

Tennessee TANF State Plan

Effective 1/1/12 – 12/31/14

February 21, 2014 (Amendment Date)

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PROGRAM DESCRIPTION

In conformance with Section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Tennessee Department of Human Services (DHS) shall operate the Temporary Assistance for Needy Families (TANF) Program, known as the Families First Program in Tennessee.

Assistance payments shall be made on a monthly basis for all eligible assistance groups using a standardized budgeting and payment method per assistance group size. The state has a gross income test, a consolidated standard of need, and a maximum standard payment amount per assistance group size. Some assistance groups receive a higher differential maximum payment amount, based on caretaker work exemptions. Disregards include a \$250.00 earned income disregard, a mandatory household member and income disregard for a three-month period beginning with the month following the month of marriage for new spouses (marriage during receipt policy), and child care disregards of \$200.00 per month for children under two years of age and \$175.00 per month for children two years of age or older, for parents who choose a deduction rather than having their child care paid directly to the provider by DHS.

The income standards are included in an attachment to the State Plan.

The state will continue to use fill-the-gap budgeting. Current month child support will be paid to the caretaker using the fill-the-gap budgeting method as permitted in Section 302 (e) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Families First payments shall be made through Tennessee's Electronic Benefit Transfer system to the caretaker, alternate payee, or protective payee. The payment will be made available on the first of each month for continuously eligible cases. Payments will be made from the date the signed application is received in the local office for all eligible applicants. Auxiliary payments will be issued to all assistance groups that have been underpaid.

a. Eligibility

Eligibility for Families First benefits will be determined based on the following criteria:

- The Assistance Unit (AU) lives in Tennessee.
- The AU includes either:
 - A child under age 18;
 - A child under age 19 who is expected to complete high school or an equivalent vocational/technical training on or before his/her 19th birthday;
 - A pregnant woman in her last trimester; or
 - The otherwise eligible parents or caretakers of a SSI child.
- The children live in the home of a parent or a relative who maintains care and control of the child.
- All members of the AU are citizens or qualified aliens and have provided a Social Security Number.
- Child(ren) meet deprivation standards based on the absence, death, incapacity, or unemployment of a parent.
- Households meet income eligibility, including an income test and a resource test.

All AUs will be subject to a 60-month lifetime limit of Families First assistance. Months of TANF-funded assistance received in other states will count toward the lifetime limit. Those AUs that reach their 60-month limit and are exempt from the Families First work requirement and otherwise eligible may be considered for an extension. No more than 20% of the caseload can be on an extension at any given time.

b. Work Requirements

AUs with eligible adults who are not exempt must engage in 30 hours a week of countable work or training activities with the exception of those individuals who require a reduction in activity hours due to an Americans with Disabilities Act modification. The federally countable work activities being utilized in Tennessee are:

- Unsubsidized employment;
- Subsidized employment in the public or private sector when funding is available;
- Job Search and Job Readiness Assistance;
- Community Service;
- Work Experience;
- Vocational Education;
- Job skills training directly related to employment; and
- Adult Education (education directly related to employment).
- Vocational Rehabilitation

Families First uses the federal definitions for the countable work activities. AUs with a work requirement will receive cash assistance as long as they comply with program requirements or meet the 60-month time limit.

All provisions of the Fair Labor Standards Act will apply to Work Experience and Community Service activities, including maximum number of hours and displacement safeguards. Work Experience is limited to six months and Community Services to three, with some exceptions.

Tennessee is divided into regional Contractor Zones that cover each district of the State for the provision of work activities and for support services. The contractor responsible for each region will provide these work activities and support services and will negotiate and sign an Individualized Career Plan with each client to outline their specific work requirements.

Certain AUs will be exempt from the work requirement based on the following criteria:

- The caretaker is 65 years old or older;
- The caretaker is disabled;
- The caretaker is temporarily incapacitated;
- The caretaker is caring for an in-home disabled relative;
- The parent/caretaker is caring for an infant less than 16 weeks of age.

Families First will employ the following strategies for work and self-sufficiency:

- Families First participants will have goal-oriented, time-limited, Individualized Career Plans that carry them through logical and productive steps to self-sufficiency;
- Sanctions will be imposed when a family fails, without good cause, to comply with the Individualized Career Plan;
- Cash benefits will be limited to 60 months of eligibility in a lifetime, with some exceptions; and
- Participants who go to work and lose cash benefits may qualify to receive transitional child care assistance and transitional SNAP benefits.

Outcome goals have been set for all activities and all providers of services to assure clients receive the best available services in the shortest time possible. There is not a target goal set for transitioning clients off Families First. Client goals will be set with the work activity contractor, keeping in mind the 60-month time limit.

The Secretary was sent a notification from the Governor of Tennessee opting out of the provision to require a parent or caretaker receiving assistance for two months who is not exempt and who is not engaged in work to participate in community service employment. The State plan requires all non-exempt individuals to have an Individualized Career Plan.

c. Diversion Program

Tennessee will operate a Diversion program to serve families who do not need ongoing assistance, but could achieve self-sufficiency and economic security with a one-time lump sum payment.

An Assistance Unit (AU) must meet all of the following criteria to receive a Diversion payment:

- The Assistance Unit has not been on TANF assistance or received a diversion payment in any state in the past 2 years and has demonstrated residency in Tennessee for 6 months;
- The primary caretaker has a recent job history;
- The Assistance Unit does not face any major barriers to employment, such as drug/alcohol abuse;
- The primary caretaker has at least a high school diploma or equivalent;
- The household is facing a one-time financial need, and the Diversion payment would prevent ongoing need for TANF assistance. Money can be used for housing, transportation, child care, or job needs.

Those who accept the Diversion payment will be ineligible for Families First for a year, unless an emergency arises. Employed Diversion recipients are eligible for up to three months of subsidized child care

d. Sanctions

Sanctions shall be applied to all cases that are not in compliance with their Personal Responsibility Plans. A sanction may result in a percentage reduction in benefits for failure to provide immunizations, health checks, or to attend school. Total assistance group ineligibility will be applied if the family fails to cooperate with child support or with the Individualized Career Plan activities without good cause.

e. Domestic Violence Provisions

- The State has established and is enforcing standards and procedures to:
 - Screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals;
 - Refer such individuals to counseling and supportive services; and
 - Make accommodations to other program requirements as listed below for individuals receiving assistance in cases where compliance with such requirements would make it more difficult to escape domestic violence, or would unfairly penalize such individuals who are or have been victimized by such violence, or individuals that are at risk of further domestic violence.
- The State will apply special provisions/accommodations to victims of domestic violence.
 - Accommodations will be made to program requirements where compliance makes it more difficult for individuals receiving assistance to escape domestic violence or would put such individuals at risk of endangerment. Those requirements could include:
 - Work requirements;
 - Child support cooperation; and/or
 - Family cap provision.
 - Accommodations will be made based on need as determined by individual assessment by a person trained in domestic violence counseling. The needs of these individuals will be reassessed as needed.
 - Families First will continue to work with these families to help them move into work activities to the extent consistent with the basic provisions of the Family Violence Option (FVO).
 - The State will provide clinical social workers/counselors trained in domestic violence. Services will be available at least as long as the participant is receiving cash assistance.
 - The State will provide an aggregate figure of the total of good cause domestic violence waivers granted.

f. Other Program Policies

Families First AUs have access to child care. AUs with an eligible adult can access Families First Child Care if they are engaged in countable work and/or training activities and must have child care in order to participate. In addition, individuals who are exempt from a work requirement, but wish to volunteer for work/training activities may have access to child care. There is no co-pay fee.

Certain child-only Families First cases are eligible for At-Risk Child Only (ARCO) child care if funding is available.

Former Families First recipients who are working or are approved educational/training activities at least 30 hours a week can receive up to 18 months of Transitional Child Care (TCC) after their cases are closed. There is a co-pay fee for ARCO and TCC.

Families First AUs will be reviewed annually for continued eligibility.

If a single parent marries during the receipt of Families First assistance, he/she may choose to exclude the new spouse from the AU for 3 full months, regardless of income. Following the 3 months, the AU must meet TANF eligibility requirements to continue to receive assistance.

A Family Cap will be applied when a child is conceived and born during a period of eligibility. It may also be applied to a child born after or during a period of ineligibility, but within 10 months of a reapplication month. Exceptions will be granted when the birth is the result of rape or incest or when the birth is the first child born to a minor in an assistance group.

REQUIRED STATE PLAN ELEMENTS

a. Privacy Provisions

The rules of the Families First program regarding the use and disclosure of information about individuals and families receiving assistance are consistent with the rules that guided the program under Title IV-A of the Social Security Act prior to the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, thus protecting the rights of individuals and permitting the release of information to programs operating in connection with the TANF Program; i.e., federally funded or federally assisted programs providing assistance on the basis of need, appropriate audit, and appropriate local, state, and federal law enforcement officials.

b. Efforts to Reduce Out-of-Wedlock Pregnancies

“What’s the Rush?” is a statewide initiative of the Tennessee District Attorneys General Conference aimed at raising awareness of the legal, financial, and social consequences of teen pregnancies statewide. “What’s the Rush: Don’t be a Teen Parent” Campaign, provides informational videos and pamphlets via the DA’s Website. “What the Rush?” printed materials and videos were created for the DAs, ADAs or staff members to use when visiting schools and civic organizations to educate Tennessee’s youth about the consequences of becoming teen parents. These materials may also be provided to health departments, the Department of Human Services, courts, and other state-wide partners.

The Tennessee District Attorneys Conference created the campaign in 2008 in response to the number of court cases involving teen parents throughout the state. The following clause is included in the State of Tennessee’s contract with the DAs:

“A.39 The grantee shall conduct a teen pregnancy prevention campaign with a goal of decreasing the number of child support cases. This program shall target and provide resource materials to every high school and health department in the State. Further, the program shall be promoted, and readily assessable to teens through various means including, but not limited to, a web site, billboards, and other outreach efforts.”

c. Efforts to Reduce Statutory Rape

The Department of Human Services recognizes the correlation between teenage pregnancy and the possible occurrence of statutory rape by men.

- In Tennessee, **statutory rape** is defined as the unlawful sexual penetration of a victim by the defendant or of the defendant by the victim when:
 - o The victim is at least thirteen (13) but less than fifteen (15) years of age and the defendant is at least four (4) years but less than ten (10) years older than the victim; or
 - o The victim is at least fifteen (15) but less than eighteen (18) years of age and the defendant is more than five (5) but less than ten (10) years older than the victim.

Statutory Rape is a class E felony. Punishment for a Class E felony is a prison sentence ranging from 1-6 years.

- **Mitigated Statutory Rape** is the unlawful sexual penetration of a victim by the defendant, or of the defendant by the victim when the victim is at least fifteen (15) but less than eighteen (18) years of age and the defendant is at least four (4) but not more than five (5) years older than the victim. **Mitigated Statutory Rape** is a class E felony.
- **Aggravated Statutory Rape** is the unlawful sexual penetration of a victim by the defendant or of the defendant by the victim when the victim is at least thirteen (13) but less than eighteen (18) years of age and the defendant is at least ten (10) years older than the victim. **Aggravated Statutory Rape** is a class D felony. Punishment for a class D felony is a prison sentence ranging from 2-12 years.

Local DHS offices will provide printed material regarding statutory rape to be displayed in DHS offices, contracted agencies, local schools and other prominent public places where clients and related individuals, including the men who have allegedly committed the crime, can view the material. Staff will notify the proper authorities of a possible occurrence of statutory rape when an applicant for Families First or other program designed to provide related services is:

- Thirteen (13) years of age but less than eighteen (18) years of age; or
- A parent, legal guardian or custodian on behalf of such person.

d. Out-of-State Families

The State will continue to apply Families First policies to all applicant/recipients who are residents, including those families who were past recipients in another state and move to Tennessee. The policies and procedures of the Families First program will be applied uniformly to current state residents and to new state residents. Families seeking the Diversion payment must demonstrate 6-months of residency in Tennessee and must never have received a Diversion payment in any other state.

e. Treatment of Non-citizens

The state will provide assistance to non-citizens using the rules outlined in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the Trafficking Victim Protection Act of 2000, and federal rules regarding certain battered women and children. The State has no State-Only funded programs for aliens. The current Families First (TANF) policy allows eligibility for individuals with the following alien status and length of time in the U.S.:

- Refugee (admitted under Section 207) in the U.S. less than 5 years
- Asylee (admitted under Section 208) in the U.S. less than 5 years
- Deportation Withheld (under section 243(h)) in U.S. less than 5 years
- Honorably Discharged Veterans
- Armed Forces Active Duty
- Spouse/Child/ of Veteran
- Spouse/Child of Armed Forces Active Duty
- Hmong or Highland Laotian
- Spouse of Hmong or Highland Laotian
- Dependent Child of Hmong or Highland Laotian
- Filipinos who are considered US Armed Service Vets
- Legal Permanent Resident (LPR) with 40 Qualifying Quarters
- Legal Permanent Resident (LPR) in US more than 5 years
- Amerasian Immigrant in U.S. less than 5 years
- Cuban/Haitian Entrant admitted under Section 212(h)(5) in U.S. less than 5 years
- Conditional Entrant (admitted under INA Section 203 (a)(7) in eligible status for more than 5 years
- Parolee (status granted under INS Section 212 (d)(5) for 1 or more years – entry date on or after 8/22/96) after in "parolee" status for 5 or more years
- Trafficking Victims in accordance with 107(b)(1) of the Trafficking Victim Protection Act of 2000
- Certain Women and Children in battered status and in the U.S. less than 5 years
- Afghan Special Immigrant admitted under 101(a)(27) effective 12/26/2007
- Afghan Special Immigrant admitted under 101(a)(27) effective 12/19/2009 (in U.S. less than 5 years
- Iraqi Special Immigrant admitted under 101(a)(27) effective 1/28/2008
- Iraqi Special Immigrant admitted under 101(a)(27) effective 12/19/2009 (in U.S. less than 5 years

f. Ensuring Program Integrity

Program integrity is twofold. It includes both the provision that benefits must be provided timely and provided correctly and that recipients are provided with an avenue to voice their complaints/concerns through an appeal process.

Appeals are handled by our Appeals and Hearing Division, an entity whose only purpose is to fulfill the function of determining whether the correct action was taken on a case when that action has resulted in client dissatisfaction. Any applicant for, or recipient of, Families First may file an appeal through the county office, district office, State Office, or our Family Assistance Service Center. Every applicant/recipient is informed of his/her right to appeal if he/she is aggrieved by an action or lack of action by DHS. Anyone who applies or wants to apply for Families First benefits is given an informational pamphlet that explains the right of Appeal and Fair Hearing, the method by which a hearing may be obtained, and that his/her case may be presented by a household member or a representative. All applicants/ recipients are informed about these rights.

Resources that were previously used for quality control purposes in the AFDC program were redirected to monitor and evaluate Families First. Focusing on outcomes rather than process will

continue to ensure accountability. A method remains in place to ensure that payment accuracy and standards of promptness are achieved. The method involves a review of a statistically valid sample of cases that are actively receiving Families First (those not slated for closure), and is conducted by a separate third party, an Active Case Review team, to ensure policy and payment accuracy and that appropriate case management services are provided. The results of these reviews are provided to the management team of each area in the State and are used to determine areas where additional training may be needed. Individual errors found in cases are also addressed and corrected.

g. Public Involvement

Local governments have numerous opportunities to be involved in Families First and many serve as service contractors for education, training or child care services. Urban county governments provide education and training services through sub-contracts with Families First work activity contractors. Local Human Services offices are used in many instances for co-location of local government and in some instances, Human Services caseworkers are stationed in local training centers.

In 2004, a Governor's task Force comprised of business leaders, former and current Families First clients, advocates, program contractors, and senior Department of Human Services officials came together to recommend ways to improve the program with the goal of "*enabling even more Tennesseans to become self-sufficient, tax-paying citizens.*" Another goal of this group, in anticipation of the loss of Tennessee's waiver in June 2007, was to ensure a smooth transition into compliance with all anticipated Federal requirements. The findings and recommendations of this group helped shape the current post-waiver Families First Program in Tennessee.

We continue to uphold efforts to improve the Families First Program through public involvement by meeting on a quarterly basis with advocates groups to discuss the state of the Families First Program and proposed improvements.

h. MOE Programs

Tennessee has discontinued providing Families First assistance and services to some eligible families under a separate state program, using only state Maintenance of Efforts (MOE) funds. We do not currently have any SSP MOE programs.

i. Americans with Disabilities Act Provisions

The Families First program, including any contracting agencies providing services to Families First clients, will comply with all ADA provisions in the application of policy and provision of services.

j. Patient Protection and Affordable Care Act of 2010

The Families First Program does not intend, at this time, to develop a specific program to assist individuals to train for, seek, and maintain employment in:

- Providing direct care in a long-term care facility (as such terms are defined under Section 1397j of Title VI; or

- Other occupations related to elder care determined appropriate by the State for which the State identifies an unmet need for service personnel.

Our Families First Work Activity Contractors currently assist some Families First recipients with training that would fit the above criteria as part of their general activities in assisting recipients with appropriate training based on their needs and abilities.

We will consider a more specific program related to these needs when our current work activity contracts expire.

k. TANF EBT Restrictions Requirements

Beginning July 1, 2014, the effective date of Tennessee EBT restrictions law, the Department of Human Services Program Integrity Unit (PIU) will provide a list of restricted transactions from the PIU's monitoring efforts to our EBT vendor on a quarterly basis (at a minimum) to have ATMs at the restricted locations "Blocked" from accessing TANF benefits. The DHS PIU will continue to monitor TANF transactions on a quarterly basis (at a minimum) to identify any new or additional restricted locations and block ATM EBT access. The DHS PIU Division will determine and establish claims in the amount of benefits accessed in restricted locations by TANF recipients on and after July 1, 2014. Following appropriate investigation, the DHS PIU Division may also assess penalties on the businesses that violate the Federal and State law.

We will work to ensure that our TANF recipients have adequate access to their cash assistance. Business owners will provide the DHS PIU Division with ATM location details. Based on that information, the PIU will assess the restricted locations to determine if there are other nearby unrestricted businesses where benefits can be accessed. If there appears to be an access problem, the DHS PIU will then notify the EBT/TANF Restriction team concerning locations where a client may not have adequate access to their cash assistance.

From analyzing the recipient data, locality information (addresses) where transactions occur will be cross-referenced with the ATM locality information from the self-reports of business owners in the area. This analysis will help us determine if there are "clusters" of transactions in particular locations that are restricted. If there are "clusters" of activity around a particular restricted location, the area will be investigated, as will other businesses or locations in the surrounding vicinity, to determine non-restricted areas where EBT cards can be used with minimal or no surcharge fees. We will advise clients by letter of the non-restricted ATMs and their locations.

In addition, beginning July 1, 2014, DHS TANF recipients will also have the opportunity to appeal any potential claim for using their benefits in a restricted location.

Brochures are provided by our EBT vendor, to every recipient who uses an EBT card to access his/her benefits. These brochures thoroughly explain use, fees, possible surcharges that apply to electronic fund transactions, and penalties for illegal use including those for use at restricted businesses.

CERTIFICATIONS

The State will operate a program to provide Temporary Assistance to Needy Families (TANF) so that children may be cared for in their own homes or in the homes of relatives, to end dependence of needy parents on government benefits by promoting job preparation, work, and marriage, to prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and encourage the formation and maintenance of two-parent families.

The program is known as Families First.

The Executive Officer of the State is the Governor of Tennessee

In administering and operating a program that provides Temporary Assistance for Needy Families with minor children under Title IV-A of the Social Security Act, the State will:

A. Specify which agency or agencies will administer and supervise the program under part A in all political subdivisions of the State:

- The Tennessee Department of Human Services is the agency responsible for administering and supervising the program;

B. Assure that local governments and private sector organizations have been consulted regarding the plan and design of Families First services in the State so that services are provided in a manner appropriate to local populations; and have had at least 45 days to submit comments on the plan and the design of such services:

- The Families First program will be guided by State Rules. As changes are needed for policy, proposals for changes to the State Rules are submitted as needed.
- Since Families First was implemented, DHS staff has met regularly with statewide advocates on the continued progress of the program.
- Public Notice of the Tennessee TANF Plan availability for comment was November 1, 2010 – December 15, 2010.

C. Operate a Child Support Enforcement program under the State plan approved under Part D.

D. Provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a Tribal Family Assistance plan approved under Section 412, with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government.

E. Establish and enforce standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

F. Make available to the public a summary of the State Plan.

G. Establish and enforce standards and procedures to ensure that domestic violence is addressed and victims are accommodated.

CERTIFIED BY THE CHIEF EXECUTIVE OFFICER OF THE STATE

Date

Bill Haslam, Governor

IV. FUNDING

Section 403 (a)(1)(A) Of the Social Security Act provided that each eligible State shall be entitled to receive a grant in an amount equal to the State family assistance grant as defined in section 403(1)(1)(B).

Section 7101(a) of the Deficit Reduction Act provides that activities authorized by Part A of Title IV of the Social Security Act shall continue through September 10, 2010 or a subsequent date as amended.

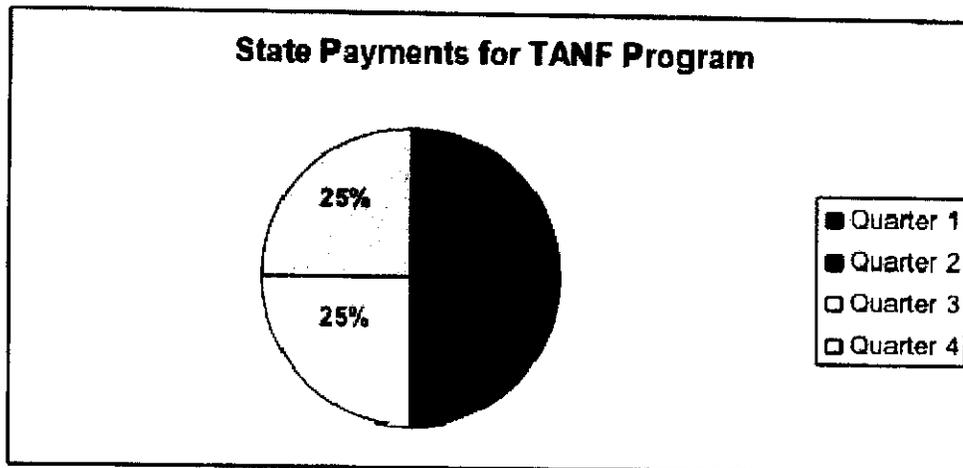
A. Payments to Agency Administering the TANF Program

Payments for the TANF Program in Tennessee will be made to the Tennessee Department of Human Services.

B. State Payments for TANF Program

Section 405 requires that grants be paid to States in quarterly installments, based on State estimates. The State's estimate for each quarter of the fiscal year by percentage is:

For FY 2007 and Future Years



C. Contingency Funds

Tennessee may seek to access TANF Contingency Funds when triggers and requirements are met.

FAMILIES FIRST NEED/PAYMENT STANDARDS EFFECTIVE 7/1/08:

Number of Persons in AU	1	2	3	4	5	6	7	8	9	10
Gross Income Standard	1288	1658	1972	2240	2470	2666	2838	2991	3128	3256
Consolidated Need Standard	696	896	1066	1211	1335	1441	1534	1617	1691	1760
Standard Payment Amount	95	142	185	226	264	305	345	386	425	467
<i>Differential Grant Payment Amount</i>	140	192	232	242	291	305	345	386	425	467

Number of Persons in AU	11	12	13	14	15	16	17	18	19	20
Gross Income Standard	3374	3487	3596	3702	3802	3898	3987	4064	4129	4175
Consolidated Need Standard	1824	1885	1944	2001	2055	2107	2155	2197	2232	2257
Standard Payment Amount	508	549	589	630	670	711	750	790	831	871
<i>Differential Grant Payment Amount</i>	508	549	589	630	670	711	750	790	831	871