

**FORM ACF-202 – CASELOAD REDUCTION REPORT
FOR TEXAS, FISCAL YEAR 2024**

**ATTACHMENT A:
METHODOLOGY FOR DETERMINING TEXAS' TANF
CASELOAD REDUCTION CREDIT (CRC)
FFY 2005 Versus FFY 2023 for FFY 2024**

The following outlines Texas' methodology for determining the reduction in the TANF caseload from FFY 2005 to FFY 2023:

1. Determine the number of cases in the base caseload for FFY 2005 and FFY 2023.
2. Calculate the base caseload reduction.
3. Determine the impact of state and federal legislation and policies implemented after FFY 2005 on the TANF caseload.
4. Determine the resultant caseload reduction credit.

Public comment is being requested as described in the posted notice in the November 24, 2023, edition of the Texas Register. A two-week period will be allowed for comment.

Texas is submitting a caseload reduction report for the overall participation rate.

METHODOLOGY

Overview

1. Base caseloads for FFY 2005 and FFY 2023 were determined.
2. The FFY 2005 caseload was subtracted from the FFY 2023 caseload to get the base caseload reduction.
3. The caseload impact of state and federal legislation and policy changes after FFY 2005 was determined.
4. Legislation and policy changes that increased the caseload were used to offset legislation and policy changes that reduced the caseload.
5. The result of Number 4 above was subtracted from the result in Number 2 above. This gives the revised caseload reduction.
6. The caseload reduction from Number 5 above was divided by the base caseload for FFY 2005 to determine the caseload reduction credit.

**ATTACHMENT A,
TEXAS' CASELOAD REDUCTION METHODOLOGY
FOR FFY 2024 continued**

TANF OVERALL CASELOAD

1. Base Caseloads

The number of overall TANF cases that received cash assistance is made up of cases from the Texas Health and Human Services Commission (HHSC) and from the Texas Department of Family and Protective Services (TDFPS). For HHSC, this was determined from ad hoc computer runs against a warrant history file kept by HHSC. The number of cases each month was determined based on the unique case number assigned to each TANF family. A family was counted only once in a given month. Families were included only if they received a benefit for a given month in that month. For example, families which received cash assistance in November for the month of October (i.e. their benefits were not available to them until after the benefit month in question) were not included in the count of families for October.

FFY 2005

For FFY 2005, the average of October 2004 through September 2005

- 83,006 families per month served through HHSC.
- 3,733 cases per month of children receiving TDFPS TANF/EA “assistance”.
- Total of **86,739** TANF assistance cases per month in Texas.

In addition, HHSC served an additional **2,892** two-parent families with TANF Maintenance of Effort (MOE) funds in the TANF State Program.

All totaled (86,739 + 2,892) the average monthly caseload for FFY 2005 was **89,631**.

FFY 2023

For FFY 2023, the average of October 2022 through September 2023

- 6,627 families per month served through HHSC.
- 3,051 cases per month of children served through TDFPS TANF/EA “assistance”.
- Total of **9,679** TANF assistance cases per month in Texas.

2. Base caseload reduction = FFY 2023 cases - FFY 2005 cases

$$9,679 - 89,631 = -79,952$$

3. The caseload impact of state and federal legislation and policy changes after FFY 2005

The following state and federal legislation and policy changes were made between October 2005 and September 2023:

- Refinance TANF Two-Parent program to State General Revenue dollars

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FOR FFY 2024 continued**

The methodology to estimate the caseload impact of each of these is provided below.

- The TANF State Program for two-parent families was refinanced from TANF Maintenance of Effort funding to solely state funds (general revenue) in October 2007. The only change was the funding source. No changes were made to the TANF eligibility determination policies for two-parent families. Since the change only impacted the funding source and the state continues to issue benefits, Texas is able to identify and track the actual two-parent caseload monthly.

Results

4. The following table summarizes all of the impacts described above:

Policy Change	Impact
Refinance TANF Two-Parent program to State GR dollars	-183

5. Revised caseload reduction

The net reduction from Step 4 (above) is subtracted from the base caseload reduction from Step 2 above.

$$-79,952 - (-183) = \mathbf{-79,769}$$

6. Calculation of Caseload Reduction Credit

Based on the above, Texas calculated the caseload reduction credit to be:

$$-79,769 / 89,631 = \mathbf{-89.0\%}$$