The Problem:

The District of Columbia had a growing TANF caseload, and families were languishing on TANF with little movement towards self-sufficiency.
The Solution

Invest in an individualized service model facilitated by a comprehensive individual assessment and supported by intelligent referrals utilizing performance based contracting.
The TANF redesign includes several programmatic enhancements

<table>
<thead>
<tr>
<th>Current TEP</th>
<th>Redesigned TEP</th>
</tr>
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<td>Primary focus is Federal Work First mandate</td>
<td>Balanced focus on Work First, remediation of barriers to employment, educational enhancement, and skills acquisition.</td>
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<td>Only customers who are referred to vendors receive orientation and assessment</td>
<td>Orientation and assessment will be a condition of eligibility</td>
</tr>
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<td>Breadth and depth of orientation varies across vendors</td>
<td>Comprehensive and standard orientation will be conducted by DHS</td>
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<td>Assessments are high-level and inconsistently administered across vendors</td>
<td>Centrally administered by DHS, assessments will be holistic, rigorous and in-depth</td>
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High-level process: redesigned TEP

1. **Applicant** undergoes orientation and assessment administered by DHS to determine eligibility.
   - If eligible, proceeds to TANF orientation.

2. **Customer** undergoes orientation and assessment:
   - If eligible, proceeds to TANF orientation.
   - If not eligible, referred to barrier remediation service providers.

3. **DHS** refers customer to TEP contractors:
   - TEP contractors provide work readiness and job placement services.

4. **Customer engages in work activities** and receives barrier removal and support services as needed.
   - If barriers are addressed, customer is now employable.

5. **Customer** is placed in employment, then referred to TANF cash assistance.

6. **Customer** is sanctioned if work activities not engaged in.

7. **Customer** is engaged in work activities and their barriers are addressed, referred to barrier remediation service providers.
An accountable welfare-to-work program with clear goal and outcomes

Goal
Move TANF customers towards greater levels of self-sufficiency by assisting them in preparing for, finding, and retaining unsubsidized employment that provide family-sustaining incomes

- **Outcome #1**: Increase the number of customers who overcome education and skill barriers to become employable
- **Outcome #2**: Increase the number of customers who meet work participation requirements
- **Outcome #3**: Increase the number of customers who gain employment
- **Outcome #4**: Increase the number of customers who secure high wage jobs
- **Outcome #5**: Increase the number of customers who retain their jobs
- **Outcome #6**: Increase the number of customers who move-off TANF
Vendors’ compensation is heavily tied to achievement of outcomes

3 types of payments to TEP vendor

- **Base compensation**
  - Monthly lump-sum payment based on the size of the vendor’s PIT or caseload

- **Outcome based compensation**
  - Payment point #1: Outcome #1
  - Payment point #2: Outcome #2
  - Payment point #3: Outcome #3
  - Payment point #4: Outcome #4
  - Payment point #5: Outcome #5

- **Cost reimbursement**
  - Stipends, customer incentives and discrete work-related expenses
The compensation is grounded in an extensive cost model.
Recommendations

- Grants should allow for outcome-based contracting
- Funding model should be full grants vs matching grants
- Meet the provider to collaborate and continuously improve the program
- Should include monitoring and review, and technical assistance
- Provide flexibility to scale based on performance
- Programs should be designed to target “hot jobs” in the area, and include core competencies for entry level positions.
- Should have an integrated person-centered focus.
Contact

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