

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Date of Completion: 12/12/2023

State: Iowa

Fiscal Year to which credit applies: 2024

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: Increase in earned income disregard
2. Implementation date of eligibility change: August 2007
3. Description of policy, including the change from prior policy:

Prior to August 2007, FIP cases with earned income received an initial 20% deduction for earnings followed by a 50% disregard. The remaining net income was then applied against the standard FIP grant for the household. Beginning in August 2007, the disregard was increased to 58%. This change resulted in an increase in FIP grant levels for these cases due to the reduction of the net income applied to the grant. Also, it resulted in an increase in FIP caseload levels since some families who were previously ineligible for assistance now became eligible with a greater percentage of their earnings not applied against their FIP grant.

4. Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form):

When this policy change was implemented in FFY 2007, it was estimated that 157 additional cases per month would be eligible for FIP due to this change and that these cases would remain on assistance for an average of six (6) months due to their relatively high-income level which could disqualify them when their next scheduled report was due.

The 157 case per month figure was based upon the number of prior cases closed/denied for earnings. These figures were estimated since no prior history existed in most cases to use for earnings comparisons for new families.

The estimated impact of this change has been adjusted to correspond with FFY 2023 caseloads. This change only applies to FIP households with earnings, which excludes all but a very few caretaker cases that are statistically insignificant. The monthly average of the combined one and 2-parent FIP cases when the change was implemented in FFY 2007 was 13,695. The monthly average combined caseload for FFY 2023 was 3,171, a reduction of 10,524 or 76.85%. Applying the same proportionate reduction to the estimated impact of the policy change when implemented in FFY 2007, the estimated impact of the change for FFY 2023 is an increase of 36 cases per month: $157 \times 76.85\% = 121$; $157 - 121 = 36$.

Earned Income Reporting													Date of Completion:	12/12/2023
Impact on Each Month in FY 2023														
Time of Closure	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
Prior years carryover	180	144	108	72	36									
Oct	36	36	36	36	36	36								
Nov		36	36	36	36	36	36							
Dec			36	36	36	36	36	36						
Jan				36	36	36	36	36	36					
Feb					36	36	36	36	36	36				
Mar						36	36	36	36	36	36			
Apr							36	36	36	36	36	36		
May								36	36	36	36	36	36	
Jun									36	36	36	36	36	
Jul										36	36	36	36	
Aug											36	36	36	
Sep												36	36	
Total	216	216	216	216	216	216	216	216	216	216	216	216	216	
													Grand Total	
													2,592	
													FY 2023 monthly average	
													216	

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 216 (increase)

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1. Name of eligibility change: From monthly to quarterly reporting and then to six (6) month reporting
2. Implementation date of eligibility change: March 2007 (quarterly) February 2009 (6-month)
3. Description of policy, including the change from prior policy:

Prior to March 2007, many FIP cases were required to report on their circumstances on a monthly basis. Beginning in March 2007, these cases went to reporting on a quarterly basis. Then, beginning in January 2009, for the benefit month of February 2009, these cases went to 6-month reporting.

4. Description of the methodology used to calculate the estimated impact of this eligibility change: (attach supporting materials to this form)

When this policy change was implemented in FFY 2007, an 18-month period was examined (January 2006 – June 2007) for the number of cases closed for failure to return a report form. Prior to March 2007, the average was 322 cases per month. Following March 2007, the average went down to 196 cases per month. Therefore, the estimated impact of this policy change upon the monthly caseload was an increase of 126 cases per month. The change from monthly reporting to quarterly reporting affected cases differently. In some situations, this delayed the next review for two months, others had a one-month delay and still others had their next review at the same time. Therefore, it was believed that this policy change resulted in more cases remaining on assistance for a period of one additional month on average since it was believed that an equal proportion of cases had their next review zero, one or two months later. Beginning in February 2009, one month's eligibility was added to reflect 6-month reviews.

The estimated impact of this change has been adjusted to correspond with FFY 2023 caseloads. This change concerns monthly reporting which is generally limited to cases with earned income. Consequently, this change only applies to FIP households with earnings, which excludes all but a very few caretaker cases that are statistically insignificant. The monthly average of combined one and 2-parent FIP cases for FFY 2007 was 13,695. The monthly average for FFY 2023 was 3,171, a reduction of 10,524 or 76.85%. Applying the same proportionate reduction to the estimated impact of the policy change when implemented in FFY 2007, the estimated impact of the change for FFY 2023 was an increase of 29 cases per month: $126 \times 0.7685 = 96.83$; $126 - 97 = 29$.

Six Month Reporting													Date of Completion: 12/12/2023
Impact on Each Month in FY 2023													
Time of Closure	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Prior years carryover	29												
Oct	29	29											
Nov		29	29										
Dec			29	29									
Jan				29	29								
Feb					29	29							
Mar						29	29						
Apr							29	29					
May								29	29				
Jun									29	29			
Jul										29	29		
Aug											29	29	
Sep												29	29
Total	58	58	58	58	58	58	58	58	58	58	58	58	Grand Total 696
													FY 2023 monthly average 58

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 58 (increase)

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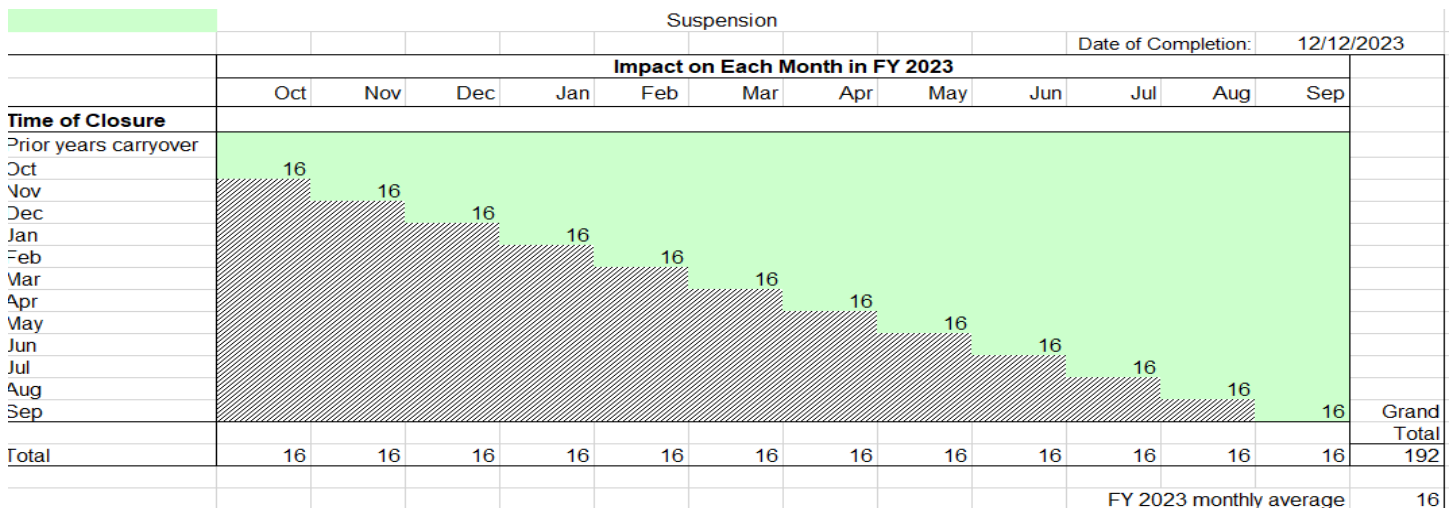
1. Name of eligibility change: End of suspension of cases going over income due to 3rd/5th check in month
2. Implementation date of eligibility change: February 2007
3. Description of policy, including the change from prior policy:

Prior to February 2007, FIP cases which received either a third or fifth check for earned income in a given month were suspended from eligibility for a period of one month if their earnings disqualified them from eligibility since it was expected that they would return to eligibility the following month when they returned to a regular two or four check month. Beginning in February 2007, this provision was eliminated and the income in these months is now prorated for only the regularly anticipated two or four checks.

4. Description of the methodology used to calculate the estimated impact of this eligibility change: (attach supporting materials to this form)

When this policy change was implemented in FFY 2007, an 18-month period of time was examined (January 2006 – June 2007) to determine the average number of FIP cases suspended per month in the months before the February 2007 change. Since that figure was 69, the number of cases remaining on FIP due to the elimination of this policy was estimated at 69 cases per month. Since the suspension always lasted for one month, the 69 cases per month were only projected for one month.

The estimated impact of this change has been adjusted to correspond with FFY 2023 caseloads. This change only applies to FIP households with earnings, which excludes all but a very few caretaker cases that are statistically insignificant. The monthly average of combined one and two parent FIP cases for FFY 2007 was 13,695. The monthly average for FFY 2023 was 3,171, a reduction of 10,524 or 76.85%. Applying the same proportionate reduction to the estimated impact of the policy change when implemented in FFY 2007, the estimated impact of the change for FFY 2023 was 16 cases per month: $69 \times 0.7685 = 53.026$; $69 - 53 = 16$.



5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 16 (increase)

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1. Name of eligibility change: Calculation of net self-employment income
2. Implementation date of eligibility change: August 2012
3. Description of policy, including the change from prior policy:

Prior to August 2012, FIP cases with self-employment income had to provide verification of actual allowable expenses to receive a deduction for that expense. Beginning with August 2012, FIP applicant and participant households with self-employment income have had a choice between receiving a standard deduction of 40% from their gross self-employment income or having their actual allowable and verified self-employment expenses deducted from their gross self-employment income. This change resulted in an increase in FIP caseload levels since it allows some households who were previously ineligible to become eligible for benefits since they can now choose the method more beneficial to them.

4. Description of the methodology used to calculate the estimated impact of this eligibility change: (attach supporting materials to this form)

When this policy change was implemented in FFY 2012, it was estimated that 5 additional cases per month were eligible for FIP which would otherwise not have been eligible and that these cases remained on assistance for an average of 12 months.

The estimated impact of this change has been adjusted to correspond with FFY 2023 caseloads. This change only applies to FIP households with earnings, which excludes all but a very few caretaker cases that are statistically insignificant. The monthly average of combined one and two parent FIP cases for FFY 2012 was 12,673. The monthly average for FFY 2023 was 3,171, a reduction of 9,502 or 74.98%. Applying the same proportionate reduction to the estimated impact of the policy change when implemented in FFY 2012, the estimated impact of the change for FFY 2023 was an increase of 1 cases per month: $5 \times 0.7498\% = 3.7489$; $5 - 4 = 1$.

Self Employment													Date of Completion:	12/12/2023
Impact on Each Month in FY 2023														
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
Time of Closure														
Prior years carryover	12	11	10	9	8	7	6	5	4	3	2	1		
Oct	1	1	1	1	1	1	1	1	1	1	1	1	1	
Nov		1	1	1	1	1	1	1	1	1	1	1	1	
Dec			1	1	1	1	1	1	1	1	1	1	1	
Jan				1	1	1	1	1	1	1	1	1	1	
Feb					1	1	1	1	1	1	1	1	1	
Mar						1	1	1	1	1	1	1	1	
Apr							1	1	1	1	1	1	1	
May								1	1	1	1	1	1	
Jun									1	1	1	1	1	
Jul										1	1	1	1	
Aug											1	1	1	
Sep												1	1	
Total	13	13	13	13	13	13	13	13	13	13	13	13	156	
													FY 2023 monthly average	
													13	

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 13 (increase)

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PART 2 – Estimate of Caseload Reduction Credit

(Complete Part 2 using Excel Workbook provided.)

Iowa		Fiscal Year to which credit applies:	2024	
		Date of Completion:	12/12/2023	
PART 2 – Estimate of Caseload Reduction Credit				
<u>Impact of All Changes</u>		<u>Caseload Reduction Calculation</u>		
Increase in Earned Income Desrega	216	FY 2005 TANF Caseload	19,487	
Six-Month Reporting	58	FY 2005 SSP Caseload		
Elimination of Suspension	16	Total FY 2005 Caseload	19,487	
Self-Employment Income	13	FY 2023 TANF Caseload	4,367	
		FY 2023 SSP Caseload		
		Total FY 2023 Caseload	4,367	
		Excess MOE Cases in FY 2023	91	
		Adjusted FY 2023 Caseload	4,276	
		Caseload Decline	15,211	78.1%
		Decline – Net Impact	15,514	
		Caseload Reduction Credit =		78.1%
Net Impact	303			

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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.

(signature)

Matt Uthoff
(name)

TANF Administrator
(title)