Strategies to Meet the New Federal Work Participation Requirements
Best Practices from Santa Clara County

Arcel Vazquez

EXECUTIVE SUMMARY

Introduction

The requirements under the federal Deficit Reduction Act challenge counties to develop new best practice strategies to improve CalWORKs clients' work participation. Counties face two main challenges:

1 The pool of work-eligible individuals has been expanded to include previously excluded "child only" (i.e., sanctioned and timed-out) clients; thereby, automatically decreasing the Work Participation Rate (WPR).
2 Allowable work activities must adhere to stricter requirements.

Santa Clara County's Strengths

Santa Clara County (SCC) has a long history of strategically improving clients' work participation by applying an education and training model to case management. As a result, SCC is able to boast among the strongest WPRs in the state, averaging 47.4% for 2000-2006, exceeding California's average, which is in the mid-20% range. In anticipation of the new federal legislation, stakeholders began strategic planning efforts in Fall 2005. Five workgroups were formed to develop strategies to address the new federal challenges.

Strategies to Improve the WPR

Three best practices are presented:

1 **Improving Strategies to Engage & Re-engage Clients**
   A Strategies to increase sanctioned clients' engagement:

- streamlining hand-offs between work activities
- improved CalWORKs orientation for this group,
- and implementation of a home visitation model.

   B Strategies to increase engagement from timed-out families:
- Alternative payment providers are contracted with to collect work activity data and offer families referrals to employment programs,
- case management services, and
- enrollment into Stage 2 Child Care.

2 **Data Reporting Strategies**
   A Active analysis and data cleaning to achieve data integrity has allowed the WPR Steering Committee to improve reporting methods, develop strategies to increase work participation, and to formulate policies and procedures around data entry and reporting.
   B Key processes and stakeholders are identified.

3 **Messaging and Values**
   A Work and school model is valued by CalWORKs staff.
   B Keeping clients engaged in any work activity is an approach to case planning.
   C Strengths-based messaging permeates discussions and written materials.

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Conclusion

The present report provides comprehensive documentation of Santa Clara County's approach to improving their WPR. Many of these strategies have a long history and are rooted in a belief that Cal-WORKs clients are best served by providing them with opportunities to expand both their education and job skills. The report delineates in detail some of SCC's best practices to facilitate replication.

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Introduction

An education and training model has been a main philosophical underpinning of Santa Clara County's (SCC) approach to helping clients gain sustainable employment. In turn, this approach has likely been a major contributing factor in achieving high work participation rates (WPR). The reauthorization of Temporary Assistance to Needy Families (TANF), signed into law in February 2006)[1] under the Deficit Reduction Act tightens work participation requirements, challenging all California counties to review their service delivery models.

Two federal changes will automatically lower WPRs across the State. The first change includes timed-out (or safety net) and sanctioned cases in the calculation of the WPR. Safety net cases refer to families who have reached the TANF 60-month time limits. Sanctioned cases refer to families who have not complied with program requirements for 90 days or more.[2] The second change tightens the types of allowable work activities. For example, job readiness assistance is limited to 6 weeks in 12 months. With these federal changes in mind, the present report provides an account of best practices implemented in SCC to improve CalWORKs clients' work participation. Enough detail is provided to allow replication or consideration of the following programmatic elements.

Santa Clara County's Strengths in the Face of New DRA Legislation

SCC has focused on strategically improving their WPR since 1988. As a result, SCC is able to boast among the strongest federal WPRs in the state, averaging 47.4% for 2000-2006,[3] which was more than twice the State average (mid-20% range).[4] Additionally, a strong commitment to education and training is evident throughout the CalWORKs program.[5] Prior to the new DRA, case managers helped clients, as appropriate, to develop case plans that emphasized education and training activities that prepared them toward viable self-sufficiency. In 2005, one-third of clients pursued additional skill training (e.g., vocational training, adult basic education).[6] Clients deemed job-ready received further support from one of four regional Employment Connection centers (through Job Club) to locate employment. In 2006, clients started employment with an average hourly wage of $11.22.[7]

A historically strong program model and work participation rate suggests that the new federal requirements may only slightly impact SCC's operations. However, the inclusion of safety net and sanctioned cases works to markedly reduce SCC's WPR.

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[1] ACL 06-46.
[2] ACL 07-03.

[3] *Promise Your Family a Better Future: CalWORKs* (Sep 2006 and Sep 2004). Santa Clara County Social Services Agency.
[4] Personal communication with Ofelia Armenta.
[5] Personal communication with Denise Boland and Ofelia Armenta.
[6] *Promise Your Family a Better Future: CalWORKs* (Sep 2005). SCC SSA.
[7] *Promise Your Family a Better Future: CalWORKs* (Sep 2006). SCC SSA.

Using the new requirements, an analysis found that the WPR had been reduced by 12.9% (47.4% to 34.5%).[8] Moreover, the federal government has tightened the allowable work activities. To meet the new federal requirements, SCC has moved from an *education and training* model to a *work and school* model.[9]

In Fall 2005, SCC stakeholders began strategic improvement efforts. Five workgroups were formed to re-examine SCC's CalWORKs program (see Table 1).[10] As SCC implements the new strategic plan, the process is guided by a commitment to *make a difference through people, services, and performance.*

Three main approaches were prioritized:

- to improve re-engagement strategies with sanctioned and safety net clients;
- to improve the service delivery process by "closing the gap"; and
- to develop timely reports using the new Cal-WIN database system.

In addition, strengths-based messaging and a commitment to improving clients' human capital (e.g., education and job skills training) will continue to be key factors in achieving strong WPRs.

Improving Strategies to Engage and Re-Engage Clients

To ease the effects of the expansion of work-eligible clients on the WPR, different strategies were formulated to address the needs of sanctioned and safety net clients.[11]

The CalWORKs Orientation

Successful engagement of new clients, as well as re-engagement of sanctioned and safety net clients, is imperative to improve and sustain a strong WPR. Under the new regulations, work eligible clients are required to attend a CalWORKs orientation within

TABLE 1	
Strategic Planning Workgroups	
Workgroup	**Strategy**
Re-engagement	Improve Messaging
Customer Service	Tighten internal staff processes
WPR Steering Committee	Tighten WPR Reporting
Employment Connection	Improve Referral Resources
Participation Flow	Close the Gaps

30-60 days from receiving cash assistance. SCC raffles a $50 gift certificate at each orientation as a participation incentive.

At the orientation, two facilitators divide the work and ensure that eligibility requirements are met. The orientation is comprehensive and well structured. A description of the orientation process and the content of the orientation presentation are included in Figure 1.

Sanctioned Families

Clients who do not meet the work activity requirements are sanctioned and may only receive the child-only benefit. Reasons for sanctioning clients are varied. Examples include when mental health or other challenges may prevent clients from engaging in work activities or the cash benefit may not be a sufficient incentive to participate. According to the Legislative Analyst's Office, sanctioned clients from high cost counties see their monthly grant reduced between $584 and $723 per month for a family of three.[12] A SCC study found that among sanctioned clients surveyed, none were meeting the WPR requirements.[13] However, 60% (n=9) reported some type of work activity. Clearly, there are steep challenges in re-engaging sanctioned clients. Santa Clara County is developing three strategies:

1 **Fewer hand-offs:** A principal question the Participation Flow Workgroup asked was, where are the places where we lose clients?[14] A study con-

[8]SCC Memo, dated 4/12/07, from Raul Aldana, Decision Support and Research Manager, to Alette Lundeberg, DEBS Administrator ESI & CalWORKS Planning.

[9]Personal communication with Denise Boland and Ofelia Armenta.

[10]See Attachment A for the complete summary of SCC's *Employment Services Workgroup Process Improvements,* 2006-2007.

[11]See ACL 07-03 for a complete description of work-eligible families, p. 3-4.

[12]According to the Legislative Analyst Office (Feb 2006). Key changes in work participation rate and MOE calculations. Refer to: www.lao.ca.gov/analysis_2006/health_ss/HSS_13_5180_anl06.html .

[13]A study conducted by Starr Coatney & Jesus ***, February 2007.

[14]Personal communication with Denise Boland and Ophelia Armenta.

FIGURE 1
CalWORKs Presentation & Process

Topics covered in the Power Point presentation:

- What is CalWORKs?
- Time limits.
- WtW participation requirements: Description of allowable work activities.
- Hours of participation required.
- Monthly reporting satisfactory progress.
- Child care services.
- Transportation support (i.e., clients receive $61.25, the cost of a bus pass, per month).
- Support with work and training related expenses.
- Other services available to clients (e.g., tattoo removal, expungement program)
- Section on learning disabilities:
  - Types of learning disabilities: Listening, speaking, reading, writing, and mathematics.
  - It is mandated by the State to address learning disabilities with clients.
  - It is optional to participate in a learning disability screening.
  - What happens if you do not participate in CalWORKs? (e.g., client is sanctioned).

A Q&A session follows the presentation.

Guest service providers present their program and the services offered. Examples are:

- Asian American Recovery Services
- Employment Connection Centers (a SCC program):

Participants return to the lobby and get called individually by an Employment Technician.

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ducted by Los Angeles County found that 65% of sanctioned families never attend the orientation.[15] Further analysis indicates that many clients are lost either at orientation or at Job Club. Thus, SCC has made efforts to streamline the hand-offs between activities. For example, an Employment Technician meets with the client immediately following the orientation, to schedule the next work activity.

2 **Improved orientation and outreach:** The Employment Connection Workgroup is developing special strategies to change the way sanctioned clients think about self-sufficiency to increase their work participation. Sanctioned clients receive a strengths-based letter reminding them that they can remove their sanctioned status at any time by scheduling and attending the Orientation and by participating in work activities. The new orientation will include best-practice engagement strategies: positive reinforcement, personal testimonies, video clips, and facilitators with strong communication and motivational skills.

3 **Home visitation model:**[16] The goal of home visitation is to reach families who may face substantial barriers to work. Social workers with case management experience visit clients in their homes. The Re-engagement Workgroup is in the midst of troubleshooting and developing policies for the home visitation program. A loose description of the program follows:

- The Social Worker (SW) and Employment Technician (ET) meet to discus the client prior to a telephone contact.
- If client is reached by phone, he/she is encouraged to contact the ET. The SW seeks information about any challenges that may impede the client from working (e.g., mental health, domestic violence, substance abuse) and informs the client of the orientation process and schedule. The SW then completes a WPR form.
- If the client is not reached by phone, the SW pays a home visit. For clients facing challenges impeding work participation, the SW opens a case.
- If the client is engaged in work, the SW completes the WPR form and informs the ET. A case is not opened.

SAFETY NET FAMILIES

Re-engaging safety net families also has its set of challenges. These families have reached the 60-month term limits and are therefore without incentive to "participate" (i.e., to report work activities). A survey of safety net families found that of five families who returned questionnaires, all were employed and met the WPR. However, ten families had been surveyed

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[15]According to the Legislative Analyst Office (Feb 2006). Key changes in work participation rate and MOE calculations. Refer to: www.lao.ca.gov/analysis_2006/health_ss/HSS_13_5180_anl06.html.

[16]Personal communication with Marsha Earle.

and only half returned questionnaires. Thus, while preliminary investigations of this group show that many are part of the workforce, the challenge will be to find the right incentives to motivate these economically disadvantaged and busy families to report on work activities when the full cash aid benefit will not be restored. Presently, there are 1,362 families receiving safety net services (i.e., the child only portion of the grant).[17] Of these families, there are 2,604 children of which 54% may eligible for child care. The Employment Support Initiative (ESI) is gearing up to pilot a program that will offer subsidized child care in return for work activity data. Alternate payment providers will be contracted to collect work activity data and provide families with the following services:

- Referrals to employment programs (e.g., Employment Connection Centers);
- Case management services to remove barriers to employment; and
- Enrollment of eligible clients in Stage 2 Child Care.

SCC is implementing a budget using an outcomes based management model. Agencies that pass the request for proposal process will receive up to $60,000 each. Additionally, quarterly bonuses, up to $10,000, will be awarded to agencies that meet or exceed performance goals. Agencies are asked to provide a work plan and timeline delineating service and outcome goals on a monthly basis.

Data Reporting Strategies

SCC strives to meet both internal and external outcome and performance standards. External standards (e.g., federal) are viewed as limiting the agency's ability to portray an accurate assessment of client outcomes (i.e., continued enrollment in college past the allowable period). Therefore, SCC measures the extent to which clients are engaged in any work-related activity that may lead to viable self-sufficiency. Using this methodology, 85% of clients are actively involved in some type of work activity. The remaining 15% are

either sanctioned, in-between activities, or waiting to participate.[18] These data are actively shared with stakeholders within and outside the agency to stimulate continued involvement and commitment to support clients.

Nonetheless, close attention is paid to meeting and exceeding the new federal WPR standard. In fact, SCC aims to be among the top 12 counties in the state with the highest WPR. In order to meet the stricter allowable work activities set by the federal government, the case management strategy has been re-calibrated to work and school model. This new model continues to stress SCC's value in education as a means to viable self-sufficiency.

Technical Strategies to Meet the New WPR

A first step in understanding how the new standards affect a county's WPR is to look at the data. Therefore the integrity of the data is imperative. When data integrity is achieved, analysis and strategic planning may begin. A challenge common to many CalWIN counties is the newness of the database system, defects in system programming and design, and staff training needs. SCC has been able to circumvent many of these challenges through the leadership and technical capability of their Decision Support and Research Manager. The WPR Steering Committee was formed to interpret, understand, and develop data reporting strategies.

The workgroup brainstorms on how to improve reporting and work participation from clients, and discusses technical issues that arise in data reporting or cleaning. Policies and procedures are developed and implemented, as appropriate. For agencies interested in forming a similar committee, the following key players should be invited to participate:

- CalWIN experts,
- CalWORKs manager,
- planning and contracts manager,
- social service project manager,
- other program managers, and
- management analysts.

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[17]Denise Boland (2007). Pilot Project for Timed Out CalWORKs Clients.

[18]Personal communication with Ofelia Armenta.

In addition, a task force identifies issues, recommends and implements solutions, tracks and reports progress, and develops action plans. Ad-hoc workgroups are also formed, as needed, to brainstorm and perform specific tasks identified by either the steering committee or the task force.[19]

The state offers two methods to report work participation on a random sampling of TANF cases. One method allows the county to extract the data. The other method allows the county to enter the data directly onto a web-based tool. To allow better understanding and manipulation of the data, SCC opted to retrieve the data extract from the state's website: the extract is loaded onto a CIS universe; the sample is matched with CalWIN data, and then loaded into an Access database. Figure 2 shows the WPR data validation process.[20]
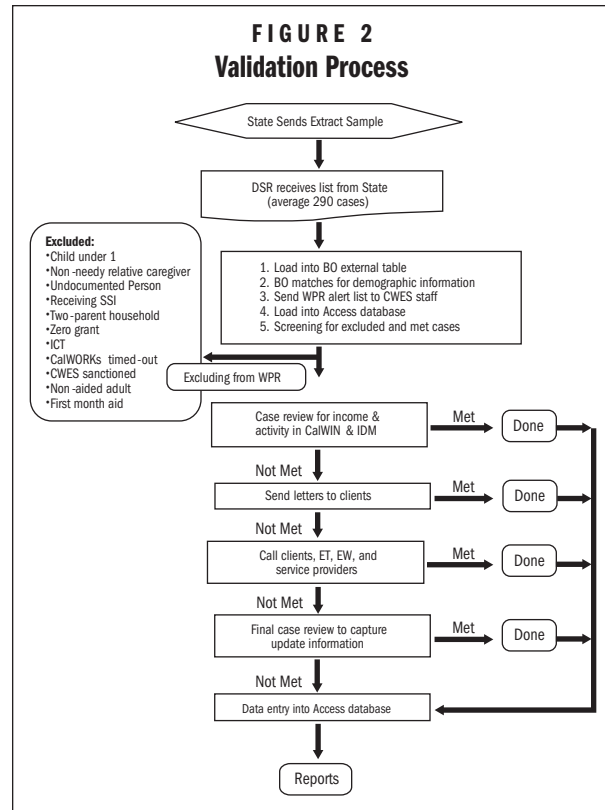
Values and Messaging

The motto, *Making a Difference through People, Services, and Performance,* is the first thing one notices upon entering the CalWORKs Social Services Program Manager's office. This motto is a common thread that runs through the various workgroup meetings, orientations, written materials, and personal communications. There is a strong commitment in SCC to provide clients with services that will lead to viable self-sufficiency. Key elements include:

Work and school model. The value of this model is evident when engaging in conversation with CalWORKs staff. Education is highly valued, and it is not uncommon to find managers brainstorming and keeping each other appraised on ways to count educational activities as an allowable work activity.

Keeping clients engaged. One approach to case planning is to keep clients engaged in any type of work activity, while promoting activities that count toward WPR. By keeping clients engaged, momentum may build and clients may begin to develop patterns needed for gainful and sustainable employment.

FIGURE 2
Validation Process

State Sends Extract Sample

DSR receives list from State (average 290 cases)

Excluded:
• Child under 1
• Non-needy relative caregiver
• Undocumented Person
• Receiving SSI
• Two-parent household
• Zero grant
• ICT
• CalWORKs timed-out
• CWES sanctioned
• Non-aided adult
• First month aid

1. Load into BO external table
2. BO matches for demographic information
3. Send WPR alert list to CWES staff
4. Load into Access database
5. Screening for excluded and met cases

Excluding from WPR

Case review for income & activity in CalWIN & IDM — Met — Done

Not Met

Send letters to clients — Met — Done

Not Met

Call clients, ET, EW, and service providers — Met — Done

Not Met

Final case review to capture update information — Met — Done

Not Met

Data entry into Access database

Reports

Strengths-based messaging. The CalWORKs vision and values are shared with all stakeholders. Examples on how this may be done include:

- Internal: One memo to CalWORKs staff concludes by noting the importance of their collective effort to make a difference in clients' lives and meeting the WPR standard:[21] "Meeting the mandates of WPR for our program is a high priority goal for CWES. Not only for financial incentives, but for engaging our clients to assist them to make a difference in their own lives and their families. Our county is one of the leaders throughout California that consistently ranks high in WPR and our combined efforts will continue to make a difference."

- WPR dashboard: SCC is in the midst of finalizing a "dashboard" to be used as a communications tool to share WPR data with executives, managers, supervisors, and line staff.

- Newsletters and annual reports: These are developed to inform stakeholders of important achievements, forefront issues, and statistical data.

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[19] Project Charter for DEBS Data Integrity System, October 18, 2006.

[20] Karen Kennedy, CDSS; Raul Aldana, SCC; & Alette Lundeberg, SCC (Dec 2006). All roads lead to rates: Learning strategies for calculating and managing our county work participation rates. Presented at the 2006 CalWORKs Partnership Summit, Newport Beach, CA.

[21] From the Department of Employment and Benefits Services Administrator.

Recommendations

STRATEGIES TO RE-ENGAGE CLIENTS

CalWORKs departments are likely to face three challenges: 1) cultural sensitivity towards clients' experience with poverty, 2) the assessment of clients' needs using a standardized tool, and 3) quantifying clients' satisfaction with services. The following components offer solutions to these challenges:

Cultural sensitivity training. An investigation on sanctioned clients' perceptions of the CalWORKs program found that some respondents perceived insensitive and non-flexible treatment from their workers.[22] In response to these findings, direct service staff are scheduled to participate in a cultural sensitivity training focused on poverty. One training model being considered is *Bridges Out of Poverty,* which is a simulation that helps participants understand the daily and chronic challenges faced by families living in poverty.

Home visitation assessment tool. Assessment tools provide a roadmap to guide the development of the case plan and service provision. The CalWORKs Social Work Unit is presently reviewing assessment tools to guide home visits. Two assessment tools being reviewed are the Family Assessment Screening Tool[23] and an assessment tool used by Ramsey County.

Customer satisfaction survey. Offering clients opportunities to report on the quality of services received helps supervisors and managers tailor and plan services. San Mateo County uses Customer Satisfaction Surveys to inform decision makers on service delivery challenges and achievements, in turn, guiding programmatic and/or service delivery modifications.

OUTCOMES-BASED CONTRACTING

There is an emerging shift from service contracting to outcomes-based contracting.[24] The former pays for services, the latter compensates service providers for services that lead to change. One compensation schedule may include a combination of outcomes-based compensation in addition to an hourly rate. SCC developed a contract that offers Alternative Payment Providers yearly bonuses contingent on reaching or exceeding performance standards. This is a good business practice.

It is recommended that agencies develop contract language that pays service providers for delivering change (i.e., "outcomes-based" contracting). Contract language should also specify concrete performance standards. For areas where performance standards are unclear, the contracting agency and service provider may work together to establish performance standards. One strategy is to engage in PSDAs. A PSDA (plan, study, do, act) is a short-term pilot that tests hypotheses quickly without a cumbersome planning process. If the idea works, it is kept. Otherwise, the idea is thrown out and another PSDA ensues.

TEAM COLLABORATION

Strong team collaboration in program development has been a likely key factor in SCC's high WPR. Important programmatic decisions are best resolved by a team of professionals across positions—from the practical expertise of line workers and supervisors to the systems experience of managers and directors. Teambuilding should be part of every strategic plan aimed at systems change.

Conclusion

The present report provides comprehensive documentation of Santa Clara County's approach to improving their WPR. This is done to facilitate replication of SCC's best practices. Many of these strategies have a long history and are rooted in a belief that CalWORKs clients are best served by providing them with opportunities to expand both their education and job skills. The Deficit Reduction Act may make it more challenging to apply this model and still maintain a strong WPR, but SCC continues its commitment to support families' engagement in work activities that lead to viable self-sufficiency.

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[22]Sanction Project 2006. A joint effort between Social Services (ESI) and Health Alliance, as well as mental health providers.

[23]The Family Assessment and Screening Tool has been adapted from the NCFAS (North Carolina Family Assessment Scale, Version 2.0) developed by Kirk, R. S., and Reed Ashcraft, K, 06/98.

[24]Williams, H. S. Outcome-based consulting…an alternative to payment by the hour. Innovating, 7(4). Website: http://www.rinstitute.org

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