



Minnesota Department of **Human Services**

**Minnesota Temporary Assistance for Needy
Families (TANF) Work Participation
Case Review Report**

for

October – December 2010

Published September 2011
Minnesota Department of Human Services
Program Assessment & Integrity Division
444 Lafayette Road North
St. Paul, MN 55155

This information is available in alternative formats to individuals with disabilities by calling (651) 431-3936 (voice) or toll free at (800) 366-7895. TTY users can call through Minnesota Relay at (800) 627-3529. For Speech-to-Speech, call (877) 627-3848.

Table of Contents

Background.....	1
Case Review Results	2
MAXIS Activities and Errors by Category and Cause.....	3
ES Activity and Errors by Category and Cause	5
Numerator Results.....	6
How to Reduce Common Sample Errors	7
Statewide Corrective Action Process	8
Training Opportunities.....	8
Counties Invited to Comment on this Report	8
Attachment A – TANF Work Participation Case Reviews – Statewide Corrective Action Process.....	A-1
Attachment B – Employment Services MFIP Activity Guide Tip Sheet.....	B-1

TANF Work Participation Case Review Report

October – December 2010

Background

The Temporary Assistance for Needy Families (TANF) Work Participation Rate (WPR) is the federally mandated work performance requirement for states that have a TANF program. Minnesota's TANF program is the Minnesota Family Investment Program (MFIP).

The WPR was established under the federal Personal Responsibility and Work Opportunity Act (PRWORA) of 1996, along with penalties and incentives for states. The Federal Deficit Reduction Act of 2005 (DRA), also known as TANF Reauthorization, included changes to TANF WPR rules. The final TANF rules (until the next reauthorization) went into effect on October 1, 2008.

The TANF regulations included in the 2005 DRA require states to develop a work verification plan and monitor participants' engagement in work activities in order to verify hours of participation.¹ The Department of Human Services (DHS) Program Assessment and Integrity Division (PAID) is responsible for conducting this monitoring activity and reviews a statewide random sample of TANF cases each quarter.

Bulletin 09-03-06, "DHS Continues Statewide Reviews of Temporary Assistance for Needy Families (TANF) Cases," provides additional information on the review process. The MFIP Employment Services Manual² (MFIP ES Manual) includes the MFIP Activity Daily Supervision, Documentation and Verification Guide in Appendix E. PAID TANF reviewers use this primary resource as guidance in determining if the case file documentation and verification meet federal requirements.

In combination with performance measures, such as the MFIP and Diversionary Work Program (DWP) Self-support Index and the TANF WPR, case reviews provide the state and counties with information needed to improve overall program performance.

Each quarter, DHS randomly samples 100 TANF case/month combinations for cases that are in the federal work participation rate denominator for a month in the quarter. This includes all cases with a non-disregarded Work Eligible Individual (WEI)³ who has at least one hour of counted

¹ The specific regulation pertaining to the case review auditing process is 45 CFR 261.62 (b)(5).

² Available at:

http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=id_016957

³ Refer to Evaluation Note Issue 18 April 2009 The TANF Work Participation Rate for definitions of a WEI, core, and non-core activities. <http://edocs.dhs.state.mn.us/lfsrver/Legacy/DHS-4064T-ENG>

core/non-core activity; some of these cases may also have allowable activities that are not counted toward the WPR. Each sample of 100 cases is selected from the preceding quarter after all data have been frozen for federal reporting purposes. The TANF case reviewers examine Financial and Employment Services (ES) files and any supporting documentation of hours reported for the case in the selected review month.

Case Review Results

DHS selected a random statewide sample of 100 case/month combinations for the quarterly review period of October, November, and December 2010. The reviewers copied file data on-site in Hennepin and Ramsey counties, while the other counties in the sample sent their TANF Financial and ES case files to DHS.

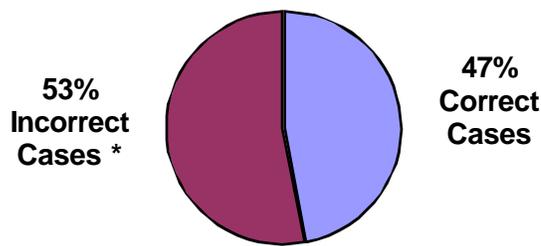
Table 1 shows the 30 counties represented in the sample and the number of cases sampled per county.

Table 1 - Sample Cases by County			
County	Cases Reviewed	County	Cases Reviewed
Aitkin	1	Morrison	1
Anoka	2	Mower	1
Beltrami	2	Olmsted	5
Blue Earth	2	Polk	1
Brown	1	Ramsey	20
Chisago	1	Redwood	2
Clay	1	Rice	1
Dakota	6	St. Louis	2
Dodge	1	Scott	1
Goodhue	3	Sherburne	2
Hennepin	32	Stearns	3
Hubbard	1	Steele	1
Isanti	1	Washington	1
Jackson	1	Winona	1
Le Sueur	1	Wright	2

To determine if a case was correct or incorrect, DHS compared documentation in the case file for the participant’s hours against what was submitted in federal TANF reports (based on data from MAXIS and WF1). A case is only correct if all countable activities for the review month are correct and properly documented. If a case has both MAXIS and ES countable activities for the review month, both MAXIS and ES must be found correct to receive a correct case finding.

Figure 1 shows that for the October through December 2010 review period, 47 reviewed cases were correct and 53 incorrect. The latter cases did not meet the DRA documentation and verification requirements.

Figure 1 – Statewide TANF Work Participation Case Review Findings: October – December 2010



*A case is only counted incorrect once, even if there are errors for both MAXIS and ES or if a case has multiple activities with errors.

The number of incorrect cases increased by 5 percentage points while the number of correct cases decreased by 5 percentage points from the July – September 2010 sample period. The average percentage of correct cases for all 15 samples is 42%.

MAXIS Activities and Errors by Category and Cause

In the 100 cases reviewed, there were 77 cases with 81 countable WPR activities on the MAXIS system. Activities from MAXIS include paid work, self-employment, and rental income.

Of the 77 cases with MAXIS activity:

- 39 cases had a correct case finding
- 38 cases had an incorrect case finding

The 38 incorrect cases consisted of:

- 28 cases had only MAXIS activities and were incorrectly documented
- 4 cases had both MAXIS and ES activities incorrectly documented
- 5 cases had the MAXIS activities correctly documented, but the ES activities incorrectly documented
- 1 case had the MAXIS activities incorrectly documented, but the ES activities correctly documented

A case may have several activities that have reported hours and each of these activities can have an activity error. However, a case can only be counted in error once, no matter how many activity errors are assigned to a particular case. Also, a case can have one or more activities correct but if one is incorrect the case is incorrect for federal purposes.

Table 2 shows the types of MAXIS activity represented in the 77 cases.

Table 2 - MAXIS Activity			
Activity Type	Activity	Correct	Incorrect
Paid Work (JOBS)	76	47	29
Self-Employment (BUSI)	3	1	2
Other	2	0	2
Total Activities:	81	48	33

MAXIS Activities: 73 cases had only 1 activity, 4 cases had 2 MAXIS activities (81 MAXIS activities in 77 cases)

Table 3 shows that 22 of the 36 (61 percent) activity errors are in the computation and data discrepancy categories. This means that although there is documentation in the financial file, workers are either not using it to record the correct number of hours or are computing hours incorrectly. Although there were 33 incorrect cases with MAXIS activity, some cases had more than one error cause (36 total errors).

The number one cause for errors (13) was: “Hours recorded are inconsistent with documentation in case file.”

Table 3 - MAXIS Activity Errors by Category and Cause			
Category	Errors by Category	Errors by Cause	Error Cause Definition
Documentation or Verification	5	4	No pay stubs or other employer produced document submitted with the HRF
		1	Incomplete documentation of work hours (missing a pay stub(s) or other employer produced document)
Computation	5	2	Hours designated for different pay categories computed incorrectly (i.e., overtime/sick/vacation)
		1	Rounding error in the calculation of Paid Employment hours (TE02.08.170 effective January 2008)
		1	Math error - use of YTD totals incorrect
		1	Math error - simple addition errors
Data Discrepancy	17	13	Hours recorded are inconsistent with documentation in case file
		2	Employment is subsidized but no code entered on the JOBS panel
		1	Other Paid Employment data discrepancy error
		1	Earned Income documentation found in the case file but hours not recorded on MAXIS
Policy Incorrectly Applied	9	7	Other Paid Employment policy incorrectly applied error
		1	Self-Employment Income Incorrectly Applied (e.g.: no Rolling Average, no expenses allowed, etc.)
		1	Failure to code MAXIS panels for FSS eligibility.
Total:	36	36	13 unique causes for errors in 33* cases

**Although there were 38 incorrect cases with MAXIS activity, 5 cases were incorrect due to the incorrect ES activity (the MAXIS activity was correct.)*

ES Activity and Errors by Category and Cause

In the 100 cases reviewed, there were 34 cases with 36 WPR activities on the employment services systems, WF1. Some activity examples from WF1 include unpaid-work experience, community-service programs, job search, training and education, English as a Second Language (ESL), and Functional Work Literacy (FWL) etc.

Of the 34 cases with ES activity:

- 9 cases had a correct case finding
- 25 cases had an incorrect case finding

The 25 incorrect cases consisted of:

- 15 cases had only ES activities and they were incorrectly documented
- 5 cases had both MAXIS and ES activities incorrectly documented
- 4 cases had the ES activities incorrectly documented, but the MAXIS activities correctly documented
- 1 case had the ES activities correctly documented, but the MAXIS activities were incorrectly documented

Table 4 shows the types of ES activity represented in the 34 cases.

Table 4 - Employment Services Activity			
Activity Type	Count	Correct	Incorrect
Adult Based Education	1		1
Community Service Program	1		1
English as a Second Language	1		1
GED (activity =>20)	2		2
High School Completion (<20)	10	8	2
Job Search	7	1	6
Job Skills Training Directly Related to Employment	1		1
Post Secondary Voc/Ed Training =<12 Months	5		5
Post Secondary Voc/Ed Training 13-24 Months	4		4
Unpaid Work Experience	4	1	3
Total Activities:	36	10	26

Note: 10 ES activity types reflected in sample, 21 cases had only 1 activity, 11 cases had 1 ES and 1 MAXIS activity, 2 cases had 2 ES activities (36 ES activities in 34 cases)

Table 5 shows that 23 of the 34 ES activity errors (68 percent) were due to documentation or verification errors.

Table 5 - ES Activity Errors by Category and Cause			
Category	Errors by Category	Errors by Cause	Error Cause Definition
Documentation or Verification	23	9	No time sheet (or activity log) or group attendance sheets found in case file
		3	Missing the name, signature, and/or phone number of person providing daily supervision/verifying hours
		3	Missing statement from school specifying recommended amount of study time
		2	Missing ESP method of bi-weekly verification of at least one job contact
		2	Other Employment Services activity documentation/verification error
		1	No High School or GED attendance documentation found in case file
		1	Missing the actual hours of participation each day
		1	No documentation that weekly check-in meetings occurred
		1	Missing one or more (but not all) time sheet(s) or activity logs(s) for hours reported in the review month.
Computation	2	1	Math error - simple addition errors
		1	Rounding error (Employment Services Manual 9.47)
Data Discrepancy	7	4	Hours recorded are inconsistent with documentation in case file
		2	Documented ES activity found in case file not recorded in WF1
		1	Holiday hours incorrectly used/calculated
Policy Applied Incorrectly	1	1	Information known to one agency should be shared with other members of the welfare system
Miscellaneous	1	1	Other Employment Services miscellaneous error
Total:	34	34	16 unique causes for errors in 24* cases

**There were 25 incorrect cases with ES activity, 1 case was incorrect due to the incorrect MAXIS activity (the ES activity was correct).*

Numerator Results

All 100 cases were included in the federal work participation rate denominator because each case contained a work eligible individual (WEI). Cases with a WEI successfully participating are also counted in the numerator. Of the 100 denominator cases, 66 were counted in the numerator.

Based on the corresponding documentation in the participant's case files 16 cases were incorrectly counted in the WPR. If only those cases with supporting documentation were counted in the WPR, Minnesota's WPR would have been less for one or more months in this sample.

How to Reduce Common Sample Errors

The TANF WP Case Review process continues to help clarify policies and develop new policies and procedures for reporting and documenting work activities. This information, along with the statewide corrective action process, can help improve counties' case review performance results.

Based on the MAXIS and ES error causes in this sample, DHS has the following **suggestions for reducing errors**:

- **Pay close attention to information on pay stubs.** Only record income and hours supported with actual documentation (pay stubs, employer statement, etc.) in the month payment was received. The most frequent individual MAXIS error found is “Hours recorded are inconsistent with documentation in case file.”
- **Document Work Benefit (WB) projected income determination.** Single parent WB cases are included in our TANF WPR and therefore TANF WP Case Reviews. Use the most current income/hours on file at the time of WB approval and clearly document what was used for the calculation. If new information becomes available, reassess WB eligibility.
- **Review Self-Employment Handbook.** Calculate self-employment income and expenses correctly. The handbook is available on the CountyLink, DHS Program Resources, DWP and MFIP page under the Guides and Handbooks section

http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_FILE&RevisionSelectionMethod=LatestReleased&Rendition=Primary&allowInterrupt=1&noSaveAs=1&dDocName=dhs16_144585

- **Motivate participants to provide documentation as scheduled.** It is important that participants provide activity documentation and do so timely. This is a transferrable skill and information an employer may ask an employment counselor when acting as a reference for the participant. Train participants and use the NOITS tool as needed.
- **Require participants to provide school statement about recommended amount of study time.** Job counselors must only record documented study time hours when the appropriate documentation is provided by the school.
- **Use the DHS school verification form.** DHS-2883 MDHS Request for Verification of School Attendance/Progress - English - 2-09
<https://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-2883-ENG>
- **Update county/provider forms and get appropriate signatures.** County and provider forms should contain all the needed data fields to ensure compliance with DRA documentation requirements. The form may need the clients, responsible individuals, and/or job counselors' signature.

Statewide Corrective Action Process

DHS recommends that all counties and ES providers review the TANF Work Participation Case Review – Statewide Correction Action Process available as Attachment A.

Training Opportunities

- Attend state presentations and training sessions on the WPR, documentation and verification requirements, and DRA updates. Counties and providers can request WPR regional training sessions (ESP only, Financial only, combined ES/FW session) by sending an email to Rita M. Galindre, Rita.Galindre@state.mn.us.
- Counties and ES providers with incorrect review findings are encouraged to work with their DHS Transition to Economic Stability (TES) regional consultants to obtain supplemental instructions and technical assistance. Refer to the MFIP ES Manual, Appendix F – Regional Teams/Contact Lists for MFIP & DWP for your regional consultant and their contact information, which is available at:

http://www.dhs.state.mn.us/main/groups/county_access/documents/pub/dhs16_148966.pdf

Counties Invited to Comment on this Report

DHS invites counties and ES providers to comment on this report and provide ideas of what additional information they would like to see in future reports. Please send your comments and/or ideas by email to Rita.Galindre@state.mn.us.

Attachment A – TANF Work Participation Case Reviews – Statewide Corrective Action Process

DHS recommends that all counties and ES providers take the following actions to improve documentation performance for TANF Work Participation (WP) Case Reviews.

Recommended actions:

- Use the MFIP Activity Guide in Appendix E of the MFIP ES Manual. This document is used for the TANF WP Case Reviews and will help you understand the documentation requirements and determine if documentation is complete.
- Review individual case finding results with financial and ES staff who have the case and make sure that each individual result gets filed in the appropriate financial and ESP case file.
- Review this entire report, TANF WP Case Review reports for each sample and the federal fiscal year report, with appropriate staff and management to gain a better understanding of the common causes that contributed to the errors.
- Review time sheets, activity logs, and other documents used to document/verify hours of participation to ensure the forms meet all of the documentation requirements (refer to MFIP Activity Guide in Appendix E of the MFIP ES Manual or the ESP MFIP Activity Guide Tip Sheet on pgs. A-3 & A-4). Revise forms as necessary or use the DHS recommended eDocs available:
 - DHS-2883 MDHS Request for Verification of School Attendance/Progress - English - 2-09 <https://edocs.dhs.state.mn.us/lfservlet/legacy/DHS-2883-ENG>
 - DHS-3336-ENG 8-08 Self Employment Report Form <https://edocs.dhs.state.mn.us/lfservlet/legacy/DHS-3336-ENG>
 - DHS-5006D-ENG 1-11 Earned Income/Pay Period/Date Tracking Form – 2011 <https://edocs.dhs.state.mn.us/lfservlet/public/DHS-5006D-ENG>
 - DHS-5784-ENG 8-10 Employment Services Weekly Job Search Activity Documentation Log <https://edocs.dhs.state.mn.us/lfservlet/public/DHS-5784-ENG>
- Conduct periodic management/supervisor reviews of participant case files, case notes, and the corresponding data entered in the MAXIS system and WF1 systems to ensure proper documentation and data entry.

Employment Services Provider – Use the Supervisory Case File Review – TANF Work Participation Verification Documentation Checklist for Unpaid Core and Non-Core Activities form developed for ESP as a tool to assist counties in reviewing Employment Services cases for documentation purposes. It is available on the CountyLink, DHS Program Resources, Employment Services page under the Tip Sheets section at:

http://www.dhs.state.mn.us/main/groups/agencywide/documents/pub/dhs16_157830.pdf

Financial Supervisor/Worker – Use the Financial Case Review – TANF Work Participation Documentation, Verification, and Coding Checklist form. This is a tool to assist financial workers and supervisors to do TANF WP case reviews on their cases. A Checklist Guide was also provided to help direct users to additional information on using the form. If you would like a copy of the form and guide use the link below to access the CountyLink, DHS Program Resources – DWP and MFIP page under MFIP Helps section:

http://www.dhs.state.mn.us/main/groups/agencywide/documents/pub/dhs16_146446.pdf

- Conduct county information sessions based on the MAXIS and Employment Services Activity Errors by Category and Cause information on pages 4 and 6.
- Encourage workers to share strategies for working with participants to improve compliance with documentation requirements.
- Continue to use the summary and detailed data reports provided by the Department of Employment and Economic Development (DEED) available on their website at:

http://www.positivelyminnesota.com/All_Programs_Services/Work_Participation_-_MFIP_TANF/index.aspx

<https://mfipapps.positivelyminnesota.com/Login.aspx>

Employment Services MFIP Activity Guide Tip Sheet

The tip sheet can be found on the CountyLink, Program and Resources, Employment Services, Tip Sheets page at:

http://www.dhs.state.mn.us/main/groups/agencywide/documents/defaultcolumns/dhs16_156020.pdf

See **Appendix E of [Employment Services Manual](#)** for the complete Supervision, Documentation, and Verification Requirements including Family Stabilization Services (FSS) provisions.