, extent, and timeliness of services delivered to clients. For instance, although many clients described positive and beneficial experiences with their case managers, a nearly equal proportion described negative or inadequate experiences. Some clients had either little or no contact with case managers or felt that case managers treated them in a procedural or impersonal manner. Still others found case managers to be unresponsive or uninformative in helping them access services and opportunities that would help them
address challenges and meet goals. The variation in case manager performance, and hence in client experiences, is compounded by limits in the tools, guidance, and management support provided to case managers. So that all eligible clients can receive a consistent set of services in a timely manner, the processes for delivering case management services and the infrastructure to support them need further improvement. The critical challenges that Nebraska currently faces are summarized below.

1. **Many case managers are not able to complete all the work that is expected of them in a timely manner.**

   With welfare reform, caseload sizes in Nebraska were reduced from past levels. However, since these reductions were offset by increases in case manager responsibilities, the overall workload of case managers was not reduced. In addition to their responsibilities determining eligibility and authorizing benefits, case managers must orient their clients to the Employment First program; assess their needs, abilities, and interests; develop an individualized self-sufficiency plan; link clients to an appropriate mix and sequence of opportunities and services; and encourage and monitor their participation and progress. Many case managers are overwhelmed by their many and varied responsibilities. Typically, they manage their workloads by triage— that is, they acknowledge that they cannot do everything, so they prioritize and handle the most pressing needs first. Two key points highlight the difficulties case managers have had completing all their tasks in a timely manner:

   - **With the exception of Columbus, which has a very small EF caseload, the sites have not been able to complete Self-Sufficiency Contracts for many of their clients.** Lincoln and Omaha have had the greatest difficulty putting Self-Sufficiency Contracts into place for their EF clients. Relatively wide variation in worker performance and high staff turnover appear to be key factors exacerbating the difficulties of case managers in completing contracts in these two offices. Moreover, case managers in Lincoln carry somewhat higher average workloads relative to the other sites, and, until recently, there was no reporting method in place to track the status of cases and identify poor performance among workers. In addition, in Omaha, the discontinuation of services from one of three case management contractors
slowed the service delivery process. Among the contracted case managers, the vast majority of contracts were signed, as performance incentives appear to encourage prompt contract development.

When EF was implemented in Scottsbluff, all the NHHS workers carried a mix of EF and non-EF cases, as in Columbus. However, because so many cases were assigned to staff, case management services were somewhat neglected, which slowed the implementation of the contract development process. To remedy this situation, in summer 1998, Scottsbluff shifted to a more specialized service delivery model, in which EF case managers carry only EF-cases. Since then, the proportion of clients with signed contracts has steadily increased.

Numerous factors slow the contract development process. First, since case managers cannot complete all the work they are expected to do, many workers spend most of their time on eligibility-related tasks, which have the most immediate consequences for clients. Development of Self-Sufficiency Contracts does not have the same sense of urgency as many other tasks for which case managers are responsible. Second, as discussed below, case managers do not feel the N-FOCUS system provides them with the automated support they need to work efficiently. Third, client failure to participate in meetings with case managers is not uncommon and can also slow the process. Finally, since in practice, case managers start counting time limits once client contracts are signed, some case managers deliberately develop contracts in an incremental or delayed manner in order to maximize the time period over which clients can receive cash assistance.

- **Even with reduced caseloads, workers have very little time to provide individualized services to clients.** Managing virtually all aspects of at least 70 active EF cases and at least 10 transitional cases limits the time case managers can spend with each client to about one-half hour per week and two-and-a-quarter hours per month, on average. Though individual clients require different levels of case manager contact and support, the available time to complete the basic case management responsibilities for each client is still limited. Moreover, there is no systematic process in place to determine the relative complexity of individual cases included in a caseload. Hence, it is difficult to assess the extent to which case managers’ workloads across sites and within a given site are reasonable and equitable.

2. **There is wide variation in case manager ability to assess client needs and link clients with services and opportunities to meet those needs; hence, the type and extent of services delivered to clients with similar needs varies.**

Among case managers, knowledge of community resources and the problem-solving skills to assess client needs, develop individualized service plans, and act resourcefully in accessing appropriate community resources are important factors that may influence the type and extent of opportunities and services that
clients receive. Since case managers in general were not selected for their positions based on these types of knowledge and skills and since few served as case managers prior to the implementation of Employment First, many are not inherently well prepared for the job. This is particularly true in Lincoln and Omaha, where, when more workers were hired, the lower EF caseloads enticed some staff into the position (despite the expanded responsibilities), and priority in worker selection was given not to workers with the most skill and knowledge, but to workers with the most NHHS tenure.

Nevertheless, in all the sites, some case managers can be described as exceptional or high-performing. These case managers appear to be successful at attending to various eligibility tasks in a timely way, appropriately assessing clients’ interests and needs, signing contracts with the vast majority of their clients, coordinating opportunities and services in a creative and individualized way, and monitoring clients’ participation and progress efficiently. Given the very high workloads, it appears that only the most skilled and knowledgeable workers, and those with exceptional organizational skills, have been able to stay on top of their caseload in these ways.

Experience with integrated case management in other states suggests that, even when integrated case managers have caseloads under 100, as most in Nebraska do, issues of eligibility and benefit determination tend to dominate their time, and the employment focus inherent in the case management responsibilities can get lost (Brown 1997). This and other service delivery challenges may be particularly likely in situations where somewhat limited organizational supports are available for staff (Brock and Harknett 1998). The inherent differences in case manager skill and knowledge are magnified by several factors:

- **There is no management structure in place to monitor case manager performance and identify and remedy poor performance.** In contrast to the case management contractors’ performance standards and bonus incentive payments—which encourage higher overall performance and the timely delivery of services—NHHS case managers are not held accountable to performance standards and do not have tangible incentives for good
performance. However, the limits to N-FOCUS in generating information that is useful for
day-to-day performance management has made it difficult for administrators and supervisors
to monitor staff performance in a systematic manner. In addition, there is no easy way to
assess the relative workload size of different case managers based on the characteristics of
clients in their caseload.

- **There is limited ongoing training and technical assistance for case managers.** Many
  staff at all levels mentioned that case managers would benefit from additional and regular
  training on ADC/TANF policies and procedures, as well as guidance on how to interpret
  policies and procedures. In the absence of such ongoing training and guidance, case managers
  often rely on trial and error to learn how to apply policy changes. In addition, staff recognize
  that as EF caseloads decline, case managers would benefit from additional training, assistance,
  and tools to identify, approach, and work with clients with specialized needs and barriers,
  such as substance abuse and mental health issues, domestic violence, learning disabilities, and
  criminal records.

- **Insufficient supervisory guidance and mentoring is given to some case managers.**
  Some supervisors, especially in the rural sites, have played effective roles in supporting and
  mentoring staff in their new responsibilities—that is, offering forums for reviewing ADC/TANF
  policies and procedures, discussing strategies for addressing the challenges of individual
  clients, and otherwise helping to ensure that EF services are delivered as intended. However,
  others provide very little direct assistance to the workers they supervise. In one of the offices,
  one supervisor met with her workers individually every month, while in other cases interactions
  were much less frequent.

3. **There are limited tools and guidelines to standardize case management processes and
   compensate for differences in case managers’ abilities.**

   Although the case management processes of assessing client needs and coordinating services are to
   some extent structured, two key limitations in the tools and guidelines given to case managers exacerbate
   existing differences in their abilities:

   - **The NHHS assessment tool, although structured and detailed, is limited in its ability
to help case managers explore vocational options with clients who do not have a
specific career or employment goal and identify chronic challenges and needs.** The
NHHS assessment tool is useful in allowing case managers to get to know clients, establish
rapport, and identify immediate service needs. However, it does not help clients consider the
different types of jobs that would be compatible with their interests and abilities or make
appropriate work-related activity choices. Hence, many clients need additional support to
identify career paths that would match their interests and abilities. Second, as in many states,
the assessment tool is not effective in screening for chronic needs such as domestic violence, learning disabilities, substance abuse, and mental health.

Case managers rely little on other service providers, such as JTPA, community colleges, and specialized service providers, for further assessment of clients’ vocational interests and supportive service needs. However, in one site--Scottsbluff--case managers have begun to work closely with the employment prep contractor to conduct in-depth vocational assessments of clients. In addition, in Lincoln, a contractor conducts a more comprehensive assessment of individual needs and barriers for some clients, mostly those deemed hard-to-employ.

- **The process of identifying and accessing resources in the community outside the employment prep contractors is generally left up to individual workers.** The local NHHS offices have developed strong working relationships and effective referral and monitoring processes with their employment prep contractors. However, in most of the sites, there is no systematic process for initiating contact and developing relationships with other agencies in the community. As a result, more-skilled workers are apt to identify needs and search for supportive agencies in the community, while less-skilled workers are less likely to do so.

4. **Case managers feel that the N-FOCUS system does not provide them with the automated support they need to work efficiently and to manage their caseloads.**

   Given case managers’ multiple responsibilities, automated systems support is critical to help them perform their jobs efficiently and complete their work in a timely way. However, case managers feel that the N-FOCUS system has generally not provided them with as much support as they need. In addition, the initial conversion of client cases to the N-FOCUS system slowed the delivery of case management services to clients in some sites, since it consumed a substantial portion of case managers’ time during a period when they were initiating services with many clients.

   Overall, staff have generally found N-FOCUS to be slow, difficult to understand, and, at times, unreliable. Even with recent upgrades to faster computers, many case managers still spend a great amount of time--that is, three-fifths or more of it--working on N-FOCUS, usually processing changes related to program eligibility. This leaves them with little time to meet with clients, address client needs, and fully
implement case management services. In addition, the N-FOCUS system does not provide management reports that easily or consistently allow administrators and supervisors to monitor case manager performance and obtain basic caseload data. Exacerbating this limitation, basic data on client participation in the program have not always been available through N-FOCUS, partly because case managers have not always consistently entered participation data into the system. Recent efforts to improve the extent to which case managers enter participation data (and do so correctly) represent an important step in beginning to address the limitations in N-FOCUS’s reporting capabilities.

C. OPPORTUNITIES FOR IMPROVING THE IMPLEMENTATION OF CASE MANAGEMENT SERVICES

Despite the myriad short-term accomplishments and the high performance of some case managers, high workloads limit their ability to complete their work in a timely way, and variation in case manager skills and knowledge leads to inconsistency in the services delivered to clients. To provide case management services to all clients, as intended by the Employment First assessment-choice model, NHHS Central and local office administrators must strive to improve the supports available to case managers. They may wish to explore the possibility of implementing one or more of the opportunities for improvement described below.

1. Identify strategies to help case managers achieve more manageable workloads.

Finding new and innovative ways to improve the ability of case managers to manage their workloads will help to ensure that they provide services to all their clients in a timely way. Several opportunities for improving case manager workloads without expanding the number of case managers include:

- **Explore options for delivering some case management services in group settings.**
  First, a well-designed and implemented group orientation, assessment, and contract development process would increase consistency and timeliness in the development of
contracts and expose all clients to the same services and opportunities. This type of group process might be designed to span a four- or five-day period and include an individualized review of each client’s strengths, interests, needs, and goals. Moreover, opportunities for individual interactions between clients and staff would be incorporated into this process, so that personal challenges could be identified and addressed. Second, a mandatory peer group monitoring meeting each month for clients who are required to participate in employment-related activities would not only facilitate peer support and sharing of experiences, but would also provide an efficient and consistent way for case managers to monitor clients’ progress and review and revise employment and service plans, as necessary.

These group processes may be particularly relevant for local offices with moderate to large caseloads. Moreover, they could be conducted through a joint arrangement involving staff from NHHS and partner organizations, such as JTPA, which has expertise in client assessment, and the employment prep contractors, who are experienced in client monitoring.

• **Explore opportunities where caseload specialization might be beneficial.** Integrated case management promotes continuity in service delivery and helps to reduce service gaps and duplication. Nevertheless, specializing certain case manager functions within the integrated case management framework, as the Lincoln office has suggested, may go a long way toward reducing case manager workload and improving consistency in service delivery.

  First, implementing a group assessment process, as described above, would require that a small number of case managers specialize in orientation, assessment, and contract development. Under this scenario, other case managers could coordinate services for clients, perform monitoring, and provide ongoing support. Second, NHHS might consider specializing functions related to child care eligibility. As more clients transition to work and work-related activities, the use of child care services has grown dramatically, which has in turn increased the amount of time case managers must spend addressing clients’ child care needs. Third, NHHS might consider shifting more of the data entry responsibilities from case managers to case aides.

• **Make additional use of contractors and other community partners.** Contractors and community partners could play a role in helping to achieve some of the strategies outlined above. For example, contractors or community partners might work with NHHS staff in implementing a group orientation and assessment process and a monthly peer group monitoring process. NHHS might explore other appropriate ways to draw on the resources their contractors and community partners offer.

• **Implement strategies to reduce case manager turnover, especially in the Lincoln and Omaha offices.** From one-fifth to one-third of NHHS case managers in the four sites turned over in the past year, with particularly high turnover rates in Lincoln and Omaha. The transition to the N-FOCUS system, the reorganized NHHS structure, and the adjustment to new responsibilities all created additional stress for staff, which possibly contributed to greater turnover than in earlier years. When staff leave, their caseload must be covered by other
workers until a new worker is hired. Even then, supervisors estimate that it takes as long as two years for a new worker to be able to handle a full caseload. If EF implementation issues are addressed and a more supportive work environment created, the stress on staff and, in turn, staff turnover may decrease. In addition, administrators should carefully consider other methods to improve worker morale and provide positive reinforcement to staff.

2. **Improve case managers’ ability to perform their jobs and provide more consistent services to clients.**

   Many states have given welfare workers new responsibilities without adequately expanding their capacity to perform them and achieve the “cultural transformation” required (Bane and Ellwood 1994). As a result, agencies must pay careful attention to the types of ongoing training, mentoring, and guidance they give their case managers. In addition to the strategies outlined above, NHHS may wish to explore the possibility of implementing one or more opportunities to improve case managers’ ability to provide a consistent set of services to clients with similar needs:

   - **Improve the process of hiring case managers and their supervisors.** When forming new case management units or selecting new case managers to fill vacant positions, NHHS should take care to identify individuals with strong organizational, problem-solving, and interpersonal skills, as well as strong knowledge of ADC/TANF policies and procedures, community resources, and social services delivery practices. Supervisors should possess much of this same skill and knowledge, in addition to the leadership ability to guide and mentor other staff. Administrators might also consider offering incentives or otherwise encouraging current case managers who are not well-suited for the position to change positions laterally within the agency.

   - **Provide ongoing “applied” training to case managers.** Ongoing training and discussion forums are important to help staff maintain and develop skills. Case managers generally felt they would benefit from regular reviews of ADC/TANF policies and procedures. Moreover, many felt that training that was “applied”--training that used real cases to teach how to interpret and apply EF policies and procedures consistently, improve service delivery methods, and determine how best to address the needs of individual clients--would be particularly helpful. Staff generally felt that this latter type of training could be useful only after workers had served as a case manager for a period of time and were generally comfortable with EF policies. Such training and discussion could be accomplished through regular staff mentoring meetings, as is done already in some sites.
- **Develop a detailed community inventory of available supportive services and short-term education and training opportunities and begin to develop standard procedures for accessing the services in most demand.** Since some case managers are more knowledgeable than others about community resources, development of a guide to local resources could potentially reduce the variation in the use and knowledge of community services. Such an inventory would help to ensure consistency in service delivery by presenting clients with similar choices. The development of such an inventory could be contracted out to one of the employment prep contractors or JTPA.

- **Improve linkages with community partners.** NHHS and its case managers collaborate with a broad range of community organizations. However, to enhance case managers’ ability to make appropriate referrals for clients, administrators should continue to strengthen community partnerships and address ongoing service coordination challenges with particular partners, such as JTPA. (Service coordination challenges with JTPA are further discussed in Chapter IV.) Improving linkages may involve using strategies such as encouraging periodic co-location of staff and appointing frontline staff from partner organizations to serve as contacts for NHHS staff.

3. **Continue to improve the efficiency and reporting capabilities of the N-FOCUS system.**

   Working on the N-FOCUS system requires a substantial portion of case managers’ time. Moreover, the system does not provide management reporting capabilities that allow administrators and supervisors to monitor case manager performance and ensure that contracts are signed in a timely way. To provide case managers with improved automated support to work efficiently and to provide administrators with the tools they need to assess program implementation, NHHS might consider several key opportunities for improving the N-FOCUS system:

- **Modify the N-FOCUS system to allow case managers to enter data in fewer steps.** The large number of steps required in the process of determining eligibility and inputting changes to a case record increases the time it takes for case managers to perform eligibility tasks. If the time to perform eligibility tasks is reduced, case managers will have more time to spend providing services directly to clients.
- **As needed, continue to upgrade the computer hardware that supports N-FOCUS.** Recent upgrades to more efficient computers have improved the efficiency of N-FOCUS. Still, staff reported that the N-FOCUS system was often inaccessible because of difficulties with the servers that support the system. Continuing to make appropriate upgrades in the computer hardware that supports the system will be important.

- **Expand the reporting capacity of N-FOCUS to help administrators and staff track and monitor their caseloads.** Currently, N-FOCUS reporting capabilities do not allow administrators and staff to track the status of EF clients. Workers would probably be more likely to complete Self-Sufficiency Contracts in a timely manner if they had a simple way to identify those cases that do not have contracts in place. Workers currently have no efficient system for identifying which cases do not have a contract in place or are nearing the time limit.

- **In the short run, continue efforts to develop and maintain separate caseload-tracking systems.** In the short run, to compensate for inadequate N-FOCUS reporting capabilities, supervisors in some of the sites have begun to develop and use simple spreadsheet reporting systems (which are not linked to the N-FOCUS system) to track and monitor basic caseload data. The NHHS Central Office should support these efforts.

4. **Provide case managers with regular feedback on their performance.**

   Although most case management staff are committed to doing their jobs well, there is little formal oversight of staff and a lack of performance standards to which staff are held accountable. Hence, many case managers are not reaching their potential for providing timely services to all their clients in the manner intended by the Employment First model. Improving the N-FOCUS system and using caseload-tracking systems, as discussed above, will provide administrators and supervisors with critical information for assessing staff performance. In addition, several key opportunities to improve the ongoing performance of case managers and their supervisors include:

   - **Conduct annual reviews of staff performance.** Many NHHS workers have not had a performance review in several years. NHHS should build on recent efforts to revise job descriptions and develop staff performance standards by making regular reviews of staff performance a priority.
• **Use a quality assurance review process to focus on continuous improvement of case manager performance.** NHHS administrators might require supervisors to review a random sample of case records regularly to ensure that case managers are completing their responsibilities in a consistent and accurate manner. In cases where they are not, supervisors can then provide appropriate training and mentoring.

• **Monitor the timely delivery of services.** Using the caseload-tracking system described above, supervisors might monitor individual case manager progress and performance on a weekly basis.

Implementing integrated case management services in a welfare-to-work context is a new and complicated task. It requires not only that frontline welfare staff reinvent themselves as they assume new and more challenging roles, but also that administrators develop creative strategies to adapt and support service delivery processes. While Nebraska has made substantial progress in achieving this goal, challenges remain. To address ongoing challenges in providing case management services, the recommendations made here are intended to help administrators and staff consider ways in which they can build upon their accomplishments to improve the implementation of Employment First further.
IV. PREPARING CLIENTS FOR WORK AND SELF-SUFFICIENCY

To meet the work participation requirements of the Employment First program, clients are responsible for preparing for work, improving their work-related skills, and addressing any personal or family challenges that impede their pathway out of welfare dependency and toward work and self-sufficiency. To help clients achieve these goals within Nebraska’s two-year time limit, the Employment First program offers clients an individualized mix of employment preparation opportunities and supportive services. In terms of employment preparation opportunities, which are the focus of this chapter, job search assistance and rapid job placement are likely to be appropriate employment-related activities for many clients. However, some clients may benefit from work experience, education, and training opportunities. Although the sites have successfully implemented group job search assistance programs, overall they have not been able to exercise fully the flexibility that the assessment-choice Employment First model gives them to engage recipients in a variety of employment preparation activities.

In this chapter, we highlight Nebraska’s key accomplishments in connecting clients with different employment preparation opportunities, review the most important implementation challenges that local offices are facing, and suggest opportunities and specific strategies that Nebraska might consider for addressing these challenges and improving their program. Table IV.1 highlights the key accomplishments, challenges, and opportunities for connecting individual clients in Nebraska with appropriate employment preparation opportunities.
**TABLE IV.1**

**PREPARING CLIENTS FOR WORK AND SELF-SUFFICIENCY**

<table>
<thead>
<tr>
<th>Key Accomplishments</th>
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<tbody>
<tr>
<td>• Through performance-based contracts, the sites have developed sufficient capacity to provide structured job search assistance to all clients who are required to find employment.</td>
</tr>
<tr>
<td>• Case managers support clients’ efforts to pursue short-term education and training opportunities.</td>
</tr>
<tr>
<td>• The local sites have developed job readiness programs to help recipients who face barriers to employment reduce or eliminate those barriers.</td>
</tr>
<tr>
<td>• The sites have taken early steps to address employment retention and, in some cases, job advancement.</td>
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<tr>
<th>Important Challenges</th>
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<tbody>
<tr>
<td>• The emphasis on client participation in activities other than job readiness training and job search assistance—such as work experience, education, and training—varies by case manager.</td>
</tr>
<tr>
<td>• The sites have not maximized their use of other employment and training opportunities in the community, including those available through the Welfare-to-Work (WtW) Initiative, which is operated by the Job Training Partnership Act (JTPA) program.</td>
</tr>
<tr>
<td>• The two-year time limit restricts the education and training opportunities in which clients can participate.</td>
</tr>
<tr>
<td>• Relatively few employment preparation opportunities exist for hard-to-employ clients.</td>
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<table>
<thead>
<tr>
<th>Opportunities for Improvement</th>
</tr>
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<tbody>
<tr>
<td>• Use the flexibility the Employment First model provides to improve access to postsecondary education, vocational training, and workplace training opportunities for clients who may benefit from them.</td>
</tr>
<tr>
<td>- Develop criteria to identify clients who might benefit from education and training.</td>
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<tr>
<td>- Provide contractors with incentives related to education and training.</td>
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<tr>
<td>- Inventory short-term opportunities that can be completed in 18 months or less.</td>
</tr>
<tr>
<td>- Develop guidelines on how to access education and training opportunities for clients.</td>
</tr>
<tr>
<td>- Develop strategies for clients interested in longer-term education and training programs.</td>
</tr>
<tr>
<td>• Expand the menu of employment preparation opportunities for hard-to-employ clients.</td>
</tr>
<tr>
<td>- Expand the availability and use of structured job readiness training.</td>
</tr>
<tr>
<td>- Expand access to work experience opportunities.</td>
</tr>
<tr>
<td>- Explore offering different types of supported work opportunities.</td>
</tr>
<tr>
<td>• Strengthen the partnership between NHHS and JTPA and increase referrals to JTPA, especially those related to the WtW Initiative.</td>
</tr>
<tr>
<td>- Develop guidelines that managers can follow when coordinating services with JTPA.</td>
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<tr>
<td>- Encourage co-location and appoint a frontline JTPA contact person for NHHS referrals.</td>
</tr>
<tr>
<td>- Develop a better-coordinated assessment process.</td>
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</table>
A. ACCOMPLISHMENTS PREPARING CLIENTS FOR WORK AND SELF-SUFFICIENCY

As more welfare clients are required to participate in work or work-related activities, Nebraska has expanded its menu of opportunities to include diverse activities such as job readiness training; various educational, vocational, and workplace training opportunities; and individualized job search training and assistance. Case managers strive to target these different opportunities to clients for whom each type is most appropriate. Although numerous challenges must be addressed in connecting individual clients to appropriate activities, Nebraska has made significant strides in offering and implementing a broad set of activities that will help clients prepare for work and self-sufficiency within the two-year time limit. Key accomplishments are discussed below.

1. Through performance-based contracts, the sites have developed sufficient capacity to provide structured job search assistance to all clients who are required to find employment.

Local NHHS offices rely largely on contractors for the delivery of job search training and assistance. The contractors have enough capacity to allow all clients who are required to find employment to access services in a timely way. There are no waiting lists for job search training, and NHHS and the employment prep contractors share a well-established referral mechanism. In addition, job search training is implemented in a structured and standardized manner across the four sites. This training is generally viewed as quite useful by both case managers and clients, and the job search trainers play an important role in supporting and encouraging clients as they prepare for work.

The employment prep contractors are paid based on services delivered, with performance incentive payments for timely and responsive service delivery. For clients referred to these contractors, incentive payments encourage them to place clients in job search activities and help them to find jobs quickly. They also encourage contractors to place clients in well-matched jobs that will help them to stay off welfare for
at least three months. The payment incentives have been an important step in building the contractors’ capacity to provide services to clients in a structured, consistent, and timely way.

2. Case managers support clients’ efforts to pursue short-term education and training opportunities.

NHHS administrators, supervisors, and case managers are supportive of clients’ pursuit of short-term education and training opportunities. That is, if a client wishes to pursue education and training, so long as it can be completed and a job secured within 24 months, then case managers work with clients to access these opportunities as part of their Self-Sufficiency Contract. In general, clients who are most sure of their vocational interests and goals and who have taken initial steps on their own to explore education and training opportunities are also those most likely to access these opportunities through Employment First.

3. The local sites have developed job readiness programs to help clients who face barriers to employment reduce or eliminate those barriers.

In all the sites, the contractors offer job readiness and life skills training to help clients develop various personal skills and overcome challenges as they prepare for the workplace. Training is provided in a structured manner in all the sites; however, the sequence of job readiness in relationship to job search training varies by site. In Omaha, job readiness training for clients precedes job search assistance; in Scottsbluff and Columbus, job readiness training is integrated with job search; and in Lincoln, job readiness services are available prior to participation in job search and other employment preparation activities for clients who face readily identifiable barriers to employment and, for clients with more hidden barriers who

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1Examples of key topics offered during the training include health and wellness, appearance and demeanor, interpersonal skills, emotion management, time management, parenting, self-esteem, problem solving and decision making, resource management, and job attitude and work ethic.
do not find employment after an initial two-week job search, job readiness services follow job search assistance.

The longest and most intensive job readiness workshop is offered in Omaha by Goodwill Industries. It is a four-week group workshop that requires about five hours of client participation for each of five days during a given week. Feedback from both clients and case managers suggests that it is beneficial to clients and that more clients could potentially benefit from it. Feedback is also positive in the other sites, which offer somewhat more-individualized job readiness assistance, but over a shorter and less-intensive period. In both Scottsbluff and Columbus, Curtis and Associates integrates job readiness lessons into the job search assistance workshop; in Lincoln, Curtis and Associates offers a more structured approach to job readiness for clients who fail to find employment and face “hidden” barriers to employment. Also in Lincoln, the Lincoln Action Program, a contractor that offers supportive services to hard-to-employ clients, offers an individualized approach to job readiness that focuses on removing personal and family barriers to employment.

4. **The sites have taken early steps to address employment retention and, in some cases, job advancement.**

Welfare recipients often find it relatively easy to find jobs but far more difficult to keep them. To address clients’ employment retention needs, to some extent the contractors in all the sites offer individualized employment retention counseling and support after clients start working; in addition, Columbus and Scottsbluff both offer group workshops. Individualized employment retention support typically involves ongoing telephone contact with clients (most intensive during the first month after employment begins), ongoing mail contact for at least six months or longer, and ongoing assistance and supportive services as needed. Case managers, to some extent, may also provide this type of employment
retention support. In addition, to some extent, all the contractors build lessons related to employment retention into their job readiness and job search workshops. In addition, in Columbus and Scottsbluff, clients may volunteer to participate in self-paced employment retention workshops. Columbus also recently developed and began offering a 13-week group workshop that is designed to promote both employment retention and job advancement.

The contractors’ performance incentives also support short-term employment retention. That is, an incentive is paid to the contractors after a client remains off cash assistance for three consecutive months. In addition, slightly higher incentive payments are offered in some sites for placing clients in higher-paying jobs or in jobs with benefits.

B. CHALLENGES PREPARING CLIENTS FOR WORK AND SELF-SUFFICIENCY

A broad range of employment prep opportunities are available to clients in Nebraska. Moreover, the opportunities that are most used--job readiness training and job search assistance--have been well implemented. Although it is generally expected that job search assistance would be used by most Employment First clients, it seems that many case managers have not maximized the flexibility that the program gives them to engage clients in education, vocational training, and workplace training opportunities that may be suitable for some clients. That is, some case managers have not been able to identify clients who might benefit from education and training, or they have been otherwise unable to navigate the service delivery system to connect clients with these opportunities. The key challenges that Nebraska faces as it helps to connect individual clients with appropriate employment preparation opportunities are summarized below.
1. The emphasis on client participation in activities other than job readiness training and job search assistance—such as work experience, education, and training—varies by case manager.

As part of the client assessment process, case managers have a great deal of latitude in helping clients make appropriate employment-related activity choices and in determining which types of activities are most appropriate for which clients. Given this, case managers with strong client assessment skills are also those most likely to help clients make appropriate employment-related activity choices. Hence, these case managers are also likely to place their clients in a broad range of activities, including work experience, postsecondary education, and vocational training programs. In addition, case managers with a solid knowledge of available employment-related opportunities and the ability to navigate the process of accessing these opportunities also appear to be the most likely to place clients in a broad range of activities. The effect of inherent differences in skill and knowledge of case managers on their ability to place clients in appropriate employment-related activities is exacerbated by key limitations in the NHHS assessment tool and in the guidelines given to case managers on the different types of education and training programs offered in the community. These two limitations were described in more detail in the previous chapter.

There also appears to be greater variation in the urban sites, particularly Omaha, in terms of the emphasis individual case managers give to work experience, education, and training opportunities for their clients. The higher variation in the urban sites most likely reflects greater variation in case manager skill and knowledge and is also likely influenced by several factors, including (1) a weaker relationship between NHHS and the JTPA program in the urban sites, discussed in more detail below; (2) bonus incentive payments for the case management contractors in Omaha, which favor job search assistance and rapid job placement of clients; and (3) a somewhat higher prevalence of entry-level jobs that match the skills and experience of welfare recipients.
2. The sites have not maximized their use of other employment and training opportunities in the community, particularly those available through the Welfare-to-Work Initiative, which is operated by the Job Training Partnership Act program.

Case managers who lack either a solid knowledge of education and training opportunities in the community or well-developed relationships with providers such as JTPA, local community colleges, and other vocational training providers are less likely to access opportunities through these providers. Instead, these case managers tend to rely on well-established relationships with the employment prep contractors when they make referrals for clients. Since these contractors specialize in job readiness training and job search assistance, these activities have become common choices for clients, even when other types of activities may be more appropriate for individual clients. Since NHHS and JTPA share a mission to work with hard-to-employ welfare clients through the WtW Initiative, we focus on their relationship here.

Overall, referrals to JTPA for work experience, on-the-job training, and WtW services are lower than expected, particularly in the urban sites. Consistent with national trends, the JTPA providers in Nebraska are only at an early stage of working with NHHS to recruit eligible welfare clients for WtW services. However, due partly to the charge in Nebraska’s state Welfare-to-Work plan for coordinated service delivery between NHHS and JTPA, the two agencies have a mutual interest in developing a strong partnership. To this end, they have taken important steps (for example, by engaging in ongoing service

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2 However, in Scottsbluff, NHHS staff have made greater use of JTPA and its WtW services, referring up to one-fifth of their caseload to JTPA. Scottsbluff also works in partnership with JTPA as part of its community-based Employment First Task Force.

3 Research findings from the National Evaluation of the Welfare-to-Work Grants Program show that most WtW grantees nationwide are still at an early stage of program implementation and had not yet recruited clients at the anticipated pace by early 1999 (Perez-Johnson and Hershey 1999).

4 Nebraska’s state WtW plan charges that the three JTPA Private Industry Councils work with their local and/or regional NHHS offices in (1) developing a coordinated plan for recruiting eligible welfare clients to JTPA’s WtW program, (2) providing case management services to clients, and (3) preventing the duplication of services.
cooperation planning and holding periodic cross-agency trainings). Still, coordination with JTPA for the various services it offers—including those related to work experience, on-the-job training, and WtW—is often difficult and time-consuming for NHHS case managers. Although the WtW eligibility criteria are relatively narrow, which limits some of the referrals from NHHS to JTPA, many other factors help to explain the low level of referrals to JTPA as well as the ongoing service coordination challenges that exist between the two agencies. These factors include:

- Confusion among both NHHS and JTPA frontline staff about expectations, roles, and responsibilities can make coordination difficult and time-consuming.
- Overlapping responsibilities can lead to duplication in services and difficulties reconciling “turf issues.”
- Misunderstanding among many staff over “who pays for what” can leave available JTPA funds unaccessed.
- EF sanctions and the two-year time limit are not wholly compatible with JTPA’s guidelines and its longer-term view of providing services to welfare clients.
- Limited guidelines are provided to NHHS case managers about how to access the different JTPA and WtW program options, which have different eligibility criteria.

3. The two-year time limit restricts the education and training opportunities in which clients can participate.

Case managers are instructed to encourage clients who participate in postsecondary education and training to begin job search during the last few months of their program. Given the two-year time limit, generally only those programs that can be completed in less than two years are included in clients’ contracts. Hence, the two-year time limit restricts the extent to which clients can access two-year and four-year education programs to fulfill the terms of their contracts. Instead, for clients for whom education and training is an appropriate activity, many case managers focus on vocational certificate programs that require
18 months or less of instruction to complete. Although some clients may participate in education and training opportunities at the college level, if these activities cannot be completed in less than two years, they are not likely to be reflected in a client’s contract. Instead, these clients would often be encouraged to look for a job, and job search assistance would be documented as their primary employment preparation activity.

4. Relatively few employment preparation opportunities exist for hard-to-employ clients.

Other than job readiness training, GED preparation, and referrals to adult basic education programs for remedial education, relatively few employment-related activities are readily available to meet the needs of clients deemed hard-to-employ, including clients who have limited education and work experience or who suffer from one or more barriers to employment, such as learning disabilities, domestic violence, substance abuse, and mental health issues. Although work experience and other supports are available through JTPA and its Welfare-to-Work Initiative, it appears that few clients have yet been able to take advantage of these opportunities. As the welfare rolls fall, more clients who remain on welfare are those considered hard to employ. Many of these clients could potentially benefit from the work experience and WtW opportunities through JTPA, as well as from different types of supported work opportunities, which have not yet been fully explored in Nebraska. In addition to their employment-related needs, these clients also have specialized supportive service needs, which will be discussed separately in the next chapter.

C. OPPORTUNITIES FOR IMPROVEMENT

Despite Nebraska’s short-term accomplishments in implementing well-structured job readiness training and job search assistance and in addressing clients’ employment retention needs, many case managers have not been able to exercise fully the flexibility that the assessment-choice Employment First model gives them.
to engage clients in a variety of employment preparation activities, including work experience, postsecondary education, and vocational training. To maximize the use of these types of opportunities for clients who can benefit most from them, NHHS administrators might consider enhancing the role of the employment prep contractors, improving relationships with partner organizations, providing further guidance and instruction to case managers, and offering additional employment-related support to hard-to-employ clients. To achieve these goals, NHHS may wish to explore the possibility of implementing one or more of the recommended opportunities for improvement described below.

1. **Use the flexibility the Employment First model provides to improve access to postsecondary education, vocational training, and workplace training opportunities for clients who may benefit from them.**

   If NHHS develops more systematic methods for case managers to use, not only to identify clients who may benefit from education, vocational training, and workplace training opportunities, but also to link these clients with suitable opportunities in the community, then they will be better positioned to use the flexibility Employment First gives them to engage clients in education and training. Therefore, we recommend that NHHS consider exploring one or more of the following opportunities:

   - **Develop criteria that workers can use to identify clients for whom participation in education and training might be the most appropriate route to self-sufficiency.** The development of a profile of clients who are most likely to benefit from participation in education and training programs may be a simple way to help workers identify those clients who should either be targeted for more in-depth vocational assessment or encouraged to seek out education and training opportunities. For example, NHHS may want to explore the “Think First” strategy proposed by Educational Testing Service (Carnevale and Desrochers 1999).

   - **Provide contractors with incentives related to education and training.** To encourage case managers and employment prep contractors to work together to place individual clients in appropriate employment preparation opportunities, including work experience, education, and vocational training, NHHS administrators might offer incentives for placing a minimum number or percentage of clients into these opportunities.
• **Inventory opportunities that can be completed in 18 months or less.** Local NHHS offices could increase efforts to identify and inventory education and training opportunities that clients could complete in less than two years and that could then lead to good jobs in the community. Such an inventory would help case managers to identify and access appropriate opportunities for individual clients more efficiently. To develop this type of inventory, NHHS might work collaboratively with employers and other providers—including the employment prep contractors, JTPA, and community colleges.

• **Develop guidelines for case managers on how to access education and training opportunities for clients.** Accessing funds and completing other administrative steps to allow clients to participate in education and training programs can be difficult and time-consuming for many case managers. To make this process less burdensome and to help more clients access education and training opportunities, local NHHS staff might consider developing recommended steps for case managers to follow. Guidelines should be easy to understand and should be designed to help case managers in their decision-making processes.

• **Develop strategies for clients interested in participating in longer-term education and training programs to combine these activities with employment once they reach the time limit.** To help support two- and four-year college programs for interested clients who are well suited for them, NHHS might consider allowing clients to combine school with employment when they are nearing their time limit. That is, clients might go to school for 18 months, then be required to search for a job and begin combining work and school after that. It may be particularly useful for NHHS to identify educational opportunities that not only allow clients to earn a degree or certificate in less than two years, but also contribute to course requirements for more advanced degrees or certificates. In this way, clients could earn a certificate but still build on their education and training over time, if they so choose, after their two-year time limit ends.

2. **Expand the menu of employment preparation opportunities for hard-to-employ clients.**

   As more of the clients who remain on welfare are those deemed hard to employ, to help these clients develop the personal and work-related skills needed for employment and self-sufficiency, NHHS might focus additional attention on ensuring that these clients are provided with suitable opportunities. Several recommended strategies for consideration include:

   • **Expand the availability and use of structured job readiness training.** Clients and case managers alike suggested that job readiness and life skills training, particularly the structured and intensive job readiness workshop offered in Omaha, was useful and appropriate for many clients. Many suggested that more clients would benefit from this type of training before they engage in job search and other employment preparation activities.
• **Expand access to work experience opportunities.** Work experience opportunities are one way to give less-educated and less-skilled clients experience that will help them to build confidence and self-esteem, develop good work habits, and adjust to the demands and structure of the workplace. Work experience opportunities are generally accessed through JTPA. NHHS could potentially benefit by working more closely with JTPA to increase referrals for these opportunities, including unpaid work experience positions and opportunities related to the Welfare-to-Work Initiative.

• **Explore offering different types of supported work opportunities.** To assist more of the hard-to-employ clients, NHHS might explore the possibility of adding additional activities to its menu of employment preparation opportunities. For instance, some clients might benefit from supported work opportunities that include the active use of on-the-job coaching and workplace accommodations for clients with special needs.

3. **Strengthen the partnership between NHHS and JTPA and increase referrals to JTPA, especially those related to the Welfare-to-Work Initiative.**

   Given their shared mission to work with hard-to-employ welfare clients, JTPA is a natural and important partner for NHHS. It may be to NHHS’s advantage to find ways to tap into JTPA’s resources more effectively and develop a better-coordinated service delivery process across the two agencies. However, cross-agency coordination presents ongoing challenges. Nebraska might consider the following strategies to improve its relationship with JTPA and increase the number of referrals to JTPA:

• **Clarify responsibilities and expectations across agencies and develop clear, straightforward guidelines that NHHS case managers can follow when coordinating services with JTPA.** Continued leadership from both NHHS and NDOL administrators is needed to clarify expectations and responsibilities (including those related to funding), and reconcile challenges related to cross-agency coordination. Moreover, since many different program options, all with different eligibility criteria, are available through JTPA, NHHS should consider developing easy-to-understand guidelines for NHHS case managers to follow when accessing program opportunities through JTPA. This will help ensure that more EF clients can benefit from the many opportunities and services available through JTPA, particularly those available through the WtW Initiative.
• **Encourage co-location and appoint a frontline JTPA representative.** To encourage referrals to JTPA and make the referral process easier for NHHS staff to manage, administrators might include provisions in the JTPA contract to (1) appoint a frontline JTPA staff person to act as the primary contact for NHHS referrals, and (2) arrange for a JTPA representative to work on-site in the NHHS office (for example, one day each week).

• **Develop a better-coordinated assessment process.** To tap into JTPA’s assessment experience and help more clients access education and training opportunities in a timely manner, NHHS might work with JTPA to develop a coordinated and common assessment and Self-Sufficiency Contract development process. This could be included as part of JTPA’s contract with NHHS.

Supporting welfare clients’ transition from welfare to work is largely dependent on coordinating services with other organizations in the community. The extent of service coordination required by welfare reform breaks new ground for welfare administrators and staff. Nebraska has made substantial progress in offering numerous well-implemented employment preparation opportunities to clients. Still, to address the ongoing challenges it faces in connecting clients with education and training opportunities, the recommendations made here are intended to help administrators and staff as they continue to improve their program.
V. PROVIDING SUPPORTIVE AND TRANSITIONAL SERVICES

To support families in their transition to employment and self-sufficiency, policymakers in Nebraska expanded child care and Medicaid eligibility to cover a greater number of low-income households and provided case managers with a pool of funds to cover the costs of a broad range of employment-related expenses, such as car repairs, bus fare, and work clothing, on an as-needed basis. Even with a strong economy and numerous job opportunities, many welfare clients who transition to employment obtain low-paying jobs without benefits. Hence, after low-income families leave the welfare rolls, supportive services are often critical in helping them maintain employment and progress toward self-sufficiency.

The sites appear to provide basic work supports (medical insurance and financial assistance to cover the costs of child care and transportation) to clients in a consistent way as they prepare for work and move into the paid labor market. However, less progress has been made in addressing systemic issues such as the lack of transportation in rural areas and limited child care options for those who have infants or who work nonstandard hours, as well as chronic personal challenges, such as domestic violence, learning disabilities, alcohol and drug use, and mental health issues. In this chapter, we highlight Nebraska’s key accomplishments in providing Employment First clients with the supportive services they need to make the transition to employment. We also review the most important implementation challenges that local offices are facing and suggest opportunities and specific strategies that Nebraska might consider for addressing these challenges and improving its program. Table V.1 provides a summary of our key points.
### TABLE V.1

**PROVIDING SUPPORTIVE AND TRANSITIONAL SERVICES**

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<thead>
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<th>Key Accomplishments</th>
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<tr>
<td>Case managers appear to be relatively consistent in helping clients who are preparing for work access the child care, transportation, medical assistance, and supportive service payments for which they are eligible.</td>
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<tr>
<td>Case managers routinely continue child care assistance and Medicaid for families who leave the ADC/TANF program because of increased earnings; food stamps are also routinely continued as long as clients continue to meet the eligibility requirements.</td>
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<tr>
<td>Nebraska has made an explicit effort to expand the availability and improve the quality of child care.</td>
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<th>Important Challenges</th>
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<td>As in many states, child care options are limited for clients who work nonstandard hours or have infants.</td>
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<td>Limited transportation options, particularly in rural areas, restrict clients’ employment opportunities.</td>
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<td>When case management services are contracted out and not linked to the eligibility function, as in Omaha, coordinating the delivery of supportive services can be difficult.</td>
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<tr>
<td>As in many states, few case managers in Nebraska are well equipped to identify and address the service needs of clients who face chronic personal and family challenges, such as domestic violence, learning disabilities, alcohol and drug use, and mental health issues.</td>
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<tr>
<td>Although informed about transitional benefits, clients do not always understand that some of their benefits will continue after they find employment.</td>
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<th>Opportunities for Improvement</th>
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<tr>
<td>Identify strategies for expanding the pool of child care providers who offer care for infants and who provide care during nonstandard work hours.</td>
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<tr>
<td>Develop and implement long- and short-term strategies for addressing the transportation needs of EF clients and other low-income families.</td>
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<tr>
<td>When case management services are contracted out and not linked to the eligibility function, as in Omaha, develop methods to facilitate better communication across organizations.</td>
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<tr>
<td>Develop and implement systematic strategies to identify and address the needs of hard-to-employ clients.</td>
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<tr>
<td>Identify strategies for improving clients’ knowledge and understanding of the availability of, and their eligibility for, transitional benefits.</td>
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A. ACCOMPLISHMENTS PROVIDING SUPPORTIVE AND TRANSITIONAL SERVICES

Supportive services and transitional benefits provide an important safety net for low-income families, whose ability to leave welfare for work often hinges on access to them. The expansion of eligibility for and the increased use of supportive services stands out as a central feature of the Employment First program. Key accomplishments include:

1. Case managers appear to be relatively consistent in helping clients who are preparing for work access the child care, transportation, medical assistance, and supportive service payments for which they are eligible.

   All mandatory EF clients are eligible to receive child care and medical assistance while they are participating in the EF program. They are also eligible to receive supportive service payments to cover a broad range of transportation and work-related expenses. During their orientation to the EF program, and in subsequent meetings with their case manager, clients are informed of their eligibility for these services. When clients lack reliable transportation or a child care provider, case managers appear to be successful in helping them develop a strategy for obtaining services. Workers also use their flexibility to respond to clients’ individual circumstances by providing various supportive services and payments, such as bus tokens, gas vouchers, car repairs and purchases, work attire, job-related tools or instruments, GED tests, and housing relocations. The most common payments are related to transportation needs. Although used extensively, case managers give careful consideration to the approval of supportive service payments. Overall, workers and clients report few difficulties with accessing the supportive services that are available to clients who are preparing for work.
2. Case managers routinely continue child care assistance and Medicaid for families who leave the ADC/TANF program because of increased earnings; food stamps are also routinely continued as long as clients continue to meet the eligibility requirements.

Case managers see transitional services as a key component of the Employment First program. In all the sites, they continue to work with a family for at least six months after they leave ADC/TANF assistance and, in several of the sites, for as long as they are eligible for any government assistance. This structure provides continuity for clients and helps ensure that they do not “fall through the cracks” during a critical period of transition. Once clients move off welfare assistance, the relationship becomes one of focusing on the reauthorization of child care and other supportive service assistance.

Although caseload data are not readily accessible, at this stage, to assess the extent to which individual clients receive transitional benefits, it appears, based on discussions with both case managers and clients, that child care, Medicaid, and food stamps are routinely continued when clients find employment. Moreover, in contrast to numerous other states, Nebraska has not seen a sharp overall decline in client participation in food stamps and Medicaid; and the number of families accessing child care and overall child care expenditures has increased dramatically. These factors suggest that, as intended, benefits are continued for many clients after they leave assistance. Still, during the time they are participating in EF program activities, clients do not always understand that many of their supportive service benefits will continue after they find employment. This issue, further discussed later in this chapter, may influence the speed at which clients exit welfare. It may also have implications for how quickly clients receive the transitional benefits for which they are eligible after they leave welfare for work.
3. **Nebraska has made an explicit effort to expand the availability and improve the quality of child care.**

Families receiving cash assistance have their child care fully paid by NHHS. Furthermore, families in Nebraska can receive transitional child care assistance on a sliding fee scale for as long as their countable income is less than 185 percent of the poverty line. When clients need child care, case managers provide them with a list of licensed providers in the area—including center, group, and family child care providers. Clients may either choose from this list or identify a nonlicensed provider such as a friend or relative.¹ The vast majority of clients in Nebraska are served through family child care providers, most of whom are licensed.

NHHS reimburses child care providers directly, based on children’s attendance. The method of reimbursement changed with the implementation of Employment First. Instead of using the number of children enrolled as the basis, the state now uses children’s attendance. Although this change in payment policy reduces payments to providers when clients do not use the services, this reduction has been largely offset by a co-occurring increase in Nebraska’s child care payments to providers. For clients who have transitioned off of cash assistance, child care services are considered relatively affordable, and the client co-payment is small compared to many states.

In addition to expanding eligibility for child care so that more families are covered, NHHS has taken steps to increase the number of providers and improve their quality, making them more accessible for welfare clients and other low-income families. Currently, NHHS is undertaking several specific initiatives, including:

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¹Nonlicensed providers typically are referred within NHHS for authorization and licensing.
• Awarding grants to child care centers to improve services and initiate programs in areas where there is a shortage of child care providers for children from low-income families

• Paying higher reimbursement rates for centers and family child care providers that offer infant care

• Reimbursing accredited providers at higher rates in order to encourage more programs to make program improvements to meet national accreditation standards

• Increasing training available to licensed care providers, including both centers and family child care providers, in order to improve quality

• Hiring additional NHHS licensing staff to license and monitor child care providers

Since the implementation of Employment First, Nebraska’s child care expenditures have nearly doubled, which reflects both the increased use of child care services among welfare recipients who are now working or participating in work-related activities and the expansion of eligibility to include more working poor families.

B. CHALLENGES PROVIDING SUPPORTIVE AND TRANSITIONAL SERVICES

Supportive services are clearly an important component of Employment First. In general, systematic procedures are in place for providing supportive services to clients, and workers encourage clients to take advantage of these services. Nonetheless, challenges remain in addressing the supportive service needs of clients, especially in addressing more complex child care needs, developing a better transportation infrastructure, and starting to develop strategies for addressing the needs of hard-to-employ clients. These challenges are outlined in greater detail below.
1. **As in many states, child care options are limited for clients who work nonstandard hours or have infants.**

   Although case managers can authorize payment for child care in a variety of settings, child care for infants or during nonstandard hours is sometimes difficult to find. Because the reimbursement rate is the same for daytime care and nonstandard nighttime and weekend care, there is no incentive for child care providers to extend their hours beyond the standard workday. Although incentives have been offered to providers to increase infant care, the supply in some areas still appears inadequate to meet the demand for infant care. Access to a licensed child care provider who will accept infants or operate during nonstandard work hours is particularly challenging for low-income families living in rural areas. Problems with accessing child care are compounded when the client also lacks transportation.

2. **Limited transportation options, particularly in rural areas, restrict clients’ employment opportunities.**

   Public transportation is extremely limited in Nebraska. Even in the two largest cities, bus service is available only during the day and early evening hours, and it runs only through the busiest parts of the cities. The transportation challenges are even worse in the rural areas, where there is no public transportation. Taxicab companies provide some transportation in both Scottsbluff and Columbus, but the services are very costly and, according to workers, often unreliable. Some of the better job opportunities for EF clients require them to have transportation during times when public transportation is not available. Since many clients do not own a car, many of these employment opportunities are out of their reach.

   Workers can use supportive service payments to help clients pay for car repairs or buy cars. However, not all case managers are comfortable authorizing large supportive service payments for car purchases or major repairs. As a result, some case managers use supportive service payments to help
address significant transportation barriers while others do not. This variation leads to frustration, as clients in similar circumstances do not feel they have the same opportunities to address their transportation needs.

3. **When case management services are contracted out and not linked to the eligibility function, as in Omaha, coordinating the delivery of supportive services can be difficult.**

   Supportive services, including child care and transportation assistance and supportive service payments, are authorized by NHHS workers. Consequently, when case management is contracted out, the provision of supportive services requires extensive coordination between the contracted case manager and the NHHS eligibility staff. Because the flow of information between the NHHS eligibility workers and contracted case managers is somewhat unstructured and inconsistent, it is difficult to ensure that supportive services are authorized promptly and consistently. Contracted case managers may work with as many as 20 different eligibility workers, which makes developing a consistent and efficient referral and information feedback process that much more difficult.

4. **As in many states, few case managers in Nebraska are well equipped to identify and address the service needs of clients who face chronic personal and family challenges, such as domestic violence, learning disabilities, alcohol and drug use, and mental health issues.**

   Case managers estimate that between 25 and 45 percent of clients may face at least one severe or chronic barrier to employment, such as physical and mental health problems, substance abuse, domestic violence, and learning disabilities. This estimate is consistent with past research on the challenges that welfare recipients generally face (Olson and Pavetti 1996). Identifying and addressing these challenges takes on added importance, since research has consistently shown that their prevalence is directly related to the length of time welfare recipients stay on welfare and their prospects for sustained employment and self-sufficiency over time (Johnson and Meckstroth 1998). Although case managers recognize that many of their clients face substantial barriers to employment, there is no systematic approach to identifying and
addressing the needs of these clients. As discussed in Chapter III, the NHHS assessment tool used by case managers is not effective in screening for chronic needs and challenges. Moreover, most case managers have not been trained to recognize signs of chronic needs, such as clinical depression, or to work with clients who face chronic needs.

Despite limits in the tools and guidance provided to case managers in working with hard-to-employ clients, case managers who have strong assessment skills and broad knowledge of resources in the community often are able to develop a plan to help their clients address these issues. Many case managers, however, feel that they lack the skills to assess clients’ needs, that they are not familiar enough with resources in the community to know where to refer clients for help, and that they have only a limited amount of time to spend with each individual client. The more time case managers spend with their clients, the likelier they are to become aware of serious barriers to employment. Case managers who feel they do not have the skills or knowledge to handle these barriers experience considerable frustration; they often develop one service plan after another in hopes of eventually finding a strategy that will help the client make progress toward self-sufficiency.

5. Although informed about transitional benefits, clients do not always understand that some of their benefits will continue after they find employment.

In all the sites, clients are informed at several points about the transitional benefits for which they are eligible when they find employment. Typically, they are informed during orientation and again during subsequent meetings with their case manager. Still, during the focus groups, it was clear that some clients did not understand which benefits they would qualify for once they went to work and were no longer eligible for cash assistance. Moreover, although other clients did understand which benefits would continue,
they were rarely certain about how long these benefits would continue. Moreover, many mistakenly assumed that they would lose all their benefits when their welfare case was closed.

Clients who are not aware of transitional benefits may be more hesitant to leave welfare for work. The fear of losing not only cash assistance, but also child care, Medicaid, and food stamps, may actually deter clients from becoming employed. Continually assuring clients that transitional benefits are available once they begin working may help decrease their fear of leaving cash assistance and increase the likelihood that they will make a quicker transition to work. Moreover, if clients are aware of available transitional benefits and services, there is a greater chance that case managers will be able to help them access the benefits and services quickly. Without transitional benefits and services when they leave welfare for work, many clients will find it difficult to achieve self-sufficiency, hence they will be more likely to cycle back onto welfare. Thus, it is important that clients understand the nature of the benefits and services for which they are eligible before they make the transition off cash assistance.

C. OPPORTUNITIES FOR IMPROVING THE PROVISION OF SUPPORTIVE AND TRANSITIONAL SERVICES

Identifying andremedying the supportive service needs for low-income families can be an overwhelming task for program developers and case managers. While some clients’ needs can easily be addressed, others are more pervasive and systemic. In this last section, we provide some suggestions for improving the supportive services and transitional benefits for low-income families.

1. Identify strategies for expanding the pool of child care providers who offer care for infants and who provide care during nonstandard work hours.

Through expanded eligibility for child care assistance and an increased child care payment schedule, Nebraska is largely meeting the basic child care needs of working families. The biggest challenges related to child care that Nebraska currently faces involve the development of strategies for expanding child care
for infants, as well as families who need care during nonstandard hours. Nebraska has already begun increasing the number of providers that serve infants by making higher payments for infant care. Continuing this strategy and applying it to providers who offer care during nonstandard hours may also increase the availability of this type of specialized care. Several potential strategies to address these issues include:

- **Provide one-time grants to child care centers to create infant care rooms.** Startup costs for centers to provide infant care are especially high. NHHS could encourage some centers that do not currently offer infant care to do so by providing funds to offset some or all the costs of purchasing equipment and by making any structural changes needed for providing care to infants. Grants could be made to centers that already accept EF clients or are willing to do so.

- **Recruit, train, and license additional family child care providers to provide care for infants.** Families often prefer to have their children cared for in a family child care home when they are young. NHHS may be able to encourage additional family child care providers to provide infant care by offering additional training and actively recruiting them. Targeted outreach to, and incentives for, experienced and established providers that do not currently care for infants may be a way of increasing both the supply and the quality of infant care.

- **Provide grants or increase payments to child care providers to operate during nonstandard work hours.** Although the availability of child care during nonstandard hours is often cited as a gap in the child care system, the pool of families who need such care is likely to be substantially lower than the pool of families needing traditional care. Consequently, it may take some time for providers to identify enough families in a given area who need these services to make providing them profitable. One way to encourage providers to offer care during nonstandard hours would be to offer grants or to increase payments for this type of care. Moreover, during a specified startup period, NHHS might also guarantee a minimum payment to providers, to reduce their risk and, hence, encourage more providers to participate.

2. **Develop and implement long- and short-term strategies for addressing the transportation needs of EF clients and other low-income families.**

Transportation is among the most pervasive barriers to employment for Nebraska welfare recipients. Consequently, addressing transportation needs is critical to improving the employability of those on welfare.
and for helping EF clients and other low-income workers stay employed once they find a job. Since transportation is such a costly and complex barrier to address, it is important to consider both short- and long-term strategies and to involve organizations other than NHHS in the design and implementation of potential solutions. Some potential strategies for addressing clients’ transportation needs in both the short and the long term are discussed below.

- **In the short term, provide guidelines to workers to assist them in making more consistent decisions about when to use supportive service payments to address clients’ transportation barriers.** Workers often are uncertain about how much money they should agree to contribute to repairs on older cars and they are uncomfortable making decisions related to when it is appropriate to help clients purchase a car. Providing workers with guidance on how to make these decisions should ease their concerns about overusing or inappropriately authorizing payments for costly items and, in turn, may allow them to assist more clients with transportation needs. Since workers feel that the flexibility they have regarding authorization of supportive service payments is helpful to them and to their clients, it is important that guidelines be developed and presented as a tool to aid them in their decision making and not as rigid rules for when a car can be purchased or expensive repairs made.

- **Develop additional strategies to help EF clients purchase cars.** As a rural state, the long-term solution in Nebraska to most clients’ transportation needs is ownership of a reliable car. To expand the pool of EF clients who have their own cars, NHHS could consider implementing a low-cost loan program, possibly modeled after the Family Loan Program implemented in Minnesota. Another option to increasing car ownership would be to develop an organized strategy for transferring donated cars to clients.

- **Organize community partnerships, including the public transit authority and other agencies, to examine transportation needs and develop strategies for improving access to low-income families.** NHHS alone does not have the capacity to remedy the transportation issue. Other agencies and community partners must be involved in identifying strategies that take into account the needs and resources of the local community. While developing a public transportation system might be feasible in some communities, it is likely to be out of reach in others. Engaging the broader community expands the monetary resources available to address the transportation issues that EF clients and other low-income families face, and also potentially expands the pool of innovative ideas.
• **Offer incentives or reimbursements to employers who provide shuttle or other transportation services to low-income families.** Especially in the current economy, employers may be willing to provide transportation services for their workers if they can recoup some of the cost. Employers could be reimbursed for their expenses through incentive payments or direct payments.

3. **When case management services are contracted out and not linked to the eligibility function, as in Omaha, develop methods for facilitating better communication across organizations.**

   Because the level of service coordination between NHHS eligibility workers and contracted case management staff is inconsistent, attention should be paid to improving the level of service coordination in order to reduce duplication and close service gaps. Coordination could take several forms: giving contractors access to the N-FOCUS system, reducing the number of NHHS eligibility workers with whom each contracted case manager must coordinate, and encouraging greater co-location of services. Since Omaha is the only locality statewide that contracts out case management services, this issue is relevant only to offices there. However, since contracted case management is a primary mechanism through which EF clients receive case management services in Omaha, this issue affects a substantial number of EF clients.

4. **Develop and implement systematic strategies to identify and address the needs of hard-to-employ clients.**

   One of the consequences of expanding work requirements to a broader share of the welfare caseload and providing more individualized case management services is that case managers become more aware of the personal and family challenges that impede clients’ transition to self-sufficiency. Although workers often try to develop appropriate plans for clients facing alcohol and drug or mental health difficulties, learning disabilities, or domestic violence, case managers have not been given the tools or training to identify and address these needs. As welfare caseloads decline and time limits draw near, helping these harder-to-
employ families will become more important and will likely begin to consume more of case managers’ time.

Potential strategies for dealing with these issues include:

- **Develop a strategic plan for addressing the needs of hard-to-employ clients within the context of Employment First.** Workers currently address the needs of hard-to-employ clients on a case-by-case basis. Over the long term, it would be beneficial to both clients and workers to have a more systematic approach in place to address the personal and family challenges clients face. Since knowledge about how best to integrate services for the hard-to-employ clients into welfare-to-work programs is limited, it would be useful for the NHHS Central Office to undertake a strategic-planning process to decide how the needs of hard-to-employ clients could best be met within the structure of the EF program. The role that the NHHS Central Office could play in addressing this and other issues is discussed further in Chapter VII.

- **Train case managers in how to identify hard-to-employ clients.** Case managers generally know when their clients are having difficulty making progress toward self-sufficiency, but they do not always know what might be contributing to those difficulties or how to begin addressing them. Providing training to case managers in how to identify clients who should be targeted for more in-depth screening or assessment would help case managers develop more appropriate self-sufficiency plans and would reduce the level of frustration workers and clients feel after revising plans that do not work. To make this process effective, workers need to have a cadre of professionals to whom they can refer clients who are identified as needing more intensive assessment or specialized services.

- **Identify community partners who have the knowledge and expertise to address the employment and supportive service needs of hard-to-employ clients.** Most case managers do not have the skills or the time to provide the in-depth services many clients need to make the transition to paid employment and self-sufficiency. Thus, to identify and address successfully the needs of the hard to employ, local NHHS offices will need to develop and/or strengthen partnerships with other agencies who can provide clients with the specialized assistance they need to make the transition to employment. These partners might include alcohol and drug treatment centers, mental health clinics, vocational rehabilitation agencies, and shelters for battered women.

- **Expand the use of service strategy (or case staffing) meetings for hard-to-employ welfare recipients.** Some case managers meet with other agencies in the community on a regular basis to develop self-sufficiency plans for clients who are having difficulty making progress toward self-sufficiency. These service strategy meetings generally include the case manager, the client, and other providers who are working with the client or who have a service to offer them. The purpose of service strategy meetings is twofold: (1) to identify the full range of services a client might need to make the transition to self-sufficiency, and (2) to ensure that all agencies working with a client are working toward the same goals and sending
the same message to a client. Given the time involved in coordinating a service strategy meeting, it is not realistic to conduct these meetings with all EF clients. However, workers who use them find that they are very effective for clients with multiple barriers to employment.

5. **Identify strategies for improving clients’ knowledge and understanding of the availability of, and their eligibility for, transitional benefits.**

Additional efforts to provide clients with information about the transitional benefits available to them once they leave ADC/TANF may increase clients’ awareness and understanding of how these benefits work. In turn, they will be more likely to stay in contact with their case manager after they leave cash assistance, which will make it easier for case managers to connect them quickly with the transitional supportive services they need to maintain employment. Two simple ideas for increasing clients’ awareness of the availability of transitional benefits are:

- **Create an orientation packet with written materials that explain transitional benefits in detail, including examples of what happens to benefits over time.** Including a clear and simple written summary of transitional benefits in an orientation packet would be a simple remedy to improve clients’ knowledge of the types of services they receive once they begin work. Providing this information to clients during orientation and reinforcing it at several other times—including during the contract development process, while clients are participating in employment preparation activities, and when they find employment—may help increase their understanding of the benefits available to them.

- **Standardization of orientation may help clients become more informed about the availability of transitional benefits once they become employed.** Standardizing orientation, as suggested in Chapter III, would ensure that all clients are exposed to the same information about the EF program.

Nebraska’s commitment to support clients in their transition to employment is clear. Child care, transportation assistance, and medical assistance are readily available to clients while they participate in Employment First and after they leave the program for work. Case managers also appear to do a good job of continuing these benefits when clients find employment. The supportive service challenges that
remain are complex and will require the involvement of a large and diverse group of community partners. Laying the groundwork now for the development of a systematic and strategic approach to overcoming some of the difficult barriers to employment that clients face should help equip workers better to help clients become self-sufficient. Case managers will never have the time or specialized skills to address all the problems clients face. Thus, in developing strategies to address the needs of clients, particularly the hard-to-employ, it will be important to come up with approaches that acknowledge the limitations case managers face.
VI. SETTING BOUNDARIES FOR SUPPORT

Through the recent federal welfare reform, Congress sent a clear message that families capable of working are no longer entitled to a lifetime of cash assistance and must make efforts toward maintaining employment and achieving self-sufficiency. The primary policies for enforcing these expectations are sanctions and time limits. Federal legislation has given states the primary responsibility for designing and implementing these policies. Nebraska has instituted a shorter time limit than federal law requires and has adopted strict sanctioning policies whereby a nonparticipating parent faces the loss of all cash assistance to the family. Sanctions and time limits, when implemented as intended, help to create a sense of urgency for work and to promote personal responsibility and progress toward self-sufficiency for many clients.

In Nebraska, case managers use sanctions and a two-year time limit to encourage clients to participate in employment preparation activities and pursue employment opportunities. In large part, these policies have been implemented across the four sites by case managers using a relatively consistent process and in a manner that encourages client participation. Since case managers use their discretion in determining when it is appropriate to initiate the sanction process, they vary in the extent to which they apply sanctions. In addition, given the delays in signing Self-Sufficiency Contracts and delivering case management services, the time limit on cash assistance, in practice, may exceed the intended two-year period for some clients. In this chapter, we review the key accomplishments, important implementation challenges, and opportunities for improving the use of sanctions and time limits in the Employment First program. They are highlighted in Table VI.1.
TABLE VI.1
IMPLEMENTING THE SANCTION AND TIME LIMIT POLICIES

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<thead>
<tr>
<th>Key Accomplishments</th>
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<td>• Case managers use sanctions and time limits to encourage clients to make steady progress toward self-sufficiency; in the application of sanctions and time limits, case managers are careful not to penalize clients when the services they need to make the transition to self-sufficiency have not been provided.</td>
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<tr>
<td>• Even in the absence of automated support, case managers keep close track of each client’s time limit and continually inform clients about the number of months they have remaining.</td>
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<th>Important Challenges</th>
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<td>• Since case managers use their discretion in determining when it is appropriate to initiate the sanction process, they vary in the extent to which they apply sanctions.</td>
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<td>• The severity of second- and third-level sanctions for repeated nonparticipation by clients discourages some case managers from applying them.</td>
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<tr>
<td>• Because time limits are tracked manually, it is not easy for case managers to identify clients who are nearing the end of their time limit.</td>
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<tr>
<td>• Case managers are uncomfortable with their role in determining which clients qualify for a “hardship exemption” when their two-year time limit expires.</td>
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<th>Opportunities for Improvement</th>
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<td>• Identify and implement strategies for reducing the variation in the extent to which case managers use sanctions.</td>
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<tr>
<td>• Improve workers’ ability to target intensive services to clients who are nearing the end of their time limit.</td>
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<tr>
<td>• Automate the process for monitoring time limits.</td>
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<tr>
<td>• Provide additional guidance and support to case managers on interpreting and applying the policies on closing cases and granting “hardship exemptions” when clients’ time limits expire.</td>
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A. ACCOMPLISHMENTS IMPLEMENTING THE SANCTION AND TIME LIMIT POLICIES

Sanctions and time limits are used to motivate welfare clients to participate in employment-related activities. Like other states, Nebraska is still fine-tuning its implementation and enforcement of these policies. Still, the local NHHS offices have successfully used sanctions and time limits to encourage client
participation in program activities, and they have upheld clients’ rights in the process. A summary of Nebraska’s key accomplishments in implementing the sanction and time limit policies is discussed below.

1. Case managers use sanctions and time limits to encourage clients to make steady progress toward self-sufficiency; in the application of sanctions and time limits, case managers are careful not to penalize clients when the services they need to make the transition to self-sufficiency have not been provided.

While the two-year time limit on cash assistance puts a boundary on the length of time a family can receive assistance, sanctions are used as immediate leverage to encourage early and regular client participation in work-related activities. Because the consequences are immediate, sanctions appear to have a more powerful effect than time limits in encouraging client participation. During the focus groups, clients in all the sites confirmed that even the threat of grant sanctioning increased the likelihood that they would participate in the plan outlined in their Self-Sufficiency Contract. Moreover, when a first-level sanction is levied (and clients lose their assistance for a one-month period), it typically serves as a “wake-up call” and motivates clients to participate from that point forward. Overall, without levying a large number of sanctions, Nebraska case managers appear to be effective in using sanctions (and the threat of sanctions) to motivate clients to participate in program activities.1

To initiate a sanction, case managers must monitor and track client participation carefully. The process typically begins when a case manager identifies that a client has failed to participate in required program activities. If a client fails to participate, case managers follow a uniform process to initiate a sanction. The process includes a formal notification that warns the client that a sanction will be applied if s(he) does not begin participating or provide an acceptable reason for nonparticipation within 10 days. During this 10-day

1Over the past year, roughly 700 sanctions were levied statewide, which would represent less than six percent of EF families. The 700 sanctions, however, likely affected fewer than 700 families, since some may have been sanctioned more than once.
period, case managers may meet with clients to address any barriers that may impede their participation. If clients fail to contact case managers and do not begin participating during this period, a sanction will be applied and the family will lose its cash assistance.

Before they send out the notification of nonparticipation, many case managers provide clients with unofficial second (or third) chances to participate. Overall, sanctions are used sparingly, and clients are given the benefit of the doubt if there is any question as to whether or not a sanction should be imposed (for example, in cases where services may not have been delivered in a timely way or in the manner intended by the program). Formal mediation and appeal processes are also available to clients to help ensure that their rights are protected.

The two-year time limit policy is implemented to give clients the full 24 months to fulfill the terms of their Self-Sufficiency Contract and progress toward self-sufficiency. Hence, case managers do not start clients’ time limit clocks until contracts are signed, even if the elapsed time after eligibility determination exceeds the 90 days specified in EF policy. Therefore, for the many clients who do not receive services and sign contracts quickly, the time period over which they can receive cash assistance is longer than 24 months. Moreover, to ensure that clients receive fair treatment in the application of time limits, the time limit start date is generally reset if a question exists about whether a client received adequate services. For instance, in Scottsbluff, contracts were reset for most clients after the site shifted to a specialized service delivery model (as described in Chapter II).

When clients’ two-year term of cash assistance expires, their case is reviewed. If it is determined that they are unable to support themselves without cash assistance, then they may be granted a “hardship exemption” from the time limit. The first families subjected to the time limit—those in the original Employment First demonstration sites, including Lincoln—began to exhaust their time on assistance in 1998.
Clients in the other sites will begin to exhaust their two years of assistance beginning in fall 1999. As clients in Lincoln have begun to reach the end of their time limit, it appears that case managers carefully review the cases before closing them or recommending a hardship exemption. However, since only a handful of cases had reached the end of their time limits and had been reviewed at the time of the data collection for this report, there is too little experience to provide information on the extent to which clients are granted hardship exemptions from the time limit. Overall, it appears that the local sites apply the sanction and time limit policies with an earnest effort to be fair with clients.

2. **Even in the absence of automated support, case managers keep close track of each client’s time limit and continually inform clients about the number of months they have remaining.**

   Case managers manually track the months remaining in the time limit within each client’s case file. Even in the absence of an automated method of tracking clients’ time limits, case managers seemed to be consistent, thorough, and current in their recordkeeping. Moreover, many case managers routinely notify clients of the number of months that remain in their time limit and do so more frequently as the end of the time limit approaches. Case managers often use frequent reminders as a way of instilling in clients a sense of urgency as they progress toward employment and self-sufficiency.

B. **CHALLENGES IMPLEMENTING THE SANCTION AND TIME LIMIT POLICIES**

   While administrators and case managers appreciate the ability to use sanctions and time limits to encourage clients’ participation in Employment First, they expressed some discomfort about the effects that sanctioning and case closure due to time limits might have on families. This type of discomfort contributes to some inconsistency in the extent to which case managers have implemented the sanction policy. Moreover, limited automated support and guidelines related to the time limit policy create difficulties for
case managers when they are faced with closing clients’ cases when time limits end. Key challenges associated with the implementation of sanctions and time limits are summarized below.

1. **Since case managers use their discretion in determining when it is appropriate to initiate the sanction process, they vary in the extent to which they apply sanctions.**

   When a client first fails to participate, the family may be sanctioned for a minimum of one month. These first-level sanctions represent the vast majority of all sanctions that are applied. Moreover, case managers use their discretion in deciding when it is appropriate to initiate the sanction process and whether or not to give clients a second (or third) chance before initiating the process. Key reasons for the variation in the extent to which case managers use sanctions include:

   - **Higher-performing case managers use the sanctions or the threat of sanctions more frequently.** In general, case managers who are able to stay on top of their caseloads by completing Self-Sufficiency Contracts with most of their clients and regularly monitoring clients’ participation and progress also are likely to initiate the sanction process more frequently. Since the process can be quite time-consuming for case managers, many use sanctions sparingly.

   - **Case managers with philosophical difficulties with sanctioning are more reluctant to use them.** Regardless of their performance, some workers were more reluctant than others to initiate a sanction against a nonparticipating client. One case manager described her use of sanctions as a “last resort” in working with clients. Another expressed discomfort with sanctioning, as she was concerned with its potential negative effects on clients’ children.

If case managers fail to enforce the sanction policy when clients do not participate, they run the risk of undermining the Employment First goal of encouraging client participation. Nonparticipating clients will not have an immediate reason to begin participating, as they would if they had been sanctioned, and they may instead begin to believe that their nonparticipation will be tolerated.
2. The severity of second- and third-level sanctions for repeated nonparticipation by clients discourages some case managers from applying them.

The severity of the sanction policy may actually discourage workers from sanctioning clients, particularly in the case of second- and third-level sanctions. The current sanction policy is structured so that clients are sanctioned for a minimum amount of time, even though they may begin participating before the sanction period has ended. That is, a second-level sanction lasts a minimum of 3 months and a third-level sanction a minimum of 12 months. Since the sanction remains in effect even if a recipient begins to comply with the program requirements, sanctioned clients have no incentive to participate in EF until they have served the minimum penalty period. The severity of the penalty makes workers hesitant to apply second- and third-level sanctions. Hence, only a very small number of these second- and third-level sanctions are actually imposed, which undermines their usefulness.

3. Because time limits are tracked manually, it is not easy for case managers to identify clients who are nearing the end of their time limit.

N-FOCUS does not provide administrators and case managers with an easy way to track the number of months a client receives cash assistance, or, hence, the number of months that remain in their time limit. In addition, no other automated method is used to track and monitor this information. Instead, as mentioned earlier, case managers manually track this information in clients’ case files. Consequently, there is no efficient and accurate way for staff to determine how many families are close to reaching the end of their time limit at any given point in time. As a result, a client’s two-year time limit on cash assistance officially ends when the case manager recognizes the end of the time limit and manually closes the case by inputting a change in status into the N-FOCUS system. The use of a manual process to track and close time-limited cases is likely to introduce variation in the extent to which case managers close cases in a timely way and, hence, inequity in how clients’ cases are handled when time limits elapse. Moreover, the
automatic tracking of families who are in jeopardy of reaching the end of the time limit is critical for NHHS staff and other service providers as they prepare for working with clients once their cases are closed.

4. Case managers are uncomfortable with their role in determining which clients qualify for a “hardship exemption” when their two-year time limit expires.

   Employment First includes a “hardship exemption” from the two-year time limit to protect clients who are not able to support themselves and their families once their time limit ends. Although guidelines exist for case managers to use to determine which clients should qualify for a hardship exemption and under what circumstances, case managers still need to exercise some subjectivity in interpreting the guidelines. Although most case managers have not yet had to make these determinations, many expressed anxiety over their ability to make them. Without additional technical assistance and support on interpreting and applying policies on closing cases and granting hardship exemptions, clients with similar circumstances may be treated differently when their time limits begin to expire. This issue is gaining immediate importance as the end of the time limits quickly approaches for many clients.

C. OPPORTUNITIES FOR IMPROVING THE IMPLEMENTATION OF THE SANCTION AND TIME LIMIT POLICIES

   Sanctions and time limits provide case managers with concrete tools for enforcing a new set of expectations for clients who receive cash assistance. However, sanctions are not always consistently applied by case managers, which could limit their effectiveness. In addition, tools and guidelines are not in place to help case managers address clients’ needs as the end of time limits approaches. To address these challenges and strengthen the usefulness of the sanction and time limit policies, Nebraska may wish to explore the possibility of implementing one or more of the recommended strategies described next.
1. Identify and implement strategies for reducing the variation in the extent to which case managers use sanctions.

Some of the variation in the extent to which case managers use sanctions results from their difficulty providing case management services to all their clients in a timely way. Thus, the suggestions outlined in Chapter III for creating more manageable workloads for case managers and monitoring their performance will likely help to reduce part of the variation in case managers’ use of sanctions. However, to reduce this type of variation further, Nebraska might consider two additional opportunities:

- **Promote the use of sanction reviews.** NHHS might further promote the use of sanction reviews for individual clients after a notification of nonparticipation is sent, but before a sanction is levied. This review process would involve a meeting between the NHHS case manager, relevant staff from partner organizations, and, if possible, the client. Its purpose would involve problem solving with the client to address needs and identify new strategies for meeting those needs and supporting the client’s participation. Some case managers use such a review process when clients are not making adequate progress with their self-sufficiency plans, but it is not as systematic as it might be for clients who are affected by the sanction process. Since some sanctioned are harder-to-employ, finding new ways to support and encourage their participation may also support their progress toward self-sufficiency.

- **Consider revising the sanction policy to eliminate the minimum amount of time a case must be closed before a second- or third-level sanction is lifted.** The suggested improvements made in this report address challenges NHHS faces in implementing policy, not making policy. However, in the case of second- and third-level sanctions, we make an exception by suggesting a change in policy. The severity of the second- and third-level sanctions seems to affect both workers and clients in a counterproductive manner; not only does it discourage workers from applying these sanctions when clients do not participate, but it also discourages sanctioned clients from participating in the program before their minimum sanction period ends.

As a result, Nebraska might consider revising the sanction policy so that second- and third-level sanctions can be reversed or minimized once a client resumes participation. Workers may be more inclined to use second- and third-level sanctions if their effect on the families’ cash assistance can be reversed or minimized soon after the client begins participating, and clients themselves may be more inclined to resume participating.
2. **Improve workers’ ability to target intensive services to clients who are nearing the end of their time limit.**

To prepare case managers to address the needs of clients who are nearing the end of their time limit and are not yet employed and self-sufficient, NHHS might consider conducting client case reviews prior to the end of each client’s time limit. That is, Nebraska might formalize the process of reviewing individual client cases three months prior to the end of the time limit. Like the sanction review process described above, such a time limit review process would involve the case manager, relevant staff from partner organizations, and the client. Its purpose would be to make a preliminary assessment of clients’ prospects for self-sufficiency and identify strategies for meeting clients’ needs and supporting their progress toward self-sufficiency.

3. **Automate the process for monitoring time limits.**

To improve workers’ ability to identify families who are approaching the end of their time limit, NHHS might improve N-FOCUS reporting capabilities to track time limits (or, in the short run, develop an automated method to do so). Tracking cases in an automated way would not only help provide NHHS and other service providers with more time to prepare for the challenges that clients may face as a result of case closure due to time limits, but would also ensure that clients’ cases are consistently reviewed in a timely way when their time limits elapse.

4. **Provide additional guidance and support to case managers on interpreting and applying the policies on closing cases and granting “hardship exemptions” when clients’ time limits expire.**

Administrators and case managers across all sites indicated a need for additional guidance in addressing client cases that reach the end of the two-year time limit. The issue of guidance in handling time limit cases is gaining increasing importance as more families approach this point. In particular, the NHHS
Central Office might (1) clarify and further delineate the guidelines for case managers to use when reviewing time-limited cases before closing them, possibly by providing examples of how the guidelines have been applied or should be applied; (2) provide additional guidance on how to apply the criteria for granting hardship exemptions, again using case examples to illustrate how the guidelines might play out in practice; and (3) help local offices to identify ways in which they might use a team-oriented approach to determine when to grant a hardship exemption. Such guidelines, criteria, and reviews will likely take on added importance for case managers during periods of economic downturn, when they may be under more pressure to grant hardship exemptions for clients.

In sum, sanctions and time limits are powerful tools that case managers use to encourage clients’ participation in program activities and to encourage their progress toward self-sufficiency. Staff have implemented these policies in a fair and appropriate manner. In the future, further guidance from NHHS administrators, at both the state and regional levels, will allow case managers to make more consistent and effective use of these policies and to ensure that clients’ cases are handled similarly when their time limits expire. In the next chapter, we discuss the role of the NHHS Central Office in improving the performance of the Employment First program.
VII. IMPROVING THE PERFORMANCE OF THE EMPLOYMENT FIRST PROGRAM

Nebraska, like many other states, has given regional and local welfare offices considerable flexibility in deciding how to implement the state’s welfare reform program. Even so, Nebraska’s welfare system is state-administered, and the NHHS Central Office bears the ultimate responsibility for ensuring that Employment First is implemented as intended. In this final chapter, we summarize the key opportunities to improve the performance of Employment First and explore ways in which the NHHS Central Office might facilitate regional and local efforts to improve the implementation of Employment First in communities across the state.

A. KEYS TO IMPROVING EMPLOYMENT FIRST

Since the Central Office decentralizes primary responsibility for implementing Employment First to its regional Service Areas and local NHHS offices, the ultimate success of the program is largely determined by how well it is implemented locally. While the Service Areas and local NHHS offices have made substantial progress in implementing the Employment First program, there remains considerable room for improvement to implement the program as intended and achieve the goals of welfare reform. Several key opportunities to improve the performance of Employment First stand out as especially important:

- Develop and implement strategies to help case managers achieve more manageable workloads and provide case management services to all clients in a timely way.

- Develop tools to help case managers achieve more consistency in their approaches to providing services to clients.

- Identify strategies to help case managers ensure that interested clients who have the capability to participate in activities other than job search have access to these opportunities, as is intended by the assessment-choice Employment First model.
• Strengthen local relationships with a variety of community partners, including JTPA and its WtW Initiative, specialized service providers, and employers.

• Develop and implement strategies to address the supportive service and employment-related needs of the hard-to-employ clients.

• Improve strategies to target services to clients who are nearing the end of their time limit and provide additional guidance to case managers in interpreting and applying the policies for closing cases and granting hardship exemptions when time limits expire.

As the Service Areas and local sites included in this study have become aware of inadequacies in their implementation of Employment First, they have taken important steps to improve performance. However, their efforts to address implementation challenges and perform better may be facilitated by additional guidance and support from the NHHS Central Office. To facilitate efforts to improve the performance of Employment First across the state, the Central Office’s Department of Services may wish to focus on one or more of several specific strategies. These strategies, highlighted in Table VII.1, are suggested as ways to support the Service Areas and local offices further, while preserving the responsibility they have been granted to implement Employment First in their local communities.
TABLE VII.1
OPPORTUNITIES FOR IMPROVING STATEWIDE COORDINATION AND FACILITATING LOCAL-LEVEL PROGRAM IMPROVEMENTS

<table>
<thead>
<tr>
<th>Opportunities for Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Develop additional capacity within the NHHS Central Office’s Department of Services to monitor the operation of the program, facilitate the implementation of program improvements, and identify and share best practices with local offices across the state.</td>
</tr>
<tr>
<td>• Develop and implement a long-range plan for improving the management reporting capabilities and efficiency of the N-FOCUS system.</td>
</tr>
<tr>
<td>• Develop and implement a workload assessment and allocation system to measure differences in worker responsibilities and allocate cases to workers in an equitable and reasonable way.</td>
</tr>
<tr>
<td>• Set specific performance goals for the local offices.</td>
</tr>
<tr>
<td>• Continue to foster an environment where Employment First is viewed as a community responsibility.</td>
</tr>
</tbody>
</table>

1. **Develop additional capacity within the NHHS Central Office’s Department of Services to monitor the operation of the program, facilitate the implementation of program improvements, and identify and share best practices with local offices across the state.**

The current structure of NHHS places primary responsibility for overseeing the implementation of Employment First under the purview of the regional Service Area administrators. Some of the Service Areas have recently appointed a staff person to oversee the implementation of Employment First in their areas, which will likely encourage consistent implementation of Employment First within a Service Area. However, because of the decision to decentralize responsibility for implementing Employment First from the Central Office to the Service Areas, there is, by design, no similar Central Office structure in place to encourage consistency across the state. While there are Central Office staff who play key roles in providing training to local-level NHHS staff and offering important guidance in interpreting policies and
procedures, there are, by design, no Central Office staff whose primary focus is to oversee and facilitate the successful implementation of Employment First statewide.

The appointment of a statewide Employment First coordinator or team of coordinators might be one way to help provide a focal point within the NHHS Department of Services for overseeing the development and implementation of strategies to improve the performance of Employment First. It would also provide a mechanism for the Central Office to monitor more closely the operation of the program statewide, identify statewide training and technical assistance needs, and share information with the local offices on common implementation challenges and best practices.

2. **Develop and implement a long-range plan for improving the management reporting capabilities and efficiency of the N-FOCUS system.**

   The Central Office has devoted substantial resources to improving the performance of the N-FOCUS system. Still, both to provide administrators with the tools they need to assess program implementation and to provide case managers with the automated support they need to work efficiently, the Central Office might make continual improvements in N-FOCUS reporting capabilities and efficiency a key part of its long-range plan for improving the Employment First program.

   The resources currently allocated for generating management reports are limited, so the system does not currently allow administrators at the state and local levels to monitor and assess program implementation and performance easily. In particular, the system is not well-equipped to provide administrators with key data on their caseload, such as total number of EF cases by worker, status of client assessment and contract development, client participation and receipt of services, sanctions, and progress toward the two-year time limit. Such information is critical not only for helping frontline staff manage their workload, but also for allowing administrators to monitor program implementation. Moreover, further
upgrades to N-FOCUS to allow case managers to process changes to case records more quickly would help to improve the automated support they need to work efficiently.

3. Develop and implement a workload assessment and allocation system to measure differences in worker responsibilities and allocate cases to workers in an equitable and reasonable way.

   It is clear that workers have a difficult time completing all the tasks they have been asked to do. However, because local offices have allocated staff differently, it is difficult to assess what constitutes a reasonable workload. To gauge the extent to which case managers’ current workloads are reasonable and to help administrators and supervisors allocate cases to staff objectively and equitably, the Central Office might first assess the length of time it takes workers to perform each of the tasks required by the case manager job and determine how this may vary based on important client characteristics and local economic conditions. Second, it might develop a systematic workload assessment and allocation process whereby client cases are weighted based on their level of complexity before they are assigned to case managers. Such a process would allow supervisors to use objective criteria when assigning cases to staff. Moreover, it would permit state administrators to determine the extent to which the number of staff in each local office is adequate to complete the responsibilities generated by their respective workloads. It would also set the stage for allowing state administrators to assess the relative performance of the local offices, taking into account their differences in workload responsibilities, caseload composition, and economic conditions.

4. Set specific performance goals for the local offices.

   Developing and implementing a plan for improving the implementation of Employment First would be facilitated by the setting of specific performance goals against which the performance of local offices could be measured. Setting performance goals would provide a clearer definition of successful program
implementation and would give the Central Office benchmarks against which to measure the progress of program implementation over time. Examples of relevant types of performance goals, or standards, may be those related to signed Self-Sufficiency Contracts, the timeliness of Self-Sufficiency Contract development, client participation in and completion of program activities, job placements, wages at job placement, and receipt of transitional benefits and supportive services. Along with establishing performance goals for the local offices, NHHS might build on ongoing local office efforts to establish similar performance goals for case managers. Enhancing the reporting capabilities of N-FOCUS and developing and implementing a workload assessment and allocation process, described above, would facilitate the tracking and use of performance goals both across the local offices and for individual case managers.

5. **Continue to foster an environment where Employment First is viewed as a community responsibility.**

The success of welfare reform efforts to help more clients achieve employment and self-sufficiency depends on coordinated service delivery and strong community partnerships with other agencies and organizations. Throughout Nebraska, local NHHS offices work collaboratively with a broad range of organizations to connect clients with opportunities and services that will help them develop skills and overcome challenges as they prepare for work and self-sufficiency. Given the focus on moving clients into the workforce, coordinated efforts should extend to employers as well. To this end, local NHHS offices have begun to strengthen linkages and conduct outreach with employers to increase their awareness of welfare reform and develop support among them for hiring welfare recipients. Increasing employer involvement in welfare reform efforts may ultimately help reduce the risk that welfare recipients will lose jobs and cycle back on public assistance.
The NHHS Central Office can possibly play an increased role in facilitating the development of strong partnerships across the state, including partnerships with service providers, education and training organizations, and employers. To help create a more supportive environment where welfare reform is viewed not just as a welfare agency responsibility, but as a community mission to reduce welfare dependency and promote self-sufficiency, the Central Office might focus on the following:

- Continuing to work in partnership with the Nebraska Department of Labor to increase coordinated services for hard-to-employ welfare recipients as part of the Welfare-to-Work Initiative
- Working with local offices to develop and strengthen relationships with other service providers who have specialized expertise to assess clients’ interests and needs, develop clients’ personal and vocational skills, and address chronic barriers to employment
- Developing new strategies to increase the involvement of employers across the state in welfare reform efforts

B. SUMMARY OF EARLY LESSONS AND NEXT STEPS FOR NEBRASKA’S WELFARE REFORM

As in other states, the implementation of welfare reform in Nebraska is still in its early stages. Nevertheless, much has already been accomplished in implementing the numerous systemwide changes required by welfare reform. Staff at all levels are dedicated to helping welfare clients progress toward work and self-sufficiency. Moreover, in many respects, Employment First has been implemented as intended, with many case managers helping to change the culture of the welfare office through supportive and individualized case management. Still, many critical challenges lie ahead as local NHHS offices develop strategies and tools to help case managers achieve more manageable workloads, provide services to all their clients in a timely and consistent way, strengthen linkages with community partners, and ensure that the supportive service and employment-related needs of the hardest-to-employ clients are met. The
NHHS Central Office can play an important leadership role in helping local offices make these program improvements and, in so doing, support client efforts to get and keep jobs and become self-sufficient.
REFERENCES


APPENDIX A

EXAMPLES OF ACTIVITIES OUTLINED IN CLIENT SELF-SUFFICIENCY CONTRACTS
### TABLE A.1
EXAMPLES OF ACTIVITIES OUTLINED IN CLIENT SELF-SUFFICIENCY CONTRACTS

<table>
<thead>
<tr>
<th>Short-Term Employment Goals</th>
<th>Service Plan Tasks and Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain a GED</td>
<td>• Client attends weekly GED classes</td>
</tr>
<tr>
<td></td>
<td>• Client obtains a tutor to assist with GED preparation</td>
</tr>
<tr>
<td></td>
<td>• Client works with the GED tutor each week</td>
</tr>
<tr>
<td></td>
<td>• Client and case manager arrange transportation to the GED class</td>
</tr>
<tr>
<td></td>
<td>Client identifies relevant bus route</td>
</tr>
<tr>
<td></td>
<td>Case manager authorizes bus tokens</td>
</tr>
<tr>
<td>Prepare for employment</td>
<td>• Client attends a job readiness workshop at Curtis and Associates</td>
</tr>
<tr>
<td></td>
<td>• Case manager makes a referral to another community service provider for an in-depth vocational assessment</td>
</tr>
<tr>
<td></td>
<td>• Client meets with a representative from a community service provider (for example, JTPA, to participate in a vocational assessment)</td>
</tr>
<tr>
<td></td>
<td>• Client reinstates license after a driving-under-the-influence (DUI) arrest</td>
</tr>
<tr>
<td></td>
<td>• Client meets with case manager each week</td>
</tr>
<tr>
<td>Work toward a vocational or educational certificate through a community college</td>
<td>• Client attends classes</td>
</tr>
<tr>
<td></td>
<td>• Case manager authorizes payment for classes through NHHS</td>
</tr>
<tr>
<td></td>
<td>• Client reads specific chapters or sections of book each week</td>
</tr>
<tr>
<td></td>
<td>• Client and case manager identify suitable provider for child care</td>
</tr>
<tr>
<td></td>
<td>Case manager provides client with provider list</td>
</tr>
<tr>
<td></td>
<td>Client collects information on openings and fees</td>
</tr>
<tr>
<td></td>
<td>Client selects a provider</td>
</tr>
<tr>
<td></td>
<td>Case manager authorizes payment of the provider</td>
</tr>
<tr>
<td>Obtain a job</td>
<td>• Client attends job search assistance classes</td>
</tr>
<tr>
<td></td>
<td>• Client develops a resume, with assistance from a case manager or job trainer from one of the employment prep contractors</td>
</tr>
<tr>
<td></td>
<td>• Case manager provides clothing vouchers so client can obtain professional clothes appropriate for interviews and office jobs</td>
</tr>
</tbody>
</table>