

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Date of Completion: 12/16/2024

State: Iowa

Fiscal Year to which credit applies: 2025

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 2024 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 2024 was 3,081, a reduction of 10,614 or 77.50%. 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 2024 is an increase of 35 cases per month: $157 \times 77.50\% = 122$; $157 - 122 = 35$.

Earned Income Reporting												Date of Completion:	12/13/2024
Impact on Each Month in FY 2024													
Time of Closure	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Prior years carryover	210	175	140	105	70	35							
Oct	35	35	35	35	35	35	35						
Nov		35	35	35	35	35	35	35					
Dec			35	35	35	35	35	35	35				
Jan				35	35	35	35	35	35	35			
Feb					35	35	35	35	35	35	35		
Mar						35	35	35	35	35	35	35	
Apr							35	35	35	35	35	35	35
May								35	35	35	35	35	35
Jun									35	35	35	35	35
Jul										35	35	35	35
Aug											35	35	35
Sep												35	35
Total	245	245	245	245	245	245	245	245	245	245	245	245	Grand Total 2,940
													FY 2024 monthly average 245

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 245 (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 2024 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 2024 was 3,081, a reduction of 10,614 or 77.50%. 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 2024 was an increase of 28 cases per month: $126 \times 0.7750 = 97.65$; $126 - 98 = 28$.

Six Month Reporting												Date of Completion: 12/13/2024	
Impact on Each Month in FY 2024													
Time of Closure	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Prior years carryover	28												
Oct	28	28											
Nov		28	28										
Dec			28	28									
Jan				28	28								
Feb					28	28							
Mar						28	28						
Apr							28	28					
May								28	28				
Jun									28	28			
Jul										28	28		
Aug											28	28	
Sep												28	
Total	56	56	56	56	56	56	56	56	56	56	56	56	Grand Total 672
FY 2024 monthly average												56	

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 56 (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 2024 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 2024 was 3,081, a reduction of 10,614 or 77.50%. 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 2024 was 15 cases per month: $69 \times 0.7750 = 53.4768$; $69 - 54 = 15$.

Suspension													Date of Completion: 12/13/2024	
Impact on Each Month in FY 2024														
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
Time of Closure														
Prior years carryover														
Oct	15													
Nov		15												
Dec			15											
Jan				15										
Feb					15									
Mar						15								
Apr							15							
May								15						
Jun									15					
Jul										15				
Aug											15			
Sep												15		
Total	15	15	15	15	15	15	15	15	15	15	15	15	Grand Total 180	
FY 2024 monthly average													15	

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 15 (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 2024 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 2024 was 3,081, a reduction of 9,592 or 75.69%. 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 2024 was an increase of 1 cases per month: $5 \times 0.7568\% = 3.77844$; $5 - 4 = 1$.

Self Employment													Date of Completion:	12/13/2024
Impact on Each Month in FY 2024														
Time of Closure	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
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 2024 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:	2025
		Date of Completion:	12/16/2024
PART 2 – Estimate of Caseload Reduction Credit			
<u>Impact of All Changes</u>		<u>Caseload Reduction Calculation</u>	
Increase in Earned Income Disregar	245	FY 2005 TANF Caseload	19,487
Six-Month Reporting	56	FY 2005 SSP Caseload	
Elimination of Suspension	15	Total FY 2005 Caseload	19,487
Self-Employment Income	13	FY 2024 TANF Caseload	4,083
		FY 2024 SSP Caseload	
		Total FY 2024 Caseload	4,083
		Excess MOE Cases in FY 2024	216
		Adjusted FY 2024 Caseload	3,867
		Caseload Decline	15,620 80.2%
		Decline – Net Impact	15,949
		Caseload Reduction Credit =	80.2%
Net Impact	329		

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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.

Matt Uthoff

(signature)

Matt Uthoff

(name)

TANF Administrator

(title)