

**FORM ACF-202 – TANF CASELOAD REDUCTION REPORT**

**Date of Completion** December 23, 2013

**State:** New Mexico

**Fiscal Year to which credit applies:** 2014

Overall Report  (check one)  
Two-parent Report

Apply the overall credit to the two-parent participation rate?  yes  no

**PART 1 –Eligibility Changes Made Since FY 2005**

(Complete this section for EACH change)

1. Name of eligibility change: **Work Program Participation Status & Requirement Determinations**
2. Implementation date of eligibility change: **April 1, 2012**
3. Description of policy, including the change from prior policy: In accordance with the purpose of the New Mexico Works Act and the Federal TANF program, the Department promulgated regulations to ensure that all participants receiving cash assistance participate in work activities. Work activities include supports and training for those with barriers to getting jobs, help in finding jobs and learning the skills to keep a job. The work activities help families succeed in becoming self-sufficient, which is one of the goals of the New Mexico Works Act, the program for administering Temporary Assistance to Needy Families (TANF).

The regulations require all Adult and minor head of household participants to complete an assessment, individual responsibility plan, work participation agreement and applicable requirement hours. Persons who meet one of the qualifying conditions may request a Limited Work Participation Status exempting them from meeting the federal statutory work required hours, requiring the participant to engage in an activity for no less than one hour per week, as determined by the department at 8.102.420 NMAC. Individuals who demonstrate extraordinary circumstances may be granted a zero hour limited work participation status.

Participants granted limited work participation status are required to meet the NMW compliance requirements as indicated at 8.102.460.9 NMAC. Failure to complete the assessment, IRP and WPA may be considered non-compliance with program requirements. The Incapacity Review Unit (IRU) or the NMW Service Provider will establish participation requirements specific to the participant’s condition or circumstances, such as substance abuse services, mental health services, domestic violence services, pursuit of disability benefits, job readiness, or education directly related to employment. The activities chosen are to address the participant’s barriers and to improve the participant’s capacity to improve income and strengthen family support. The qualifying conditions are listed below:

- (1) An individual age 60 or older;
- (2) A single parent, not living with the other parent of a child in the home, or caretaker relative with no spouse, with a child under the age of 12 months. A participant may be eligible for a limited work participation status using this qualification for no more than 12 months during the participant’s lifetime.
- (3) A single custodial parent caring for a child less than six years of age or who is a medically fragile child if the parent is unable to obtain child care for one or more of the following reasons and the children, youth and families department (CYFD) certifies as to the unavailability or unsuitability of child care:

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- (a) the unavailability of appropriate child care within a reasonable distance from the parent's home or work site; or
  - (b) the unavailability or unsuitability of appropriate and affordable formal child care by a relative or under other arrangements; or
  - (c) the unavailability of appropriate and affordable formal child care by a relative or under other arrangements;
- (4) A participant who is a woman in her third trimester of pregnancy, or six weeks post-partum.
  - (5) A participant whose personal circumstances preclude participation for a period not to exceed 30 consecutive days in a calendar year.
  - (6) A participant who demonstrates by reliable medical, psychological or mental reports, court orders, police reports, or personal affidavits (if no other evidence is available), that family violence or threat of family violence effectively bars the parent from employment.
  - (7) A participant who is completely impaired, either temporarily or permanently, as determined by IRU.
  - (8) A participant may be entitled to the family violence option (FVO). This option allows for a parent in a domestic violence environment to be in a limited work participation status for the length of time certified by a trained domestic violence counselor. The certification shall indicate that the parent is in a domestic violence environment which makes them eligible for a limited work participation status.
    - (a) A participant's FVO limited work participation status shall be reviewed every six months and shall be determined by IRU based on the domestic violence counselor's certification.
    - (b) A participant who can continue to comply with work requirements as certified by a trained domestic violence counselor may be eligible for a limited work participation status for 24 weeks as described in 8.102.461.15 NMAC.
  - (9) A participant who is the sole provider of the care for an ill or incapacitated person. In order to meet this exception, the participant must show that the parent is the sole caretaker for a disabled person and must demonstrate that the participant cannot be out of the home for the number of hours necessary to meet standard work participation hours. The following apply to caretaker conditions in determining if the standard work participation rate applies or if a limited work participation rate will be granted:

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(a) Only those care activities around which work program activities cannot be scheduled are taken into consideration.

(b) Food purchase and preparation activities, home maintenance chores, etc. are activities which may be scheduled and performed at time other than work program participation hours and are not taken into consideration when determining the standard work participation rate.

(c) A requirement to be on call for the medical emergencies of a medically fragile person is taken into consideration in determining the standard work participation rate for the participant.

(10) A participant may demonstrate good cause for the need for the limited work participation status. A good cause limited work participation status may exist and shall be determined by the department based on the participant's existing condition(s) to include any barriers identified during the NMW assessment process that impair an individual's ability to comply with the standard work participation rate or capacity to work.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 0



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1. Name of eligibility change: **Clothing Allowance Decrease**
2. Implementation date of eligibility change: January 1, 2011
3. Description of policy, including the change from prior policy: Due to budgetary constraints during Federal Fiscal Year 2011, the issuance of a clothing allowance was decreased from twice a year in January and August in the amount of \$100 for school age children in an active TANF benefit group to one annual issuance at an unspecified amount. The policy now reflects that the Department may issue a clothing allowance if the Department determines it is financially able. Additionally, the policy no longer identifies the frequency or the amount of the clothing allowance issuance.
4. Description of the methodology used to calculate the estimated impact of this eligibility change:  
(attach supporting materials to this form)

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 0

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1. Name of eligibility change: **15% Budgetary Adjustment to the Monthly Benefit Amount**
2. Implementation date of eligibility change: January 1, 2011
3. Description of policy, including the change from prior policy: Effective January 1, 2011, HSD implemented a new methodology to calculate the monthly benefit allotment which includes reducing the allotment by 15%. The monthly benefit allotment for TANF, Education Works and the state funded cash assistance programs (i.e. State Funded Aliens and General Assistance for the Unrelated Child Households) was reduced. For example, currently the payment standard for a household of three is \$447. With the new methodology reducing the payment standard 15% or, in this example \$67, the resulting maximum monthly benefit allotment for a family of three is now \$380.00.
4. Description of the methodology used to calculate the estimated impact of this eligibility change:  
(attach supporting materials to this form)

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 0

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1. Name of eligibility change: **Suspension of the Transition Bonus Program**
2. Implementation date of eligibility change: January 31, 2011
3. Description of policy, including the change from prior policy: The Transition Bonus program provided a \$200 monthly bonus instead of a monthly cash assistance payment to active TANF households who were working a minimum of 30 hours per week with a gross income less than 150% of the Federal Poverty Limit. Due to budgetary constraints, this program was suspended effective January 31, 2011.
  
4. Description of the methodology used to calculate the estimated impact of this eligibility change:  
(attach supporting materials to this form)

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 0

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1. Name of eligibility change: **Suspension of Certain Support Service Reimbursements**
2. Implementation date of eligibility change: November 1, 2010
3. Description of policy, including the change from prior policy: Reimbursement of the following Support Services were suspended due to the lack of funds:
  - Initial month state funded child care reimbursement while pending placement with CYFD child care assistance;
  - Transportation advance and standard reimbursement;
  - Vocational training and education expense reimbursement;
  - Test fees; and
  - \$300 one time employment related expense allocation.
4. Description of the methodology used to calculate the estimated impact of this eligibility change:  
(attach supporting materials to this form)

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 0



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1. Name of eligibility change: **Eliminating the Excess Hours Worked Disregard**
2. Implementation date of eligibility change: July 1, 2008
3. Description of policy, including the change from prior policy: House Bill 342, which proposed to eliminate the excess hours worked disregarded, passed in the 2007 Regular Legislative Session. This bill made changes to the New Mexico Works Act (NMSA 27-2B-7 (F)) in which the excess hours worked disregarded was eliminated. This portion of the New Mexico Works Act stated that the department shall apply the following income disregards to the benefit group's earned income and then subtract that amount from the benefit group's financial standard of need: (1) for the first two years of receiving cash assistance or services, if a participant works over the work requirement rate set by the department pursuant to the New Mexico Works Act, one hundred percent of the income earned by the participant beyond that rate; and (2) for the first two years of receiving cash assistance or services, for a two-parent benefit group in which one parent works over thirty-five hours per week and the other works over twenty-four hours per week, one hundred percent of income earned by each participant beyond the work requirement rate set by the department.
4. Description of the methodology used to calculate the estimated impact of this eligibility change: (attach supporting materials to this form)

6. Estimated average monthly impact of this eligibility change on caseload in comparison year: 0

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1. Name of eligibility change: **Employment Retention and Advancement Bonus Program**
2. Implementation date of eligibility change: July 1, 2008
3. Description of policy, including the change from prior policy: House Bill 342, which passed in the 2007 Regular Legislative Session, proposed to eliminate the excess hours worked disregarded and replaced it with the Employment Retention and Advancement Bonus Program. This bill made changes to the New Mexico Works Act (NMSA 27-2B-G (G)). The Transition Bonus Program provides a fixed \$200.00 monthly cash benefit to eligible existing or past TANF households that are currently employed. Eligible households receiving support services must: be subject to a 18 month lifetime limit; be categorically eligible for the Food Stamp Program; and be required to meet a six month eligibility requirement.  
  
Applicants must meet initial eligibility in order to qualify for the Transition Bonus Program. These requirements are TANF/NMW non-financial eligibility (i.e. relationship, citizenship, etc); cannot be simultaneously participating in another cash assistance program; have received at least 3 months of TANF/NMW of which one must have been within the past three months; currently working a minimum of 30 hours per week, averaged over a month; have not received more than 18 months of the Transition Bonus Program or 60 months of TANF/NMW in a lifetime; gross earnings less than 150% of FPG.
4. Description of the methodology used to calculate the estimated impact of this eligibility change: (attach supporting materials to this form)

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 0

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**PART 2 – Estimate of Caseload Reduction Credit**

See Excel Spreadsheets following this page.

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**Overall Credit**

	A	B	C	D	E	F
1	<b>State?</b>			<b>Fiscal Year to which credit applies:</b>		<b>2014</b>
2				<b>Date of Completion:</b>	12/6/2013	
3	<b>PART 2 – Estimate of Caseload Reduction Credit</b>					
4						
5	<b>Impact of All Changes</b>			<u>Caseload Reduction Calculation</u>		
6				FY 2005 TANF Caseload	17,566	
7				FY 2005 SSP Caseload		
8				<b>Total FY 2005 Caseload</b>	<b>17,566</b>	
9				FY 2013 TANF Caseload	14,952	
10				FY 2013 SSP Caseload		
11				<b>Total FY 2013 Caseload</b>	<b>14,952</b>	
12				Excess MOE Cases in FY 2013	5,366	
13				<b>Adjusted FY 2013 Caseload</b>	<b>9,586</b>	
14				Caseload Decline	7,980	45.4%
15				Decline – Net Impact	7,980	
16						
17				Caseload Reduction Credit =		<b>45.4%</b>
18						
19						
20						
21						
22						
23						
24						
25						
26	<b>Net Impact</b>		<b>0</b>			
27						
28						

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**Two-Parent Credit**

	A	B	C	D	E	F
1				<b>Fiscal Year to which credit applies:</b>		<b>2014</b>
2				<b>Date of Completion:</b>	12/6/2013	
3	<b>PART 2 – Estimate of Caseload Reduction Credit -- 2-Parent Caseload</b>					
4						
5	<u>Impact of All Changes</u>			<u>Caseload Reduction Calculation</u>		
6				FY 2005 TANF 2-Parent Caseload	812	
7				FY 2005 SSP 2-Parent Caseload		
8				<b>Total FY 2005 Caseload</b>	<b>812</b>	
9				FY 2013 TANF 2-Parent Caseload	913	
10				FY 2013 SSP 2-Parent Caseload		
11				<b>Total FY 2013 2-Parent Caseload</b>	<b>913</b>	
12				Excess MOE 2-Parent Cases in FY 2013	328	
13				<b>Adjusted FY 2013 Caseload</b>	<b>585</b>	
14				Caseload Decline	227	27.9%
15				Decline – Net Impact	227	
16						
17				2-Parent Caseload Reduction Credit =		<b>27.9%</b>
18						
19						
20						
21						
22						
23						
24						
25						
26	<b>Net Impact</b>		<b>0</b>			
27						
28						

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**Excess MOE Worksheet**

	A	B	C	D	E	F
1				<b>Fiscal Year to which credit applies:</b>		<b>2014</b>
2				<b>Date of Completion:</b>		12/6/2013
3	<b>Excess MOE Calculation Worksheet</b>					
4						
5	<b>Caseload Data</b>			<b>Expenditure Data</b>		
6	FY 2005 TANF Caseload	17,566		<b>Total Expenditures</b>		
7	FY 2005 SSP Caseload	0		FY 2013 Total Federal Expenditures		\$58,953,184
8	<b>Total FY 2005 Caseload</b>	<b>17,566</b>		FY 2013 Total MOE Expenditures		\$106,312,560
9	FY 2013 TANF Caseload	14,952		<b>Total Expenditures (Federal + MOE)</b>		\$165,265,744
10	FY 2013 SSP Caseload	0				
11	<b>Total FY 2013 Caseload</b>	<b>14,952</b>		<b>Assistance Expenditures</b>		
12				FY 2013 Federal Expenditures on Assistance		\$40,792,754
13	<b>2-Parent Caseload Data</b>			FY 2013 MOE Expenditures on Assistance		\$67,419
14	FY 2005 2-p TANF Caseload	812		<b>Total Expenditures on Assistance (Federal + MOE)</b>		\$40,860,173
15	FY 2005 2-p SSP Caseload	0		Percentage of Expenditures on Assistance		24.72%
16	<b>Total FY 2005 Caseload</b>	<b>812</b>				
17	FY 2013 2-p TANF Caseload	913		<b>Expenditures Per Case</b>		
18	FY 2013 2-p SSP Caseload	0		Average Expenditures per Case		\$11,053
19	<b>Total FY 2013 Caseload</b>	<b>913</b>		Average Expenditures per Case on Assistance		\$2,733
20						
21				<b>MOE and Excess MOE</b>		
22				Required MOE (80% or 75%)		\$47,000,000
23				Excess MOE Expenditures		\$59,312,560
24				Excess MOE Expenditures on Assistance		\$14,664,391
25	<b>Adjusted Caseload Data</b>					
26	Adjusted FY 2013 Overall Caseload	<b>9,586</b>		<b>Assistance Cases Funded by Excess MOE</b>		<b>5,366</b>
27	Adjusted FY 2013 2-parent Caseload	<b>585</b>		<b>2-Parent Assistance Cases Funded by Excess MOE</b>		<b>328</b>
28						
29						
30						
31						
32						

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**PART 3 -- Certification**

I certify that we have provided the public an appropriate opportunity to comment on the estimates and methodology used to complete this report and considered those comments in completing it. Further, I certify that this report incorporates all reductions in the caseload resulting from State eligibility changes and changes in Federal requirements since Fiscal Year 2005.

Marilyn Martinez

(signature)

Marilyn Martinez

(name)

Acting Division Director

(title)